

IN THE SUPREME COURT OF THE STATE OF NEVADA

INDICATE FULL CAPTION:

RUTH L. COHEN

vs.

PAUL S. PADDA and PAUL PADDA LAW,
PLLC

No. 81018

DOCKETING STATEMENT
CIVIL APPEALS

Electronically Filed
May 01 2020 02:09 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

GENERAL INFORMATION

Appellants must complete this docketing statement in compliance with NRAP 14(a). The purpose of the docketing statement is to assist the Supreme Court in screening jurisdiction, identifying issues on appeal, assessing presumptive assignment to the Court of Appeals under NRAP 17, scheduling cases for oral argument and settlement conferences, classifying cases for expedited treatment and assignment to the Court of Appeals, and compiling statistical information.

WARNING

This statement must be completed fully, accurately and on time. NRAP 14(c). The Supreme Court may impose sanctions on counsel or appellant if it appears that the information provided is incomplete or inaccurate. *Id.* Failure to fill out the statement completely or to file it in a timely manner constitutes grounds for the imposition of sanctions, including a fine and/or dismissal of the appeal.

A complete list of the documents that must be attached appears as Question 27 on this docketing statement. Failure to attach all required documents will result in the delay of your appeal and may result in the imposition of sanctions.

This court has noted that when attorneys do not take seriously their obligations under NRAP 14 to complete the docketing statement properly and conscientiously, they waste the valuable judicial resources of this court, making the imposition of sanctions appropriate. See KDI Sylvan Pools v. Workman, 107 Nev. 340, 344, 810 P.2d 1217, 1220 (1991). Please use tab dividers to separate any attached documents.

1. Judicial District Eighth Department XI
County Clark Judge Judge Elizabeth Gonzalez
District Ct. Case No. A-19-792599-B

2. Attorney filing this docketing statement:

Attorney Philip R. Erwin, Esq. Telephone (702) 382-5222
Firm Campbell & Williams
Address 700 South Seventh Street
Las Vegas, Nevada 89101

Client(s) Ruth L. Cohen

If this is a joint statement by multiple appellants, add the names and addresses of other counsel and the names of their clients on an additional sheet accompanied by a certification that they concur in the filing of this statement.

3. Attorney(s) representing respondents(s):

Attorney Stephen J. Peek, Esq. Telephone (702) 669-4600
Firm Holland & Hart, LLP
Address 9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

Client(s) Paul Padda, Esq. and Paul Padda Law, PLLC

Attorney Daniel F. Polsenberg, Esq. Telephone (702) 474-2616
Firm Lewis Roca Rothgerber Christie LLP
Address 3993 Howard Hughes Pkwy, #600
Las Vegas, Nevada 89169

Client(s) Paul Padda, Esq. and Paul Padda Law, PLLC

(List additional counsel on separate sheet if necessary)

4. Nature of disposition below (check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Judgment after bench trial | <input type="checkbox"/> Dismissal: |
| <input type="checkbox"/> Judgment after jury verdict | <input type="checkbox"/> Lack of jurisdiction |
| <input checked="" type="checkbox"/> Summary judgment | <input type="checkbox"/> Failure to state a claim |
| <input type="checkbox"/> Default judgment | <input type="checkbox"/> Failure to prosecute |
| <input type="checkbox"/> Grant/Denial of NRCP 60(b) relief | <input type="checkbox"/> Other (specify): _____ |
| <input type="checkbox"/> Grant/Denial of injunction | <input type="checkbox"/> Divorce Decree: |
| <input type="checkbox"/> Grant/Denial of declaratory relief | <input type="checkbox"/> Original <input type="checkbox"/> Modification |
| <input type="checkbox"/> Review of agency determination | <input type="checkbox"/> Other disposition (specify): _____ |

5. Does this appeal raise issues concerning any of the following?

- ☐ Child Custody
- ☐ Venue
- ☐ Termination of parental rights

6. Pending and prior proceedings in this court. List the case name and docket number of all appeals or original proceedings presently or previously pending before this court which are related to this appeal:

None.

7. Pending and prior proceedings in other courts. List the case name, number and court of all pending and prior proceedings in other courts which are related to this appeal (e.g., bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition:

None.

8. Nature of the action. Briefly describe the nature of the action and the result below:

This case arises out of the dissolution of a law partnership between appellant Ruth L. Cohen ("Ms. Cohen") and respondent Paul S. Padda ("Mr. Padda"). Specifically, Ms. Cohen brought claims against Mr. Padda for breach of contract, breach of fiduciary duty, and fraud in connection with Mr. Padda's failure to pay Ms. Cohen an agreed to percentage of attorney's fees collected on contingency fee cases that originated pre-dissolution and resolved post-dissolution.

The district court entered its Order Granting Defendants' Motion for Summary Judgment on February 18, 2020 and dismissed all of Ms. Cohen's claims. The court held that because Ms. Cohen was suspended from the practice of law at the time such cases resolved, the dissolution agreement was unenforceable and Ms. Cohen could not share in the fees.

Thereafter, the district court entered its Order Denying Plaintiff's Motion for Reconsideration of the Order Granting Defendants' Motion for Summary Judgment on March 31, 2020. Ms. Cohen appeals both orders.

9. Issues on appeal. State concisely the principal issue(s) in this appeal (attach separate sheets as necessary):

The district court granted Defendants' motion for summary judgment on the grounds that Ms. Cohen was suspended from the practice of law at the time such cases resolved and, thus, was a "non-lawyer" for purposes of Nevada Rules of Professional Conduct 5.4(a). The district court held that Ms. Cohen's suspension from the practice of law rendered the Dissolution Agreement between Ms. Cohen and Mr. Padda illegal and unenforceable. Ms. Cohen contends an expectancy agreement between two lawyers does not run afoul of the prohibition on fee-sharing with non-lawyers when the lawyer fully performed his or her obligations before the suspension and there was no abandonment of the client. The principle issue in this appeal is whether an expectancy agreement between two attorneys is enforceable where one attorney is suspended from the practice of law at the time the cases resolved, but fully performed her duties relative to the cases and transferred all responsibilities owed to the clients prior to the suspension.

10. Pending proceedings in this court raising the same or similar issues. If you are aware of any proceedings presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket numbers and identify the same or similar issue raised:

Plaintiff is not aware of any such case.

11. Constitutional issues. If this appeal challenges the constitutionality of a statute, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

☒ N/A

☐ Yes

☐ No

If not, explain:

12. Other issues. Does this appeal involve any of the following issues?

☐ Reversal of well-settled Nevada precedent (identify the case(s))

☐ An issue arising under the United States and/or Nevada Constitutions

☒ A substantial issue of first impression

☒ An issue of public policy

☐ An issue where en banc consideration is necessary to maintain uniformity of this court's decisions

☐ A ballot question

If so, explain: This appeal involves a substantial issue of first impression and public policy in Nevada, which is whether NRPC 5.4(a) forbids payment of attorney's fees due an attorney who performed all that was contractually required of her prior to her suspension from the practice of law. Courts around the country have held that to prevent the lawyer from receiving her expectancy interest in these circumstances constitutes retroactive punishment, results in unjust enrichment, and harms legitimate contractual rights.

13. Assignment to the Court of Appeals or retention in the Supreme Court. Briefly set forth whether the matter is presumptively retained by the Supreme Court or assigned to the Court of Appeals under NRAP 17, and cite the subparagraph(s) of the Rule under which the matter falls. If appellant believes that the Supreme Court should retain the case despite its presumptive assignment to the Court of Appeals, identify the specific issue(s) or circumstance(s) that warrant retaining the case, and include an explanation of their importance or significance:

This matter is presumptively retained by the Supreme Court pursuant to NRAP 17(a)(4) as a case involving attorney suspension and NRAP 17(a)(11)-(12) as a matter raising as a principle issue a question of first impression and statewide public importance.

14. Trial. If this action proceeded to trial, how many days did the trial last? _____

Was it a bench or jury trial? N/A

15. Judicial Disqualification. Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal? If so, which Justice?
None.

TIMELINESS OF NOTICE OF APPEAL

16. Date of entry of written judgment or order appealed from Feb. 18, 2020

If no written judgment or order was filed in the district court, explain the basis for seeking appellate review:

17. Date written notice of entry of judgment or order was served Feb. 18, 2020

Was service by:

☐ Delivery

☒ Mail/electronic/fax

18. If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52(b), or 59)

(a) Specify the type of motion, the date and method of service of the motion, and the date of filing.

☐ NRCP 50(b) Date of filing _____

☐ NRCP 52(b) Date of filing _____

☐ NRCP 59 Date of filing Mot. for Recon. filed 2/21/2020

NOTE: Motions made pursuant to NRCP 60 or motions for rehearing or reconsideration may toll the time for filing a notice of appeal. See AA Primo Builders v. Washington, 126 Nev. ____, 245 P.3d 1190 (2010).

(b) Date of entry of written order resolving tolling motion 3/31/2020

(c) Date written notice of entry of order resolving tolling motion was served 3/31/2020

Was service by:

☐ Delivery

☒ Mail

19. Date notice of appeal filed April 8, 2020

If more than one party has appealed from the judgment or order, list the date each notice of appeal was filed and identify by name the party filing the notice of appeal:

20. Specify statute or rule governing the time limit for filing the notice of appeal, e.g., NRAP 4(a) or other

NRAP 4(a)(4)

SUBSTANTIVE APPEALABILITY

21. Specify the statute or other authority granting this court jurisdiction to review the judgment or order appealed from:

(a)

- | | |
|---|---------------------------------------|
| <input checked="" type="checkbox"/> NRAP 3A(b)(1) | <input type="checkbox"/> NRS 38.205 |
| <input type="checkbox"/> NRAP 3A(b)(2) | <input type="checkbox"/> NRS 233B.150 |
| <input type="checkbox"/> NRAP 3A(b)(3) | <input type="checkbox"/> NRS 703.376 |
| <input type="checkbox"/> Other (specify) _____ | |

(b) Explain how each authority provides a basis for appeal from the judgment or order:

The district court granted summary judgment in favor of defendants, which is a final judgment appealable under NRAP 3A(b)(1).

22. List all parties involved in the action or consolidated actions in the district court:

(a) Parties:

Ruth L. Cohen, an individual (Plaintiff)

vs.

Paul S. Padda, an individual (Defendant); and

Paul Padda Law, PLLC, a Nevada professional limited liability company
(Defendant)

(b) If all parties in the district court are not parties to this appeal, explain in detail why those parties are not involved in this appeal, *e.g.*, formally dismissed, not served, or other:

N/A

23. Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, cross-claims, or third-party claims and the date of formal disposition of each claim.

Ms. Cohen brought claims against Mr. Padda for: 1) Breach of Contract; 2) Breach of Implied Covenant of Good Faith and Fair Dealing (contractual and tortious); 3) Breach of Fiduciary Duty; 4) Fraud in the Inducement; 5) Fraudulent Concealment; 6) Fraudulent Misrepresentation; 7) Unjust Enrichment; 8) Elder Abuse; and 9) Declaratory Relief. She further brought claims against Paul Padda Law for 1) Fraud in the Inducement; 2) Fraudulent Concealment; 3) Fraudulent Misrepresentation; 4) Unjust Enrichment; 5) Elder Abuse; and 6) Declaratory Relief.

24. Did the judgment or order appealed from adjudicate ALL the claims alleged below and the rights and liabilities of ALL the parties to the action or consolidated actions below?

☒ Yes

☐ No

25. If you answered "No" to question 24, complete the following:

(a) Specify the claims remaining pending below:

N/A

(b) Specify the parties remaining below:
N/A

(c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b)?

☐ Yes

☐ No

(d) Did the district court make an express determination, pursuant to NRCP 54(b), that there is no just reason for delay and an express direction for the entry of judgment?

☐ Yes

☐ No

26. If you answered "No" to any part of question 25, explain the basis for seeking appellate review (e.g., order is independently appealable under NRAP 3A(b)):

N/A

27. Attach file-stamped copies of the following documents:

- The latest-filed complaint, counterclaims, cross-claims, and third-party claims
- Any tolling motion(s) and order(s) resolving tolling motion(s)
- Orders of NRCP 41(a) dismissals formally resolving each claim, counterclaims, cross-claims and/or third-party claims asserted in the action or consolidated action below, even if not at issue on appeal
- Any other order challenged on appeal
- Notices of entry for each attached order

VERIFICATION

I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.

Ruth L. Cohen

Name of appellant

Philip R. Erwin

Name of counsel of record

May 1, 2020

Date


Signature of counsel of record

Clark County, Nevada

State and county where signed

CERTIFICATE OF SERVICE

I certify that on the 1st day of May, 2020, I served a copy of this completed docketing statement upon all counsel of record:

- ☐ By personally serving it upon him/her; or
- ☒ By mailing it by first class mail with sufficient postage prepaid to the following address(es): (NOTE: If all names and addresses cannot fit below, please list names below and attach a separate sheet with the addresses.)

Stephen J. Peek, Esq.
Ryan A. Semerad, Esq.

Daniel F. Polsenberg, Esq.
Joel D. Henriod, Esq.

Tamara B. Peterson, Esq.
Nikki L. Baker, Esq.

Dated this 1st day of May, 2020


Signature

Supplement to Question 3 – Attorney(s) Representing Respondent(s):

Attorney: Ryan A. Semerad, Esq.
Firm: Donald L. Fuller, Attorney at Law, LLC
Address: 242 South Grant Street
Casper, Wyoming 82601
Telephone: (307) 265-3455
Client: Paul Padda, Esq. and Paul Padda Law PLLC

Attorney: Joel D. Henriod, Esq.
Firm: Lewis Roca Rothgerber Christie, LLP
Address: 3993 Howard Hughes Pkwy, #600
Las Vegas, Nevada 89169
Telephone: (702) 474-2616
Client: Paul Padda, Esq. and Paul Padda Law, PLLC

Attorney: Tamara B. Peterson, Esq.
Firm: Peterson Baker PLLC
Address: 701 South Seventh Street
Las Vegas, Nevada 89101
Telephone: (702) 786-1001
Client: Paul Padda, Esq. and Paul Padda Law PLLC

Attorney: Nikki L. Baker, Esq.
Firm: Peterson Baker PLLC
Address: 701 South Seventh Street
Las Vegas, Nevada 89101
Telephone: (702) 786-1001
Client: Paul Padda, Esq. and Paul Padda Law PLLC

Supplement to Certificate of Service – Addresses

Holland & Hart LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, Nevada 89134

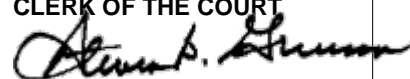
Donald. L Fuller, Attorney at Law, LLC
242 South Grant Street
Casper, Wyoming 82601

Lewis Roca Rothgerber Christie, LLP
3993 Howard Hughes Pkwy, #600
Las Vegas, Nevada 89169

Peterson Baker PLLC
701 South Seventh Street
Las Vegas, Nevada 89101

EXHIBIT 1

-Complaint Filed On 4/9/2019-

**Marquis Aurbach Coffing**

Liane K. Wakayama, Esq.

Nevada Bar No. 11313

Jared M. Moser, Esq.

Nevada Bar No. 13003

10001 Park Run Drive

Las Vegas, Nevada 89145

Telephone: (702) 382-0711

Facsimile: (702) 382-5816

lwakayama@maclaw.com

jmoser@maclaw.com

*Attorneys for Plaintiff Ruth L. Cohen*CASE NO: A-19-792599-B
Department 27**DISTRICT COURT****CLARK COUNTY, NEVADA**

RUTH L. COHEN, an individual,

Case No.:

Plaintiff,

Dept. No.:

vs.

**Exempt from Arbitration: NAR 3(A)
(Amount in Controversy in Excess of
\$50,000.00, Exclusive of Interest and Costs;
Equitable Relief Requested)**PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individuals I-
X; and, ROE entities I-X,**Business Court Requested: EDCR 1.61(a)(2)(ii)**

Defendants.

***** Jury Trial Demanded *******COMPLAINT**

Plaintiff Ruth L. Cohen ("Ms. Cohen"), by and through her attorneys of record, the law firm of Marquis Aurbach Coffing, alleges and complains against Paul S. Padda ("Padda") and Paul Padda Law, PLLC ("Padda Law," and together with Padda, "Defendants") as follows:

PARTIES

1. Ms. Cohen is, and was at all times relevant hereto, an individual residing in Clark County, Nevada.

2. Upon information and belief, Padda is, and was at all times relevant hereto, an individual residing in Clark County, Nevada.

///

1 3. Upon information and belief, Padda Law is, and was at all times relevant hereto, a
2 Nevada professional limited liability company, licensed to conduct business in the state of
3 Nevada, and conducting business as a law firm, with its principal place of business in Clark
4 County, Nevada.

5 4. The true names and capacities, whether individual, corporate, associate or
6 otherwise, of Defendants named herein as DOES I-X, inclusive, and ROE entities I-X, inclusive,
7 are presently unknown to Ms. Cohen. Said DOE and ROE Defendants are responsible for
8 damages suffered by Ms. Cohen. As a result, Ms. Cohen sues said Defendants by such fictitious
9 names. Ms. Cohen will seek leave to amend this Complaint to reflect the true names and
10 capacities of each DOE and ROE Defendant at such time as the same has been ascertained.

11 **JURISDICTION AND VENUE**

12 5. Venue is proper in the Eighth Judicial District Court in Clark County, Nevada,
13 pursuant to NRS 13.040 because (1) one or more of the Defendants reside in Clark County,
14 Nevada, and are authorized to transact business, and currently transact business, within Clark
15 County, Nevada; and, (2) the obligations, acts, and omissions complained of herein were
16 incurred and committed, in whole or in part, within Clark County, Nevada.

17 6. This Court has personal jurisdiction over the Defendants, pursuant to NRS 14.065
18 because (1) the Defendants' activities and contacts in Nevada have been and continue to be so
19 substantial, continuous, and systematic that the Defendants are deemed present in the forum; and,
20 (2) the obligations, acts, and omissions compliance of herein were incurred and committed, in
21 whole or in part, in Nevada, and thus, the Defendants have had sufficient minimum contacts with
22 this forum such that the exercise of personal jurisdiction over them will not offend traditional
23 notions of fair play and substantial justice.

24 **GENERAL ALLEGATIONS**

25 **MS. COHEN'S CAREER AND RELATIONSHIP WITH PADDA**

26 7. Born in 1949, Ms. Cohen became licensed to practice law by the Nevada State
27 Bar in 1976.

28 ///

1 18. In conjunction with establishing C & P, Ms. Cohen and Padda executed a contract
2 titled "Partnership Agreement."

3 19. Pursuant to the Partnership Agreement, each partner was entitled to the
4 distributive share, paid on a quarterly basis, with RLC and TPLF each to receive 50% of the net
5 profits of C & P.

6 20. The Partnership Agreement also provided that "[e]ach partner shall have free
7 access upon request to examine and copy the books, papers or other writings of the partnership."

8 21. In addition, under the Partnership Agreement, "[e]ach partner shall, on every
9 reasonable request, give to the other partners a true accounting of all transactions relating to the
10 business of the partnership, and full information of all letters, accounts, writings and other things
11 which shall come to his or her knowledge concerning the business of the partnership."

12 22. According to the Partnership Agreement, "[t]he value of a partner's interest shall
13 be computed by adding the totals of the partner's (i) capital contribution and (ii) profits due and
14 owing minus any amount owed by it to the partnership ... "

15 23. Padda and Ms. Cohen would later extend the term of the Partnership Agreement
16 through the end of calendar year 2014, at which time they entered into dissolution agreements, as
17 addressed below.

18 **MS. COHEN'S DECISION TO WIND DOWN HER CAREER**
19 **AND THE ULTIMATE DISSOLUTION OF C & P**

20 24. In 2008, Ms. Cohen was diagnosed with breast cancer and was forced to undergo
21 treatment, which caused her to begin considering retirement.

22 25. At or around the time she turned 65 years of age, in or about late 2014, Ms. Cohen
23 began to consider retirement in earnest.

24 26. Consequently, Ms. Cohen and Padda discussed dissolution of their partnership,
25 and memorialized their mutual intention and understanding in two, very similar contracts, both
26 titled "Partnership Dissolution Agreement," and dated November 1, 2014, and December 23,
27 2014 (the "Operative Dissolution Agreement"), respectively.

28 ///

1 27. Pursuant to the Operative Dissolution Agreement, the parties agreed that Ms.
2 Cohen would be entitled to payment of \$15,000, to purchase her interest in the C & P business
3 (the “Buyout Payment”), including all of C & P’s “electronics, furniture, computers, other items,
4 intellectual property or interests.”

5 28. The Operative Dissolution Agreement also provided that “[w]ith respect to
6 contingency fee cases in which there [had, as of the effective date] yet to be a recovery by way of
7 settlement or judgment, Ruth Cohen shall be entitled to a 33.333% percent share of gross
8 attorney’s fees recovered in all contingency fee cases for which [C & P] has a signed retainer
9 agreement dated on or before December 31, 2014. ... ”

10 29. In exchange for, and in reliance upon, these contractual assurances, Ms. Cohen
11 agreed to *only* forfeit any fees earned (1) on C & P’s or Padda’s clients whose retainer
12 agreements were dated after January 1, 2015; (2) on clients whose matters were handled on a flat
13 fee basis; and (3) on clients whose matters were handled on an hourly fee basis.

14 30. Those clients with contingency fee agreements dated December 31, 2014, or
15 earlier, included, without limitation, the following:

- 16 a. Mark Garland (“Garland”);
- 17 b. David Moradi (“Moradi”); and
- 18 c. Steven Cochran and Melissa Cochran (the “Cochrans”).

19 31. Ms. Cohen also brought in several employment law cases and clients to C & P,
20 which were pending at the time of her forced departure from practice at Padda Law and, upon
21 information and belief, Padda Law has reaped, and continues to reap, the financial benefit of Ms.
22 Cohen’s work.

23 32. In 2016, Ms. Cohen transitioned to a part-time employment role with Padda Law.

24 33. As she was awaiting the resolutions of the Garland, Moradi, and Cochrans cases,
25 among others, in late 2016, Padda advised Ms. Cohen that the Moradi case was “in the toilet”
26 and not likely to recover much. Padda’s blatant misrepresentations to Ms. Cohen about the value
27 of the cases for which she was entitled to receive a one-third share of the compensation, as set
28 forth in the Operative Dissolution Agreement, are discussed in greater detail below.

PADDA PROFITS FROM HIS DECEPTION OF MS. COHEN REGARDING GARLAND

34. Padda misrepresented to Ms. Cohen the value of Garland's case, arising from an incident where Garland was severely injured at a Las Vegas water park in July 2013.

35. Garland had previously retained C & P for an employment law matter, and he would return to retain C & P to represent him in his personal injury litigation, executing a contingency fee agreement prior to December 31, 2014.

36. Padda verbally represented to Ms. Cohen, in or around the fourth quarter of 2015, that the value of Garland's case was no more than \$10,000, and that C & P would likely have to reduce its fee recovery in order for Garland to recover anything.

37. Padda's representations to Ms. Cohen were false and intentional and, upon information and belief, he knew them to be false or, alternatively, had an insufficient basis to make the representation.

38. In actuality, Ms. Cohen would later discover that Padda served an offer of judgment in the amount of approximately \$240,000, which confirms that Padda knew the case had a much higher value than \$10,000 when he falsely represented the value to Ms. Cohen.

39. The defendant water park accepted the \$240,000 offer of judgment, and the litigation was dismissed with prejudice in September 2016 – the same month that Padda tricked Ms. Cohen into a new compensation agreement that he hoped would replace the Operative Dissolution Agreement.

40. Pursuant to the Operative Dissolution Agreement, Ms. Cohen was entitled to 33.333% of the attorney fees received from that \$240,000 recovery – believed to be 1/3 of \$96,000 (40%) – *i.e.*, \$32,000.

41. Ms. Cohen received nothing from Padda or Padda Law relative to the Garland recovery while they pocketed the entire \$96,000.

PADDA PROFITS FROM HIS DECEPTION OF MS. COHEN REGARDING MORADI

42. Moradi was a New York City hedge fund manager, less than 40 years old, and making more than \$10 million/year when he visited the Marquee nightclub at the Cosmopolitan in 2012.

1 43. On the night of Moradi's visit to Marquee, Marquee security assaulted, battered,
2 and falsely imprisoned Moradi, beating him so badly that he received severe injuries, including
3 permanent brain damage.

4 44. Moradi was referred to C & P, and he ultimately executed a contingency fee
5 agreement, prior to December 2014, to retain C & P to represent him in his personal injury case.

6 45. In an attempt to avoid paying Ms. Cohen the attorney fees to which she was
7 entitled under the Operative Dissolution Agreement, Padda misrepresented to Ms. Cohen, in or
8 about early September 2016, that the Moradi case was "in the toilet," and of minimal value.

9 46. Padda lied to Ms. Cohen, telling her that Moradi had returned to work, that the
10 case had no economic loss of income value and, therefore, that it would not likely recover much
11 for Moradi.

12 47. In reality, Padda had obtained expert reports in the case as early as May 2014, in
13 which several experts opined that Moradi had permanent brain damage and could no longer
14 manage his hedge fund, which ultimately resulted in the fund's closure with no likelihood of
15 recovery.

16 48. Moradi had answered interrogatories in May 2015, testifying under oath that his
17 "job performance deteriorated," and he "has not returned to work as a hedge fund or portfolio
18 manager."

19 49. On May 4, 2015, Padda signed and served Moradi's responses to the defendants
20 first set of interrogatories.

21 50. In addition, weeks before misrepresenting to Ms. Cohen that Moradi's case was
22 "in the toilet," in August 2016, Padda obtained Stanley V. Smith, Ph. D.'s economic expert
23 report as part of correspondence directed only to Padda, in which Dr. Smith opined that Moradi's
24 past and future lost earnings damages could range between \$74,523,737 and \$307,281,435.

25 51. In addition, Dr. Smith estimated the value of Moradi's loss of enjoyment of life to
26 range between an additional \$1,421,763 and \$2,369,593.

27 52. In other words, less than one month before telling Ms. Cohen that Moradi's case
28 had "limited" or minimal value and was "in the toilet," Padda was told by his expert that the case

1 was worth upwards of \$75 million; plus, Padda had previously served an Offer of Judgment of
2 his own for \$1,500,000.

3 53. At the time he fraudulently misrepresented to Ms. Cohen the value of Moradi's
4 case in early September 2016, Padda also knew that there was a firm trial setting that was rapidly
5 approaching, which he kept hidden from Ms. Cohen.

6 54. Shortly after Ms. Cohen met with Moradi for the initial client intake meeting, and
7 after Padda teamed up with California counsel to assist with the prosecution of Moradi's case,
8 Ms. Cohen did not review any part of the Moradi file (including all expert reports) as she had
9 placed the utmost trust in Padda, her longtime friend and partner, to accurately convey to her
10 what was happening in the case and its value.

11 55. Throughout the early part of 2017, Ms. Cohen remained loyal to Padda and even
12 represented Padda in the prosecution of his personal wrongful termination claims against the
13 USAO – without being paid a dime, even though Padda promised to compensate her.

14 56. In April 2017, a jury awarded Moradi \$160.5 million in compensatory damages,
15 and, upon information and belief, in the process of the jury's consideration of Moradi's request
16 for more than \$400 million in punitive damages, the parties settled, with \$20 million in attorney
17 fees ultimately awarded to Defendants and their co-counsel, the Los Angeles law firm of Panish
18 Shea & Boyle, of which Defendants are believed to have received half, or approximately \$10
19 million.

20 57. Ms. Cohen did not discover that Padda had fraudulently concealed the value of
21 the Moradi case until she read about it in the Las Vegas Review Journal in the spring of 2017.

22 58. Pursuant to the Operative Dissolution Agreement, Ms. Cohen was entitled to
23 receive more than \$3.3 million of the \$10 million fee collected by Defendants because Moradi's
24 contingency fee agreement with C & P was dated before December 31, 2014.

25 **PADDA STANDS TO PROFIT FROM HIS DECEPTION REGARDING THE COCHRANS**

26 59. About three months after the 2012 incident involving Moradi and the Marquee
27 nightclub, the Cochrans, a Las Vegas couple, attending a Farmers Insurance party at the Marquee
28 were also assaulted by security officers at the nightclub.

60. With C & P's representation of Moradi being reported by news media, the Cochrans also retained C & P, long before December 31, 2014.

61. As of March 2019, Eighth Judicial District Court records still identify Ms. Cohen as the Lead Attorney, and Padda as counsel as well, in the Cochrans' case, but Defendants have associated the law firm of Eglet Prince ("Eglet") to assist in the prosecution.

62. The parties advised the district court judge, on April 2, 2019, that a global settlement was reached in the amount of \$1.4 million.

63. Upon information and belief, 40% contingency fees on the gross recovery (fees of approximately \$560,000) will be split between Defendants and Eglet.

64. Pursuant to the Operative Dissolution Agreement, Ms. Cohen is entitled to receive 33.333% of Defendants' \$280,000 share, or approximately \$93,333.

PADDA CONS MS. COHEN INTO SIGNING A FRAUDULENT CONTRACT

65. In or about September 2016, before Garland was finally resolved and before Moradi's case was set for trial – but after Padda learned that his experts valued Moradi's case as high as \$307,000,000 – Padda verbally reiterated to Ms. Cohen that the pending contingency cases were not likely to recover much, if anything, and he used Ms. Cohen's age, financial situation, and health issues as leverage to encourage her to accept a minimal payment pursuant to a new contract entitled "Business Expectancy Interest Resolution Agreement" (the "Fraudulent Agreement").

66. The Fraudulent Agreement required Ms. Cohen to take small, token payments in exchange for her waiver of her interests in the pending resolutions.

67. In fact, the Fraudulent Agreement even deceptively references "[Ms.] Cohen's *limited*, remaining expectancy interests ..."

68. That Fraudulent Agreement was executed on or about September 12, 2016, and only seven months later, Moradi would receive the largest single-plaintiff jury verdict for compensatory damages in Nevada history – \$160,500,000.

69. Taking advantage of her vulnerability, Padda convinced Ms. Cohen to sign the Fraudulent Agreement under false pretenses, which she would not have done but for Padda's

misrepresentations about the cases' respective values, her advanced age, financial troubles, and on-going health problems.

70. The Fraudulent Agreement is legally unenforceable due, in part, to the Padda's fraud in the inducement, coercion, and financial duress under which they were signed.

71. Again, Ms. Cohen first discovered that Defendants had lied to her about the value and anticipated recovery in the Moradi case when, in approximately April 2017, she read an article in the Las Vegas Review Journal about the jury verdict and subsequent settlement.

72. Later, in or about the summer of 2017, when Ms. Cohen confronted Defendants and demanded payment of those fees to which she was entitled, Defendants refused to remit full payment and, instead, gave Ms. Cohen a \$50,000 discretionary bonus, refusing to make payment in full or to honor the Operative Dissolution Agreement.

73. Defendants gave Ms. Cohen the \$50,000 discretionary bonus with full knowledge that she was in an extremely vulnerable state due to her on-going health problems and financial issues.

74. Ms. Cohen never viewed the "discretionary bonus" as a full satisfaction of what she was owed pursuant to the Operative Dissolution Agreement.

75. Not only was Padda aware of Ms. Cohen's struggles relative to tax debt at the time of handing Ms. Cohen the discretionary bonus check, but Padda also knew that she suffered a series of health issues during the relevant time period.

76. For example, Ms. Cohen had suffered a traumatic injury as the result of trying to break up a fight between her dogs at her home in early 2017.

77. The dog bite later became infected, which infection was growing increasingly worse throughout the summer of 2017, eventually requiring Ms. Cohen's hospitalization in the fall of 2017.

78. Also, in the summer of 2017, Ms. Cohen was diagnosed with anemia and began to experience recurring pain in her breasts, which she believed may be related to her earlier breast cancer diagnosis.

///

79. Defendants intentionally and knowingly took advantage of Ms. Cohen's vulnerability, an elderly woman at the time, in order to deceive her into entering into the Fraudulent Agreement and, later, into taking the discretionary bonus.

80. Defendants have refused to honor their obligations owed to Ms. Cohen pursuant to the Operative Dissolution Agreement.

81. Based on their fraudulent and deceptive conduct, the Defendants have reaped a financial windfall totaling well over \$3.4 million – to the detriment of Ms. Cohen, an elderly woman.

FIRST CLAIM FOR RELIEF

(Breach of Contract – Partnership Dissolution Agreement, against Padda)

82. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every allegation contained above, inclusive, as if fully set forth herein.

83. In December 2014, Padda and Ms. Cohen entered into a valid and binding contract, the Operative Dissolution Agreement.

84. Ms. Cohen fully performed any and all obligations she had under the Operative Dissolution Agreement.

85. Ms. Cohen satisfied all conditions precedent, if any, to the Operative Dissolution Agreement.

86. Padda materially breached the Operative Dissolution Agreement by refusing to make payment for the attorney fees to which Ms. Cohen was entitled thereunder, which includes, but is not limited to, the Garland, Moradi, and Cochran, as well as other cases brought into C & P by Ms. Cohen.

87. Ms. Cohen made demand for payment, with which Padda has refused to comply.

88. There was and is no excuse for Padda's failure to pay Ms. Cohen.

89. As a direct and proximate result of Padda's breach of contract, Ms. Cohen has been damaged in excess of \$15,000.00, in an amount to be proven at trial.

///

///

1 90. It has become necessary for Ms. Cohen to engage the services of an attorney to
2 prosecute this action, and therefore, she is entitled to attorney fees and costs to the extent
3 permitted by law.

4 **SECOND CLAIM FOR RELIEF**

5 **(Breach of the Implied Covenant of Good Faith and Fair Dealing**
6 **– Contract, against Padda)**

7 91. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every
8 allegation contained above, inclusive, as if fully set forth herein.

9 92. On or about December 31, 2014, Padda and Ms. Cohen entered into a valid and
10 binding contract, the Operative Dissolution Agreement.

11 93. In Nevada, every contract contains an implied covenant of good faith and fair
12 dealing.

13 94. Given that every contract contains an implied covenant of good faith and fair
14 dealing, Padda had a duty to deal with Ms. Cohen in good faith, consistent with the spirit of the
15 Operative Dissolution Agreement, and consistent with the parties' justifiable expectations.

16 95. Padda materially breached the contractually implied covenant of good faith and
17 fair dealing with Ms. Cohen by, among other things, advising her that the recoveries obtained in
18 the cases from which she was entitled to a portion of the attorney fees awarded had been, or were
19 expected to be, substantially less than was truthful.

20 96. Padda further breached the contractually implied covenant of good faith and fair
21 dealing with Ms. Cohen when, among other things, he took advantage of her compromised
22 health and financial duress by manipulating her into signing Final Agreement.

23 97. As a direct and proximate result of Padda's breach of the contractually implied
24 covenant of good faith and fair dealing, Ms. Cohen has been damaged in excess of \$15,000.00,
25 in an amount to be proven at trial.

26 98. It has become necessary for Ms. Cohen to engage the services of an attorney to
27 prosecute this action, and therefore, she is entitled to attorney fees and costs to the extent
28 permitted by law.

THIRD CLAIM FOR RELIEF

**(Breach of the Implied Covenant of Good Faith and Fair Dealing
– Tortious, against Padda)**

99. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every allegation contained above, inclusive, as if fully set forth herein.

100. On or about December 31, 2014, Padda and Ms. Cohen entered into a valid and binding contract, the Operative Dissolution Agreement.

101. In Nevada, every contract contains an implied covenant of good faith and fair dealing.

102. Given that every contract contains an implied covenant of good faith and fair dealing, Padda had a duty to deal with Ms. Cohen in good faith, consistent with the spirit of the Operative Dissolution Agreement, and consistent with the parties' justifiable expectations.

103. Ms. Cohen had a justifiable expectation to receive certain benefits consistent with the spirit of the Operative Dissolution Agreement.

104. There was a special relationship of trust between Padda and Ms. Cohen, arising not only from their long relationship, personally and professionally, but particularly as business partners, and Ms. Cohen relied upon Padda to be open, honest, and provide accurate accounting and truthful assessments of their cases together.

105. The bad faith conduct of Padda was knowing and deliberate.

106. As a direct and proximate result of Padda's breach of the implied covenant of good faith and fair dealing in tort, Ms. Cohen has been damaged in excess of \$15,000.00, in an amount to be proven at trial.

107. Moreover, as a direct and proximate result of Padda's breach, which was characterized by fraud, oppression, or malice, express or implied, Ms. Cohen is entitled to punitive damages, in an amount to be proven at trial.

108. It has become necessary for Ms. Cohen to engage the services of an attorney to prosecute this action, and therefore, she is entitled to attorney fees and costs to the extent permitted by law.

FOURTH CLAIM FOR RELIEF**(Breach of Fiduciary Duty, against Padda)**

109. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every allegation contained above, inclusive, as if fully set forth herein.

110. A fiduciary relationship existed between Padda and Ms. Cohen, such that Padda was bound to act for the benefit of Ms. Cohen, as his partner, and to provide full and frank disclosure of all relevant information.

111. Padda failed to use due care or diligence, to act with utmost faith, to exercise ordinary skill, or to act with reasonable intelligence in his role as a partner and, consequently, a fiduciary to Ms. Cohen.

112. As a direct and proximate result of Padda's breach of fiduciary duty, Ms. Cohen has been damaged in excess of \$15,000.00, in an amount to be proven at trial.

113. Moreover, as a direct and proximate result of Padda's breach of fiduciary duty, which was characterized by fraud, oppression, or malice, express or implied, Ms. Cohen is entitled to punitive damages, in an amount to be proven at trial.

114. Because (i) a confidential relationship existed between Ms. Cohen and Padda, (ii) the retention of legal title by Padda to the funds at issue in this case would be inequitable, and (iii) the existence of a trust is essential to the effectuation of justice, Ms. Cohen is entitled to the Court's imposition of a constructive trust over those funds held by Padda, as trustee thereof.

115. It has become necessary for Ms. Cohen to engage the services of an attorney to prosecute this action, and therefore, she is entitled to attorney fees and costs to the extent permitted by law.

FIFTH CLAIM FOR RELIEF**(Fraud in the Inducement – the Final Agreement, against Padda and Padda Law)**

116. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every allegation contained above, inclusive, as if fully set forth herein.

117. Padda, on his own behalf and on behalf of Padda Law, verbally made false representations to Ms. Cohen in summer 2016 (as to Garland), and in the fall of 2016 (as to

1 Moradi and the Cochrans), when he told Ms. Cohen that these cases each had little or no value
2 and/or little or no likelihood of any substantial recovery.

3 118. Padda had knowledge or belief that the representations were false, or had
4 knowledge that he had insufficient basis for making the representations at the time made.

5 119. Padda intended to induce Ms. Cohen to consent to the formation of the Final
6 Agreement.

7 120. Ms. Cohen justifiably relied upon Padda's misrepresentation in entering into the
8 Final Agreement.

9 121. As a direct and proximate result of Padda's misrepresentations, Ms. Cohen has
10 been damaged in excess of \$15,000.00, in an amount to be proven at trial.

11 122. Moreover, as a direct and proximate result of Padda's misrepresentations, which
12 were characterized by fraud, oppression, or malice, express or implied, Ms. Cohen is entitled to
13 punitive damages, in an amount to be proven at trial.

14 123. Because (i) a confidential relationship existed between Ms. Cohen and Padda, (ii)
15 the retention of legal title by Padda to the funds at issue in this case would be inequitable, and
16 (iii) the existence of a trust is essential to the effectuation of justice, Ms. Cohen is entitled to the
17 Court's imposition of a constructive trust over those funds held by Padda, as trustee thereof.

18 124. It has become necessary for Ms. Cohen to engage the services of an attorney to
19 prosecute this action, and therefore, she is entitled to attorney fees and costs to the extent
20 permitted by law.

21 **SIXTH CLAIM FOR RELIEF**

22 **(Fraudulent Concealment, against Padda and Padda Law)**

23 125. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every
24 allegation contained above, inclusive, as if fully set forth herein.

25 126. Defendants concealed or suppressed material facts from Ms. Cohen.

26 127. Upon information and belief, Padda even instructed staff of C & P and Padda
27 Law, "don't tell Ruth anything," and "do not share disbursement sheets," in order to conceal the
28

1 material facts at issue, namely the values and potential recoveries of the Garland, Moradi, and
2 Cochran cases, and others.

3 128. Defendants were under a duty to disclose the concealed facts.

4 129. Defendants intentionally concealed or suppressed facts with the intention of
5 defrauding Ms. Cohen.

6 130. Ms. Cohen did not know about the facts and would have acted differently had she
7 known.

8 131. As a direct and proximate result of Defendants' fraudulent concealment of
9 material facts from Ms. Cohen, Ms. Cohen has been damaged in excess of \$15,000.00, in an
10 amount to be proven at trial.

11 132. Moreover, as a direct and proximate result of Defendants' fraudulent concealment
12 of material facts from Ms. Cohen, which was characterized by fraud, oppression, or malice,
13 express or implied, Ms. Cohen is entitled to punitive damages, in an amount to be proven at trial.

14 133. Because (i) a confidential relationship existed between Ms. Cohen and Padda, (ii)
15 the retention of legal title by Padda to the funds at issue in this case would be inequitable, and
16 (iii) the existence of a trust is essential to the effectuation of justice, Ms. Cohen is entitled to the
17 Court's imposition of a constructive trust over those funds held by Padda, as trustee thereof.

18 134. It has become necessary for Ms. Cohen to engage the services of an attorney to
19 prosecute this action, and therefore, she is entitled to attorney fees and costs to the extent
20 permitted by law.

21 **SEVENTH CLAIM FOR RELIEF**

22 **(Fraudulent or Intentional Misrepresentation, against Padda and Padda Law)**

23 135. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every
24 allegation contained above, inclusive, as if fully set forth herein.

25 136. Padda, on his own behalf and on behalf of Padda Law, verbally made false
26 representations to Ms. Cohen in summer 2016 (as to Garland), and in the fall of 2016 (as to
27 Moradi and the Cochrans), when he told Ms. Cohen that these cases each had little or no value
28 and/or little or no likelihood of any substantial recovery.

1 137. Defendants knew or believed that their representations were false, or they had an
2 insufficient basis of information for making the false representations.

3 138. Defendants intended to induce Ms. Cohen to act or refrain from acting upon those
4 misrepresentations.

5 139. Ms. Cohen justifiably relied upon Defendants' representations.

6 140. As a direct and proximate result of Defendants' fraudulent or intentional
7 misrepresentations, and Ms. Cohen's reliance on those misrepresentations, Ms. Cohen has been
8 damaged in excess of \$15,000.00, in an amount to be proven at trial.

9 141. Moreover, as a direct and proximate result of Defendants' intentional
10 misrepresentations, which were characterized by fraud, oppression, or malice, express or
11 implied, Ms. Cohen is entitled to punitive damages, in an amount to be proven at trial.

12 142. Because (i) a confidential relationship existed between Ms. Cohen and Padda, (ii)
13 the retention of legal title by Padda to the funds at issue in this case would be inequitable, and
14 (iii) the existence of a trust is essential to the effectuation of justice, Ms. Cohen is entitled to the
15 Court's imposition of a constructive trust over those funds held by Padda, as trustee thereof.

16 143. It has become necessary for Ms. Cohen to engage the services of an attorney to
17 prosecute this action, and therefore, she is entitled to attorney fees and costs to the extent
18 permitted by law.

19 **EIGHTH CLAIM FOR RELIEF**

20 **(Unjust Enrichment, against Padda Law, and pleaded in the alternative against Padda)**

21 144. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every
22 allegation contained above, inclusive, as if fully set forth herein.

23 145. Ms. Cohen conferred a benefit upon Padda and, consequently, upon Padda Law,
24 when she, among other things, performed client intake and caused Garland, Moradi, and the
25 Cochrans, as well as Ms. Cohen's other clients, to execute contingency fee agreements which
26 resulted in substantial attorney fee revenues, or prospective revenues, on those cases.

27 146. Defendants received and appreciated the benefit of Ms. Cohen's actions and her
28 work on the contingency fee cases at issue.

1 147. Defendants accepted and retained that benefit under circumstances such that it
2 would be inequitable for them to retain the benefits without payment to Ms. Cohen for the value
3 thereof.

4 148. As a direct and proximate result of Defendants' unjust enrichment, Ms. Cohen has
5 been damaged in excess of \$15,000.00, in an amount to be proven at trial.

6 149. Moreover, as a direct and proximate result of Defendants' retention of the benefit,
7 which retention was characterized by fraud, oppression, or malice, express or implied, Ms.
8 Cohen is entitled to punitive damages, in an amount to be proven at trial.

9 150. Because (i) a confidential relationship existed between Ms. Cohen and Padda, (ii)
10 the retention of legal title by Padda to the funds at issue in this case would be inequitable, and
11 (iii) the existence of a trust is essential to the effectuation of justice, Ms. Cohen is entitled to the
12 Court's imposition of a constructive trust over those funds held by Padda, as trustee thereof.

13 151. It has become necessary for Ms. Cohen to engage the services of an attorney to
14 prosecute this action, and therefore, she is entitled to attorney fees and costs to the extent
15 permitted by law.

16 **NINTH CLAIM FOR RELIEF**

17 **(Elder Abuse, under NRS 41.1395, against Padda)**

18 152. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every
19 allegation contained above, inclusive, as if fully set forth herein.

20 153. This is an action for damages pursuant to NRS 41.1395 for injury or loss suffered
21 by Ms. Cohen from exploitation.

22 154. Pursuant to NRS 41.1395, Ms. Cohen is an older person who suffered a loss of
23 money or property caused by exploitation by Padda.

24 155. Pursuant to NRS 41.1395(d), Ms. Cohen did meet the definition of an older
25 person in that she was over the age of 60 years of age at all times relevant herein.

26 156. Padda's conduct, as previously described above herein, meets the definition of
27 "exploitation," as defined in NRS 41.1395(4)(b), because he took acts, with the trust and
28 confidence of Ms. Cohen, in order to obtain control, through deception, intimidation or undue

1 influence, over the money, assets or property of Ms. Cohen, with the intention of permanently
2 depriving her of the ownership, use, benefit or possession of her money, assets or property.

3 157. In addition, Padda's conduct, as previously described above herein, meets the
4 definition of "exploitation," as defined in NRS 41.1395(4)(b), because he converted Ms. Cohen's
5 money, assets or property with the intention of permanently depriving her of the ownership, use,
6 benefit or possession of her money, assets or property.

7 158. Padda acted with recklessness, oppression, fraud and/or malice, express or
8 implied, and his actions or inactions towards Ms. Cohen as previously stated above, and herein,
9 justify the award of punitive damages, attorney fees, and costs of suit.

10 159. Further, pursuant to NRS 41.1395(1), Ms. Cohen is entitled to two times the
11 actual damages incurred as a result of Padda's exploitation.

12 **TENTH CLAIM FOR RELIEF**

13 **(Declaratory Relief, against Padda and Padda Law)**

14 160. Ms. Cohen repeats, re-alleges, and incorporates by this reference each and every
15 allegation contained above, inclusive, as if fully set forth herein.

16 161. A justiciable controversy exists between Defendants and Ms. Cohen in that Ms.
17 Cohen posits that (1) she is entitled to a 33.333% share of the attorney fees recovered in
18 contingency fee cases for which a retainer agreement for C & P was executed prior to December
19 31, 2014, and (2) any later agreement, including the Final Agreement, is invalid as a matter of
20 law while, upon information and belief, Defendants disagree and have taken a contrary position.

21 162. Accordingly, Ms. Cohen has requested payment of amounts owed, but Defendants
22 rejected Ms. Cohen positions.

23 163. Ms. Cohen, therefore, has asserted, and hereby asserts, a legally protected right.

24 164. The issue is ripe for judicial determination, so Ms. Cohen seeks a declaration
25 from the Court that the Dissolution Agreement is valid and enforceable, entitling her to
26 immediate payment for attorney fee revenues collected, and that the Final Agreement is legally
27 invalid and unenforceable.

28 ///

JURY TRIAL DEMAND

Pursuant to NRCP 38, Ms. Cohen hereby demands a trial by jury of all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Ms. Cohen prays for the following relief against Defendants:

1. Complete rescission of the Fraudulent Agreement;
2. For an accounting;
3. Judgment in her favor and against Defendants on all of her causes of action in excess of \$15,000 in actual, compensatory damages in an amount to be proven at trial;
4. For disgorgement of profits received by Defendants;
5. For a constructive trust over monies to which Defendants maintain title but which, in equity, belong to Ms. Cohen;
6. For an award of treble, punitive damages, under NRS 42.005, against Defendants in an amount to be proven at trial;
7. For an award of double damages, under NRS 41.1395, against Defendants in an amount to be proven at trial;
8. For an award of attorney fees and costs and incurred in bringing this action as special damages under NRS 41.1395, and as permitted by law;
9. For an award of pre-judgment and post-judgment interest at the highest rate permitted by law until paid in full; and
10. For any further relief as the Court deems to be just and proper.

Dated this 9th day of April, 2019.

MARQUIS AURBACH COFFING

By /s/ Jared M. Moser

Liane K. Wakayama, Esq.

Nevada Bar No. 11313

Jared M. Moser, Esq.

Nevada Bar No. 13003

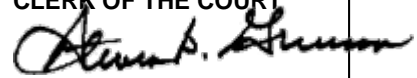
10001 Park Run Drive

Las Vegas, Nevada 89145

Attorneys for Plaintiff Ruth L. Cohen

EXHIBIT 2

-Answer Filed On 5/10/2019-



ANS
J. Stephen Peek, Esq.
Nevada Bar No. 1758
Ryan A. Semerad, Esq.
Nevada Bar No. 14615
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134
Phone: 702.669.4600
Fax: 702.669.4650
speek@hollandhart.com
rasemerad@hollandhart.com

Attorneys for Defendants PAUL S. PADDA

**DISTRICT COURT
CLARK COUNTY, NEVADA**

RUTH L. COHEN, an Individual,

Plaintiff,

Case No. A-19-792599-B
Dept. No. II

**PAUL S. PADDA'S ANSWER TO
COMPLAINT**

v.

PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individuals I-
X; and ROE entities I-X,,

Defendants.

Defendant Paul S. Padda ("Mr. Padda" or "Defendant"), by and through his counsel of record the law firm Holland & Hart LLP, hereby answers Plaintiff Ruth L. Cohen's ("Cohen" or "Plaintiff") complaint (the "Complaint") on file herein as follows.

1. Defendant denies all allegations in the Complaint not expressly admitted, denied, or otherwise responded to herein.

PARTIES

2. In response to paragraph 1 of the Complaint, Defendant admits the allegations contained therein.

3. In response to paragraph 2 of the Complaint, Defendant denies the allegations contained therein.

1 4. In response to paragraph 3 of the Complaint, Defendant admits the allegations
2 contained therein.

3 5. In response to paragraph 4 of the Complaint, Defendant is without knowledge or
4 information sufficient to form a belief as to the truth or veracity of the allegations contained therein
5 and therefore denies the same.

6 **JURISDICTION AND VENUE**

7 6. In response to paragraph 5 of the Complaint, Defendant denies the allegations
8 contained therein.

9 7. In response to paragraph 6 of the Complaint, Defendant denies the allegations
10 contained therein.

11 **GENERAL ALLEGATIONS**

12 **Ms. Cohen's Career and Relationship With Padda**

13 8. In response to paragraph 7 of the Complaint, Defendant admits the allegations
14 contained therein.

15 9. In response to paragraph 8 of the Complaint, Defendant is without knowledge or
16 information sufficient to form a belief as to the truth or veracity of the allegations contained therein
17 and therefore denies the same.

18 10. In response to paragraph 9 of the Complaint, Defendant admits that he met Plaintiff
19 while he was employed as an Assistant United States Attorney. Defendant is without knowledge
20 or information sufficient to form a belief as to the truth or veracity of the remaining allegations
21 contained therein and therefore denies the same.

22 11. In response to paragraph 10 of the Complaint, Defendant admits that he was
23 interviewed at the United States Attorney's Office while Plaintiff was employed there. Defendant
24 denies the remaining allegations in this paragraph in their entirety.

25 12. In response to paragraph 11 of the Complaint, Defendant admits the allegations
26 contained therein.

27 13. In response to paragraph 12 of the Complaint, Defendant admits the allegations
28 contained therein.

24. In response to paragraph 23 of the Complaint, Defendant states the agreements referenced therein speak for themselves and Defendant denies Plaintiff's interpretation of the same to the extent it is inconsistent with the express language.

**Ms. Cohen's Decision to Wind Down Her Career and the
Ultimate Dissolution of C&P**

25. In response to paragraph 24 of the Complaint, Defendant is without knowledge or information sufficient to form a belief as to the truth or veracity of the allegations contained therein and therefore denies the same.

26. In response to paragraph 25 of the Complaint, Defendant is without knowledge or information sufficient to form a belief as to the truth or veracity of the allegations contained therein and therefore denies the same.

27. In response to paragraph 26 of the Complaint, Defendant admits that he and Plaintiff discussed dissolution of their respective company's partnership. As to the remaining allegations, Defendant states the agreement referenced therein speaks for itself and Defendant denies Plaintiff's interpretation of the same to the extent it is inconsistent with the express language.

28. In response to paragraph 27 of the Complaint, Defendant states the agreement referenced therein speaks for itself and Defendant denies Plaintiff's interpretation of the same to the extent it is inconsistent with the express language.

29. In response to paragraph 28 of the Complaint, Defendant states the agreement referenced therein speaks for itself and Defendant denies Plaintiff's interpretation of the same to the extent it is inconsistent with the express language.

30. In response to paragraph 29 of the Complaint, Defendant states the agreement referenced therein speaks for itself and Defendant denies Plaintiff's interpretation of the same to the extent it is inconsistent with the express language.

31. In response to paragraph 30 of the Complaint, Defendant admits the allegations contained therein .

1 32. In response to paragraph 31 of the Complaint, Defendant denies the allegations
2 contained therein.

3 33. In response to paragraph 32 of the Complaint, Defendant denies the allegations
4 contained therein.

5 34. In response to paragraph 33 of the Complaint, Defendant denies the allegations
6 contained therein.

7 **PADDA PROFITS FROM HIS DECEPTION OF MS. COHEN**
8 **REGARDING GARLAND**

9 35. In response to paragraph 34 of the Complaint, Defendant denies the allegations
10 contained therein.

11 36. In response to paragraph 35 of the Complaint, Defendant admits the allegations
12 contained therein.

13 37. In response to paragraph 36 of the Complaint, Defendant denies the allegations
14 contained therein.

15 38. In response to paragraph 37 of the Complaint, Defendant denies the allegations
16 contained therein.

17 39. In response to paragraph 38 of the Complaint, Defendant denies the allegations
18 contained therein.

19 40. In response to paragraph 39 of the Complaint, Defendant denies the allegations
20 contained therein.

21 41. In response to paragraph 40 of the Complaint, Defendant denies the allegations
22 contained therein.

23 42. In response to paragraph 41 of the Complaint, Defendant denies the allegations
24 contained therein.

25 **PADDA PROFITS FROM HIS DECEPTION OF MS. COHEN**
26 **REGARDING MORADI**

27 43. In response to paragraph 42 of the Complaint, Defendant admits the allegations
28 contained therein.

1 44. In response to paragraph 43 of the Complaint, Defendant denies the allegation that
2 Mr. Moradi has “permanent brain damage” for lack of information and belief. Defendant admits
3 the remaining allegations in paragraph 43 of the Complaint.

4 45. In response to paragraph 44 of the Complaint, Defendant denies the allegation that
5 Mr. Moradi was referred to Cohen & Padda, LLP. Mr. Moradi was specifically referred to
6 Defendant. Defendant admits the remaining allegations in paragraph 44 of the Complaint.

7 46. In response to paragraph 45 of the Complaint, Defendant denies the allegations
8 contained therein.

9 47. In response to paragraph 46 of the Complaint, Defendant denies the allegations
10 contained therein.

11 48. In response to paragraph 47 of the Complaint, Defendant is without knowledge or
12 information sufficient to form a belief as to the truth or veracity of the allegations contained therein
13 and therefore denies the same.

14 49. In response to paragraph 48 of the Complaint, Defendant admits the allegations
15 contained therein to the extent they are supported by the referenced responses to interrogatories,
16 which are the best evidence of their contents. Those answers speak for themselves. Defendant
17 denies the remaining allegations in this paragraph in their entirety for lack of knowledge and belief.

18 50. In response to paragraph 49 of the Complaint, Defendant admits the allegations
19 contained therein to the extent they are supported by the referenced responses to interrogatories,
20 which are the best evidence of their contents. Those answers speak for themselves. Defendant
21 denies the remaining allegations in this paragraph in their entirety for lack of knowledge and belief.

22 51. In response to paragraph 50 of the Complaint, Defendant denies the allegations
23 contained therein.

24 52. In response to paragraph 51 of the Complaint, Defendant responds that Dr. Smith’s
25 report speaks for itself.

26 53. In response to paragraph 52 of the Complaint, Defendant admits that, on December
27 10, 2015, he served an offer of judgment for \$1,500,000.00 upon the defendants in the Moradi
28 case. Defendant denies the remaining allegations in this paragraph in their entirety.

1 54. In response to paragraph 53 of the Complaint, Defendant denies the allegations
2 contained therein.

3 55. In response to paragraph 54 of the Complaint, Defendant denies the allegations
4 contained therein.

5 56. In response to paragraph 55 of the Complaint, Defendant admits that Plaintiff
6 represented Defendant in a legal dispute with the United States Attorney's Office in 2017 and that
7 the representation commenced much earlier. On September 12, 2016, Cohen was both a signatory
8 to the buyout agreement and Padda's attorney. Defendant denies the remaining allegations in this
9 paragraph in their entirety.

10 57. In response to paragraph 56 of the Complaint, Defendant admits that the jury
11 awarded Mr. Moradi about \$160,000,000.00 on April 26, 2017, and the matter settled shortly
12 thereafter. Defendant denies the remaining allegations in this paragraph in their entirety.

13 58. In response to paragraph 57 of the Complaint, Defendant denies the allegations
14 contained therein. Defendant specifically denies the allegation of fraudulent concealment.

15 59. In response to paragraph 58 of the Complaint, Defendant denies the allegations
16 contained therein.

17 **PADDA STANDS TO PROFIT FROM HIS DECEPTION REGARDING**
18 **THE COCHRANS**

19 60. In response to paragraph 59 of the Complaint, Defendant admits the allegations
20 contained therein.

21 61. In response to paragraph 60 of the Complaint, Defendant admits that the Cochrans
22 retained Cohen & Padda, LLP before December 31, 2014. Defendant denies the remaining
23 allegations in this paragraph in their entirety.

24 62. In response to paragraph 61 of the Complaint, Defendant admits that Robert T.
25 Eglet, Esq., has associated as counsel on the Cochran case. Defendant denies the remaining
26 allegations in this paragraph in their entirety.

63. In response to paragraph 62 of the Complaint, Defendant admits the allegations contained therein to the extent supported by the Court record, which is the best evidence of its contents. Defendant denies the remaining allegations in this paragraph in their entirety.

64. In response to paragraph 63 of the Complaint, Defendant is without knowledge or information sufficient to form a belief as to the truth or veracity of the allegations contained therein and therefore denies the same.

65. In response to paragraph 64 of the Complaint, Defendant denies the allegations contained therein.

PADDA CONS MS. COHEN INTO SIGNING A FRAUDULENT CONTRACT

66. In response to paragraph 65 of the Complaint, Defendant denies the allegations contained therein.

67. In response to paragraph 66 of the Complaint, Defendant denies the allegations contained therein.

68. In response to paragraph 67 of the Complaint, Defendant denies the allegations contained therein.

69. In response to paragraph 68 of the Complaint, Defendant admits that Plaintiff and Defendant executed a Business Expectancy Interest Resolution Agreement (“Resolution Agreement”) on September 12, 2016. Defendant admits that the jury awarded Mr. Moradi about \$160,000,000.00 on April 26, 2017. Defendant denies the remaining allegations in this paragraph in their entirety.

70. In response to paragraph 69 of the Complaint, Defendant denies the allegations contained therein.

71. In response to paragraph 70 of the Complaint, Defendant states paragraph 70 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations in their entirety.

72. In response to paragraph 71 of the Complaint, Defendant denies the allegations contained therein.

1 73. In response to paragraph 72 of the Complaint, Defendant admits that Padda Law
2 issued Plaintiff a check in the amount of \$50,000.00 that stated “discretionary bonus” in the memo
3 line on July 20, 2017. Defendant denies the remaining allegations in this paragraph in their
4 entirety.

5 74. In response to paragraph 73 of the Complaint, Defendant denies the allegations
6 contained therein.

7 75. In response to paragraph 74 of the Complaint, Defendant denies the allegations
8 contained therein.

9 76. In response to paragraph 75 of the Complaint, Defendant admits that Plaintiff
10 revealed to him that she had significant tax liabilities due to her underpayment of taxes for several
11 years. Defendant denies the remaining allegations in this paragraph in their entirety.

12 77. In response to paragraph 76 of the Complaint, Defendant is without knowledge or
13 information sufficient to form a belief as to the truth or veracity of the allegations contained therein
14 and therefore denies the same.

15 78. In response to paragraph 77 of the Complaint, Defendant is without knowledge or
16 information sufficient to form a belief as to the truth or veracity of the allegations contained therein
17 and therefore denies the same.

18 79. In response to paragraph 78 of the Complaint, Defendant is without knowledge or
19 information sufficient to form a belief as to the truth or veracity of the allegations contained therein
20 and therefore denies the same.

21 80. In response to paragraph 79 of the Complaint, Defendant denies the allegations
22 contained therein.

23 81. In response to paragraph 80 of the Complaint, Defendant denies the allegations
24 contained therein.

25 82. In response to paragraph 81 of the Complaint, Defendant denies the allegations
26 contained therein.

27 ///

28 ///

FIRST CLAIM FOR RELIEF

(Breach of Contract – Partnership Dissolution Agreement, Against Padda)

83. In response to paragraph 82 of the Complaint, Defendant repeats and incorporates by reference his responses to the preceding paragraphs as if fully set forth herein.

84. In response to paragraph 83 of the Complaint, Defendant states paragraph 83 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant states the agreement referenced therein speaks for itself and Defendant denies Plaintiff's interpretation of the same to the extent it is inconsistent with the express language.

85. In response to paragraph 84 of the Complaint, Defendant denies the allegations contained therein.

86. In response to paragraph 85 of the Complaint, Defendant denies the allegations contained therein.

87. In response to paragraph 86 of the Complaint, Defendant states paragraph 86 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations contained therein.

88. In response to paragraph 87 of the Complaint, Defendant denies the allegations contained therein.

89. In response to paragraph 88 of the Complaint, Defendant denies the allegations contained therein.

90. In response to paragraph 89 of the Complaint, Defendant denies the allegations contained therein.

91. In response to paragraph 90 of the Complaint, Defendant denies the allegations contained therein.

SECOND CLAIM FOR RELIEF

**(Breach of Implied Covenant of Good Faith and Fair Dealing –
Contract, Against Padda)**

92. In response to paragraph 91 of the Complaint, Defendant repeats and incorporates by reference his responses to the preceding paragraphs as if fully set forth herein.

1 Defendant states the agreement referenced therein speaks for itself and Defendant denies
2 Plaintiff's interpretation of the same to the extent it is inconsistent with the express language.

3 102. In response to paragraph 101 of the Complaint, Defendant states paragraph 101
4 contains a legal conclusion to which no response is required.

5 103. In response to paragraph 102 of the Complaint, Defendant states paragraph 102
6 contains a legal conclusion to which no response is required. To the extent a response is required,
7 Defendant states the agreement referenced therein speaks for itself and Defendant denies
8 Plaintiff's interpretation of the same to the extent it is inconsistent with the express language.

9 104. In response to paragraph 103 of the Complaint, Defendant states paragraph 103
10 contains a legal conclusion to which no response is required. To the extent a response is required,
11 Defendant denies the allegations contained therein.

12 105. In response to paragraph 104 of the Complaint, Defendant states paragraph 104
13 contains a legal conclusion to which no response is required. To the extent a response is required,
14 Defendant denies the allegations contained therein.

15 106. In response to paragraph 105 of the Complaint, Defendant states paragraph 105
16 contains a legal conclusion to which no response is required. To the extent a response is required,
17 Defendant denies the allegations contained therein.

18 107. In response to paragraph 106 of the Complaint, Defendant denies the allegations
19 contained therein.

20 108. In response to paragraph 107 of the Complaint, Defendant states paragraph 107
21 contains a legal conclusion to which no response is required. To the extent a response is required,
22 Defendant denies the allegations contained therein.

23 109. In response to paragraph 108 of the Complaint, Defendant denies the allegations
24 contained therein.

25 **FOURTH CLAIM FOR RELIEF**

26 **(Breach of Fiduciary Duty, against Padda)**

27 110. In response to paragraph 109 of the Complaint, Defendant repeats and incorporates
28 by reference his responses to the preceding paragraphs as if fully set forth herein.

111. In response to paragraph 110 of the Complaint, Defendant states paragraph 110 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations contained therein.

112. In response to paragraph 111 of the Complaint, Defendant states paragraph 111 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations contained therein.

113. In response to paragraph 112 of the Complaint, Defendant denies the allegations contained therein.

114. In response to paragraph 113 of the Complaint, Defendant states paragraph 113 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations contained therein.

115. In response to paragraph 114 of the Complaint, Defendant states paragraph 114 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations contained therein.

116. In response to paragraph 115 of the Complaint, Defendant denies the allegations contained therein.

FIFTH CLAIM FOR RELIEF

(Fraud in the Inducement – the Final Agreement, against Padma and Padma Law)

117. In response to paragraph 116 of the Complaint, Defendant repeats and incorporates by reference his responses to the preceding paragraphs as if fully set forth herein.

118. In response to paragraph 117 of the Complaint, Defendant denies the allegations contained therein.

119. In response to paragraph 118 of the Complaint, Defendant denies the allegations contained therein.

120. In response to paragraph 119 of the Complaint, Defendant denies the allegations contained therein.

121. In response to paragraph 120 of the Complaint, Defendant denies the allegations contained therein.

122. In response to paragraph 121 of the Complaint, Defendant denies the allegations contained therein.

123. In response to paragraph 122 of the Complaint, Defendant states paragraph 122 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations contained therein.

124. In response to paragraph 123 of the Complaint, Defendant states paragraph 123 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations contained therein.

125. In response to paragraph 124 of the Complaint, Defendant denies the allegations contained therein.

SIXTH CLAIM FOR RELIEF

(Fraudulent Concealment, against Padma and Padma Law)

126. In response to paragraph 125 of the Complaint, Defendant repeats and incorporates by reference his responses to the preceding paragraphs as if fully set forth herein.

127. In response to paragraph 126 of the Complaint, Defendant states paragraph 123 contains a legal conclusion to which no response is required. To the extent a response is required, Defendant denies the allegations contained therein.

128. In response to paragraph 127 of the Complaint, Defendant denies the allegations contained therein.

129. In response to paragraph 128 of the Complaint, Defendant denies the allegations contained therein.

130. In response to paragraph 129 of the Complaint, Defendant denies the allegations contained therein.

131. In response to paragraph 130 of the Complaint, Defendant denies the allegations contained therein.

132. In response to paragraph 131 of the Complaint, Defendant denies the allegations contained therein.

1 154. In response to paragraph 153 of the Complaint, Defendant denies the allegations
2 contained therein.

3 155. In response to paragraph 154 of the Complaint, Defendant states paragraph 154
4 contains a legal conclusion to which no response is required. To the extent a response is required,
5 Defendant states the statute speaks for itself and Defendant denies Plaintiff's interpretation of the
6 same to the extent it is inconsistent with the express language. Defendant denies the remaining
7 allegations in this paragraph in their entirety.

8 156. In response to paragraph 155 of the Complaint, Defendant states paragraph 155
9 contains a legal conclusion to which no response is required. To the extent a response is required,
10 Defendant states the statute speaks for itself and Defendant denies Plaintiff's interpretation of the
11 same to the extent it is inconsistent with the express language. Defendant admits that Ms. Cohen
12 was over the age of 60 years of age at all times relevant therein. Defendant denies the remaining
13 allegations in this paragraph in their entirety.

14 157. In response to paragraph 156 of the Complaint, Defendant states paragraph 156
15 contains a legal conclusion to which no response is required. To the extent a response is required,
16 Defendant states the statute speaks for itself and Defendant denies Plaintiff's interpretation of the
17 same to the extent it is inconsistent with the express language. Defendant denies the remaining
18 allegations in this paragraph in their entirety.

19 158. In response to paragraph 157 of the Complaint, Defendant states paragraph 157
20 contains a legal conclusion to which no response is required. To the extent a response is required,
21 Defendant states the statute speaks for itself and Defendant denies Plaintiff's interpretation of the
22 same to the extent it is inconsistent with the express language. Defendant denies the remaining
23 allegations in this paragraph in their entirety.

24 159. In response to paragraph 158 of the Complaint, Defendant states paragraph 158
25 contains a legal conclusion to which no response is required. To the extent a response is required,
26 Defendant denies the allegations contained therein.

27 160. In response to paragraph 159 of the Complaint, Defendant states paragraph 159
28 contains a legal conclusion to which no response is required. To the extent a response is required,

1 Defendant states the statute speaks for itself and Defendant denies Plaintiff's interpretation of the
2 same to the extent it is inconsistent with the express language. Defendant denies the remaining
3 allegations in this paragraph in their entirety.

4 **TENTH CLAIM FOR RELIEF**

5 **(Declaratory Relief, against Padda and Padda Law)**

6 161. In response to paragraph 160 of the Complaint, Defendant repeats and incorporates
7 by reference his responses to the preceding paragraphs as if fully set forth herein.

8 162. In response to paragraph 161 of the Complaint, Defendant states paragraph 161
9 contains a legal conclusion to which no response is required.

10 163. In response to paragraph 162 of the Complaint, Defendant denies the allegations
11 contained therein.

12 164. In response to paragraph 163 of the Complaint, Defendant states paragraph 163
13 contains a legal conclusion to which no response is required.

14 165. In response to paragraph 164 of the Complaint, Defendant states paragraph 164
15 contains a legal conclusion to which no response is required.

16 **AFFIRMATIVE DEFENSES**

17 1. No actual justiciable controversy exists between Plaintiff and Defendants and/or
18 Padda Law.

19 2. Plaintiff has failed to state a claim upon which relief can be granted.

20 3. Plaintiff's claims are subject to mandatory arbitration.

21 4. Any obligation or duty, contractual or otherwise, that Plaintiff claims to be owed
22 by Defendant, if any, has been fully performed, satisfied, discharged, and/or excused.

23 5. Plaintiff's claims are barred, in whole or in part, by an accord and satisfaction.

24 6. If Defendant failed to perform any contractual obligation owed to Plaintiff, which
25 Defendant expressly denies, there existed a valid excuse for such nonperformance.

26 7. Insofar as any alleged breach of contract is concerned, Plaintiff failed to give
27 Defendant timely notice thereof.
28

1 8. Plaintiff's claims are barred in whole or in part because Defendant did not breach
2 any duties owed to Plaintiff, if any.

3 9. Defendant has not retained any benefit which in equity and good conscience
4 belongs to Plaintiff.

5 10. To the extent that Defendant received any benefits from Plaintiff, Defendant has
6 not been unjustly enriched.

7 11. By the doctrine of estoppel (including promissory estoppel), Defendant alleges that
8 Plaintiff is estopped from pursuing any claim against Defendant.

9 12. By the doctrine of waiver, Plaintiff has waived any claims he may have had against
10 Defendant.

11 13. By the doctrine of laches, Plaintiff's claims must be denied.

12 14. Plaintiff's claims are barred by her own contributory negligence.

13 15. Plaintiff assumed the risk.

14 16. Plaintiff, during all time periods relevant to her claims, was a sophisticated party
15 and a licensed attorney.

16 17. All of Plaintiff's claims are subject to arbitration.

17 18. Plaintiff has failed to mitigate any damages and/or losses claimed to have been
18 suffered by Plaintiff.

19 19. At all times referred to in Plaintiff's Complaint, Defendant exercised due care and
20 good faith toward Plaintiff.

21 20. The doctrine of unclean hands prevents any recovery by Plaintiff herein.

22 21. Without admitting that Plaintiff is entitled to recover any damages whatsoever,
23 Defendant is entitled to a set off for damages suffered by Defendant as a result of Plaintiff's
24 conduct.

25 22. Plaintiff's claims are barred because Defendant's conduct is and was justified.

26 23. Answering Defendant at all times herein acted reasonably and in good faith in
27 discharging their obligations and duties, if any.

28 24. Plaintiff has suffered no damages.

25. Plaintiff's claims are barred as a result of her own actions or inaction, and the damages sustained, if any, are the result of her own actions or inaction.

26. Plaintiff's recovery against Defendant must be reduced to the extent that Plaintiff's damages, if any, were caused by Plaintiff's failure to properly mitigate his damages and by freely, voluntarily and gratuitously incurring expenses, which he had no legal obligation to incur.

27. There is no basis for recovery of costs or attorneys' fees by Plaintiff from Defendant.

28. Defendant has been required to retain the services of Holland & Hart LLP to defend against these claims and is entitled to an award of its reasonable attorneys' fees and costs.

29. Some of the foregoing affirmative defenses have been pleaded for purposes of non-waiver. Defendant reserves the right to add additional affirmative defenses as the bases for the same are revealed during discovery.

WHEREFORE, having fully answered Plaintiff's Complaint, Defendant prays for relief as follows:

1. That Plaintiff's Complaint be dismissed with prejudice, and that she take nothing thereby;
2. That Plaintiff's claims be forever barred; and
3. That Defendant be granted his attorneys' fees and costs as permitted by law.
4. That Plaintiff's Prayer For Relief be denied with prejudice.

DATED this 10th day of May, 2019

HOLLAND & HART LLP

/s/ J. Stephen Peek

J. Stephen Peek, Esq.
Ryan A. Semerad, Esq.
9555 Hillwood Dr., 2nd Floor
Las Vegas, NV 89134

Attorneys for Defendants PAUL S. PADDA

CERTIFICATE OF SERVICE

I hereby certify that on the 10th day of May, 2019, a true and correct copy of the foregoing **PAUL S. PADDA'S ANSWER TO COMPLAINT** was served by the following method(s):

☒ Electronic: by submitting electronically for filing and/or service with the Eighth Judicial District Court's e-filing system and served on counsel electronically in accordance with the E-service list to the following email addresses:

Marquis Aurbach Coffin
Liane K. Wakayama, Esq.
Jared M. Moser, Esq.
10001 Park Run Drive
Las Vegas, NV 89145
lwakayama@maclaw.com
jmoser@maclaw.com

Reisman Sorokac
Joshua H. Reisman, Esq.
8965 South Eastern Avenue, Suite 382
Las Vegas, NV 89123
jreisman@rsnvlaw.com

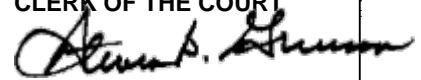
Attorneys for Paul Padda Law, PLLC

Attorneys for Plaintiff Ruth L. Cohen

/s/ Valerie Larsen
An Employee of Holland & Hart LLP

EXHIBIT 3

-Order Granting Defendants' Motion For
Summary Judgment Filed On 2/18/2020-



OGM

J. Stephen Peek, Esq.
Nevada Bar No. 1758
Ryan A. Semerad, Esq.
Nevada Bar No. 14615
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134
Phone: 702.669.4600
Fax: 702.669.4650
speek@hollandhart.com
rasemerad@hollandhart.com

Tamara Beatty Peterson, Esq.
Nevada Bar No. 5218
Nikki L. Baker, Esq.
Nevada Bar No. 6562
PETERSON BAKER, PLLC
701 S. 7th Street
Las Vegas, NV 89101
tpeterson@petersonbaker.com
nbaker@petersonbaker.com

*Attorneys for Defendants PAUL S. PADDA
and PAUL PADDA LAW, PLLC*

DISTRICT COURT

CLARK COUNTY, NEVADA

RUTH L. COHEN, an Individual,

Plaintiff,

v.

PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individuals I-
X; and ROE entities I-X,

Defendants.

Case No. A-19-792599-B
Dept. No. XI

**ORDER GRANTING DEFENDANTS'
MOTION FOR SUMMARY JUDGMENT;
JUDGMENT**

Hearing Date: January 27, 2020

Hearing Time: 9:00 a.m.

This matter came before the Court for hearing on the Motion for Summary Judgment (the "Motion") filed by Defendants Paul S. Padda ("Mr. Padda") and Paul Padda Law, PLLC ("Padda Law") (collectively, "Defendants"). J. Stephen Peek, Esq., and Ryan A. Semerad, Esq., of Holland & Hart, LLP, and Tamara Peterson, Esq., of Peterson Baker PLLC appeared on behalf of Defendants; Liane K. Wakayama, Esq., of Marquis Aurbach Coffing, and Samuel

1 R. Mirkovich, Esq., of Campbell & Williams, on behalf of Plaintiff Ruth L. Cohen ("Ms.
2 Cohen").

3 The Court, having carefully considered Defendants' Motion and the exhibits and
4 declarations attached thereto, Ms. Cohen's Opposition to the Motion and the exhibits and
5 affidavit attached thereto, Defendants' Reply in support of the Motion, as well as the arguments
6 of counsel for Defendants and Ms. Cohen, being fully apprised, and good cause appearing,
7 makes the following findings of undisputed fact, which are relevant to the Court's decision on
8 the Motion, and conclusions of law:

9 I.

10 **FINDINGS OF UNDISPUTED FACT**

11 1. On or about January 18, 2011, Mr. Padda and Ms. Cohen formed a partnership
12 called Cohen & Padda, LLP ("C&P") to provide legal services.

13 2. Pursuant to the Partnership Agreement dated January 18, 2011, Mr. Padda and
14 Ms. Cohen acknowledged that the duration of their partnership would be until January 14,
15 2014 or until earlier dissolved by agreement of the parties (the "Partnership Agreement").

16 3. Sometime in 2014, Ms. Cohen began to consider semi-retirement from the
17 practice of law.

18 4. On or about December 23, 2014, Mr. Padda and Ms. Cohen entered into an
19 agreement, which set forth the terms under which they effectuated the dissolution of C&P, and
20 C&P ceased to exist, as of December 31, 2014 (the "Dissolution Agreement").

21 5. Section 7(b) of the Dissolution Agreement provided, in relevant part, that
22 "[w]ith respect to contingency cases in which there is yet to be a recovery by way of settlement
23 or judgment," Ms. Cohen "shall be entitled to a 33.333% percent share of gross attorney's fees
24 recovered in all contingency fee cases for which [C&P] has a signed retainer agreement dated
25 on or before December 31, 2014" (the "Expectancy Interest"). Nothing in the Dissolution
26 Agreement required or anticipated that Ms. Cohen would perform work on the contingency
27 cases that comprised of her Expectancy Interest.

1 6. On January 2, 2015, Mr. Padda formed a new law firm, which after two separate
2 name changes, became Padda Law.

3 7. While she continued to practice law after the dissolution of C&P working
4 primarily on new employment law matters and handling employment discrimination
5 consultations, Ms. Cohen transitioned to part-time work and did not come to the office much.

6 8. On September 12, 2016, Ms. Cohen and Mr. Padda executed a Business
7 Expectancy Interest Resolution Agreement (the "Buyout Agreement"), wherein Ms. Cohen
8 agreed to exchange her Expectancy Interest for the sum certain of \$50,000.00.

9 9. In total, Mr. Padda paid Ms. Cohen, and Ms. Cohen accepted, \$51,500.00 under
10 the Buyout Agreement.

11 10. At the time Ms. Cohen and Mr. Padda entered into the Buyout Agreement,
12 several contingency fee cases subject to Ms. Cohen's Expectancy Interest were still pending
13 and had not reached a complete and final resolution, including, among others, *Garland v. SPB*
14 *Partners, LLC et al.*, Case No. A-15-724139-C (the "Garland Case"), *Moradi v. Nevada*
15 *Property 1, LLC et al.*, Case No. A-14-698824-C (the "Moradi Case"), and *Cochran v. Nevada*
16 *Property 1, LLC et al.*, Case No. A-13-687601-C (the "Cochran Case") (collectively referred
17 to, where appropriate, as the "Pending Cases").

18 11. With respect to her role in the Pending Cases, Ms. Cohen admits the following:

19 (a) "Ms. Cohen's involvement with the Moradi case was limited to the
20 initial intake meeting with Mr. Moradi in 2012, referring Mr. Moradi to a doctor, and
21 meeting with the Cosmopolitan's insurance adjuster."

22 (b) Ms. Cohen "stopped having an active role in the [Moradi] case almost
23 immediately after her initial involvement in 2012."

24 (c) Ms. Cohen "was not involved in the day-to-day aspects of the case, and
25 was not actively working on the [Moradi] case."

26 (d) "In or about 2014", Mr. Padda made a statement to Ms. Cohen about
27 reducing C&P's attorneys' fees in the Garland case and "after that" Ms. Cohen "did not
28 have any further involvement with Mr. Garland's case."

12. On October 6, 2016, Mark Garland, the client in the Garland Case, executed a disbursement sheet authorizing the release of settlement funds.

13. The disbursement sheet for Mr. Garland's case established that the gross attorneys' fees earned by Padda Law totaled \$51,600.00.¹

14. On or about April 6, 2017, Ms. Cohen was notified that she was suspended from the practice of law by the Nevada Board of Continuing Legal Education pursuant to Nevada Supreme Court Rule ("SCR") 212 for her failure to complete the 2016 Continuing Legal Education ("CLE") requirements, as mandated by SCR 210.

15. Upon learning of her suspension, Ms. Cohen "immediately called the bar" and discovered that she would be required to pay \$700.00 and complete her CLE requirements in order to be reinstated.

16. Ms. Cohen made a knowing and intentional decision to remain suspended from the practice of law. (*See* Motion at Ex. 34, 6:17-7:6.) ("And I don't intend to pay them \$700 to get my license back when I'm not going to use it, so. . . . So, it's my protest."; "And when I went to turn [the CLE credits] in, they said, Well, it will cost you \$700, and I said, See you. I'm just not going to do it.").

17. On April 27, 2017, a jury returned a verdict in favor of David Moradi, the client in the Moradi Case, including an award of damages for past and future loss of earnings as well as past and future pain and suffering.

18. On May 23, 2017, Mr. Moradi reached a confidential settlement agreement with the defendants as a complete and final resolution of the Moradi Case.

19. On February 27, 2019, Ms. Cohen, through counsel, and while she was suspended from the practice of law, sent a letter to Mr. Padda demanding, for the first time, payment of certain attorneys' fees Ms. Cohen claimed were owed to her by Defendants pursuant to her Expectancy Interest under the Dissolution Agreement.

20. In the spring of 2019, Stephen Cochran and Melissa Cochran, the clients in the

¹ Ms. Cohen's 33.333% putative share would have equaled \$17,196.67.

1 Cochran Case, reached a confidential settlement agreement with the defendants as a complete
2 and final resolution of the Cochran Case, and on or about July 9, 2019, filed a stipulation and
3 order to dismiss the Cochran Case.

4 21. On April 9, 2019, Ms. Cohen, while she was still suspended from the practice of
5 law, filed her Complaint in this action, asserting the following claims for relief: (1) First Claim
6 for Relief for breach of contract—Partnership Dissolution Agreement (against Mr. Padda); (2)
7 Second Claim for Relief for breach of the implied covenant of good faith and fair dealing
8 (against Mr. Padda); (3) Third Claim for Relief for tortious breach of the implied covenant of
9 good faith and fair dealing (against Mr. Padda); (4) Fourth Claim for Relief for breach of
10 fiduciary duty (against Mr. Padda); (5) Fifth Claim for Relief for fraud in the inducement
11 (against Mr. Padda and Padda Law); (6) Sixth Claim for Relief for fraudulent concealment
12 (against Mr. Padda and Padda Law); (7) Seventh Claim for Relief for fraudulent or intentional
13 misrepresentation (against Mr. Padda and Padda Law); (8) Eighth Claim for Relief for unjust
14 enrichment (against Padda Law or, in the alternative, against Mr. Padda); (9) Ninth Claim for
15 Relief for elder abuse under NRS 41.1395 (against Mr. Padda); and (10) Tenth Claim for
16 Relief for declaratory relief (against Mr. Padda and Padda Law). (*See generally* Compl.)

17 22. The gist of Ms. Cohen's claims is that Mr. Padda and/or Padda Law induced her
18 to enter the Buyout Agreement through fraudulent acts, misrepresentations and/or omissions
19 such that the Buyout Agreement should be rescinded, thereby entitling Ms. Cohen to recover as
20 damages 33.333% of the gross attorneys' fees earned in the Pending Cases pursuant to the
21 Expectancy Interest set forth in the Dissolution Agreement.

22 23. Ms. Cohen asserts that her 33.333% share of the gross legal fees Defendants
23 received for the Pending Cases equals \$3,314,227.49.

24 24. Ms. Cohen seeks to recover this amount (\$3,314,227.49) as damages caused by
25 Defendants' breach of the Dissolution Agreement under her First Claim for Relief. (*See* Compl.
26 at ¶¶ 82-90.)

27 25. Ms. Cohen seeks to recover the same amount of damages (\$3,314,227.49), in
28 addition to other statutory damages, under each of her other claims for relief.

26. On December 19, 2019, the day after Defendants filed their Motion, Ms. Cohen obtained a "Notice of Completion of Requirements for Reinstatement", which was executed by Executive Director Laura Bogden and reinstated Ms. Cohen's law license as of December 19, 2019 (the "Reinstatement Notice").

27. Pursuant to the Reinstatement Notice, the Nevada Board of Continuing Legal Education recognized that Ms. Cohen had completed a minimum of fifteen (15) hours of accredited educational activity within the period of twelve (12) months immediately preceding the filing of her application, as required by SCR 213.

28. Beginning on April 6, 2017, and continuing until December 19, 2019, Ms. Cohen's license to practice law in the State of Nevada was suspended.

29. Ms. Cohen admits she is not seeking quantum meruit damages in this action.

30. If any Finding of Undisputed Fact is properly a Conclusion of Law, it shall be treated as if appropriately identified and designated.

II.

CONCLUSIONS OF LAW

1. Summary judgment is appropriate when, "after review of the record viewed in a light most favorable to the non-moving party, there remain no genuine issues of material fact, and the moving party is entitled to judgment as a matter of law." *Evans v. Samuels*, 119 Nev. 378, 75 P.3d 361, 363 (2003).

2. "A genuine issue of material fact is one where the evidence is such that a reasonable jury could return a verdict for the non-moving party." *Pegasus v. Reno Newspapers, Inc.*, 118 Nev. 706, 713, 57 P.3d 82, 87 (2002) (citation and quotation omitted).

3. The moving party can meet its burden by either "(1) submitting evidence that negates an essential element of the nonmoving party's claim or (2) pointing out that there is an absence of evidence to support the nonmoving party's case." *Torrealba v. Kesmetis*, 124 Nev. 95, 100, 178 P.3d 716, 720 (2008) (internal citations and quotations omitted).

4. On the other hand, "[t]o successfully defend against a summary judgment motion, the nonmoving party must transcend the pleadings and, by affidavit or other

admissible evidence, introduce specific facts that show a genuine issue of material fact." *Id.* (internal citations and quotations omitted). In other words, the nonmoving party must "do more than simply show that there is some metaphysical doubt as to the operative facts in order to avoid summary judgment being entered in the moving party's favor." *Wood v. Safeway, Inc.*, 121 Nev. 724, 732, 121 P.3d 1026, 1031 (2005) (internal citations and quotations omitted).

5. The Nevada Rules of Professional Conduct provide that a "lawyer or law firm shall not share legal fees with a nonlawyer." NRPC 5.4(a).

6. A lawyer who is suspended from the practice of law pursuant to SCR 212 for failing to comply with the CLE requirements required by SCR 210 is a "nonlawyer" for purposes of NRPC 5.4(a). *See e.g., In re Phillips*, 226 Ariz. 112, 121, 244 P.3d 549, 558 (2010) (suspended lawyer is equivalent of nonlawyer for purposes of RPC 5.4(a)); *Disciplinary Counsel v. McCord*, 121 Ohio St.3d 497, 905 N.E.2d 1182, 1189 (2009) (ethical violation for suspended lawyer to receive attorney's fee); *Office of Disciplinary Counsel v. Jackson*, 536 Pa. 26, 637 A.2d 615, 620 (1994) (noting a suspended attorney is a "non-lawyer" within the meaning of the rules"); *Comm. on Prof'l Ethics*, State Bar of Tex., Op. 592 (2010) (prohibiting a lawyer from sharing legal fees with suspended attorney).

7. NRPC 5.4(a) prohibits suspended lawyers from recovering or sharing in attorneys' fees earned on cases that were open and unresolved at the time the lawyers were suspended. *See Lessoff v. Berger*, 2 A.D.3d 127, 767 N.Y.S.2d 605, (Mem)-606 (2003) (stating the general position adopted by courts that, "with respect to cases that were open at the time of [a] suspension, [the suspended attorney's] share in any fees paid after his suspension is limited to the quantum meruit value of any work he performed prior to his suspension.").

8. A lawyer who becomes suspended under SCR 212 for noncompliance with his or her CLE requirements could arguably seek to avoid some of the consequences of this suspension if the lawyer's noncompliance was inadvertent, accidental, or the product of the lawyer's reasonable mistake or misunderstanding. However, a lawyer who becomes suspended under this rule and knowingly or intentionally refuses to remedy his or her deficiencies or

1 deliberately protests the fees associated with remedying his or her deficiencies cannot avoid the
2 consequences of his or her suspension.

3 9. The undisputed facts establish that Ms. Cohen was suspended from the practice
4 of law on or about April 6, 2017, for failing to comply with the CLE requirements imposed by
5 SCR 210.

6 10. The undisputed facts establish that Ms. Cohen knowingly and intentionally
7 refused to reinstate her license until December 19, 2019, the day after Defendants filed their
8 Motion.

9 11. Ms. Cohen was a "nonlawyer" subject to the prohibition on fee sharing provided
10 in NRPC 5.4(a) beginning on April 6, 2017, and continuing until her law license was reinstated
11 on December 19, 2019.

12 12. Mr. Padda's obligation to pay Ms. Cohen the Expectancy Interest under the
13 Dissolution Agreement was rendered illegal and unenforceable the moment Ms. Cohen's law
14 license was suspended. *See McIntosh v. Mills*, 121 Cal. App. 4th 333, 343, 17 Cal. Rptr. 3d 66,
15 73 (2004) (holding that the issue of whether "the doctrine of illegality applies to the fee-sharing
16 agreement between" an attorney and a non-attorney "is a question of law"); *United States v.*
17 *36.06 Acres of Land*, 70 F. Supp. 2d 1272, 1276 (D.N.M. 1999) (holding that "unwritten
18 contingency fee contracts, because they violate the Rules of Professional Conduct, will not be
19 enforced, and an attorney's recovery in such cases will be limited to" the reasonable value of its
20 services under quantum meruit); *Christensen v. Eggen*, 577 N.W.2d 221, 225 (Minn. 1998)
21 (holding that fee-splitting agreement between attorneys "violates public policy because it does
22 not comply with Minn. R. Prof. Conduct 1.5(e) and is therefore unenforceable.").

23 13. With respect to Ms. Cohen's First, Second, and Third Claims for Relief relating
24 to an alleged breach of the Dissolution Agreement, Ms. Cohen is precluded from enforcing Mr.
25 Padda's obligation to pay her the Expectancy Interest and from recovering any share of the
26 attorneys' fees earned by Mr. Padda or Padda Law on the Pending Cases, which were resolved
27 while she was suspended from the practice of law between April 6, 2017, and December 19,
28 2019, including the Moradi Case and the Cochran Case.

14. Although Defendants received funds from the Garland Case before April 6, 2017, Ms. Cohen has not incurred any damages relating to her 33.333% share (or \$17,196.67) of the gross attorneys' fees received by Defendants for the Garland Case and did not present any evidence to establish that she was damaged as a result of "other contingency matters" resolved prior to April 6, 2017, even if she could establish an entitlement to recover such damages, because Ms. Cohen received \$51,500.00 from Defendants under the Buyout Agreement. *See Chicago Title Agency v. Schwartz*, 109 Nev. 415, 418, 851 P.2d 419, 421 (1993) (stating "whether a case be one in contract or in tort, the injured party bears the burden of proving that he or she has been damaged").

15. Having determined that Ms. Cohen is prohibited under NRPC 5.4(a) from enforcing the Expectancy Interest in the Dissolution Agreement on any Pending Cases, the Court cannot, in good conscience, permit Ms. Cohen to use her remaining fraud and fiduciary duty claims, among others, to circumvent NRPC 5.4(a) by essentially enforcing a contract obligation NRPC 5.4(a) renders illegal and unenforceable.

16. If Ms. Cohen is successful on her claim of fraudulent inducement, she would be able to address all of the claims that she has pled in her complaint at trial.

17. There remains a genuine issue of material fact as to whether a special relationship existed between Mr. Padma and Ms. Cohen following the dissolution of C&P.

18. However, given Ms. Cohen's knowing and intentional decision to be suspended from the practice of law as evidenced by Exhibit 34 to Defendants' motion, the Court cannot as a matter of law allow this case to proceed to trial. Thus, summary judgment is granted on that narrow basis.

19. If any Conclusion of Law is properly a Finding of Undisputed Fact, it shall be treated as if appropriately identified and designated.

III.

ORDER AND JUDGMENT

Having entered the foregoing Findings of Undisputed Fact and Conclusions of Law, and good cause appearing,

1 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendants' Motion is
2 GRANTED.

3 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the granting of
4 Defendants' Motion disposes of all claims asserted by Ms. Cohen against Defendants in this
5 action and, therefore, JUDGMENT is hereby entered against Ms. Cohen and in favor of
6 Defendants.

7 DATED this 18 day of February 2020

8 
9 DISTRICT COURT JUDGE
10 

11 Respectfully submitted by:

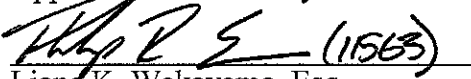
12 **Declined to Sign**

13 J. Stephen Peek, Esq.
14 Ryan A. Semerad, Esq.
15 HOLLAND & HART LLP
16 9555 Hillwood Dr., 2nd Floor
17 Las Vegas, NV 89134

18 Tamara Beatty Peterson, Esq.
19 Nikki L. Baker, Esq.
20 PETERSON BAKER, PLLC
21 701 S. 7th Street
22 Las Vegas, NV 89101

23 *Counsel for Defendants*

24 Approved as to form by:

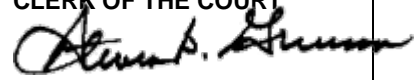
25 
26 Liane K. Wakayama, Esq.
27 Nevada Bar No. 11313
28 Jared M. Moser, Esq.
Nevada Bar No. 13003
MARQUIS AURBACH COFFING
10001 Park Run Drive
Las Vegas, NV 89145

Donald J. Campbell, Esq.
Nevada Bar No. 1216
Samuel R. Mirkovich, Esq.
Nevada Bar No. 11662
CAMPBELL & WILLIAMS
700 South Seventh Street
Las Vegas, Nevada 89101

Counsel for Plaintiff

EXHIBIT 4

-Notice Of Entry Of Order Granting
Defendants' Motion For Summary
Judgment Filed On 2/18/2020-



CAMPBELL & WILLIAMS
DONALD J. CAMPBELL, ESQ. (1216)
djc@cwlawlv.com
SAMUEL R. MIRKOVICH, ESQ. (11662)
srm@cwlawlv.com
700 South Seventh Street
Las Vegas, Nevada 89101
Telephone: (702) 382-5222
Facsimile: (702) 382-0540

MARQUIS AURBACH COFFING
LIANE K. WAKAYAMA, ESQ. (11313)
lwakayama@maclaw.com
JARED M. MOSER, ESQ. (13003)
jmoser@maclaw.com
10001 Park Run Drive
Las Vegas, Nevada 89145

Attorneys for Plaintiff Ruth L. Cohen

DISTRICT COURT

CLARK COUNTY, NEVADA

RUTH L. COHEN, an individual,

Plaintiff,

vs.

PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individual I-
X; and, ROE entities I-X,

Defendants.

Case No.: A-19-792599-B
Dept. No.: XI

**NOTICE OF ENTRY OF ORDER
GRANTING DEFENDANTS' MOTION
FOR SUMMARY JUDGMENT;
JUDGMENT**

1 Please take notice that on the 18th day of February, 2020, an Order Granting Defendants'
2 Motion for Summary Judgment; Judgment, was duly entered in the above-entitled matter, a copy
3 of which is attached as "Exhibit 1" and by this reference made part hereof.

4 DATED this 18th day of February, 2020.

5 CAMPBELL & WILLIAMS

6 By /s/ Donald J. Campbell

7 DONALD J. CAMPBELL, ESQ. (1216)
8 SAMUEL R. MIRKOVICH, ESQ. (11662)
9 700 South Seventh Street
10 Las Vegas, Nevada 89101

11 MARQUIS AURBACH COFFING
12 LIANE K. WAKAYAMA, ESQ. (11313)
13 JARED M. MOSER, ESQ. (13003)
14 10001 Park Run Drive
15 Las Vegas, Nevada 89145

16 *Attorneys for Plaintiff Ruth L. Cohen*
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I hereby certify that on the 18th day of February, 2020, I caused a true and correct copy of the foregoing **NOTICE OF ENTRY OF ORDER GRANTING DEFENDANTS' MOTION FOR SUMMARY JUDGMENT; JUDGMENT** to be served through the Eighth Judicial District Court's electronic filing system, to the following parties:

HOLLAND & HART
J. Stephen Peek
speek@hollandhart.com
Ryan Alexander Semerad
rasemerad@hollandhart.com
Yalonda J. Dekle
[yjdekke@hollandhart.com](mailto:yjdekle@hollandhart.com)
Valerie Larsen
[vllarsen@hollandhart.com](mailto:vlarsen@hollandhart.com)

-and-

PETERSON BAKER, PLLC
Tammy Peterson
tpeterson@petersonbaker.com

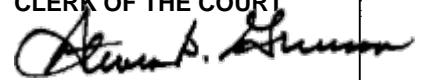
*Attorneys for Paul S. Padda and
Paul Padda Law, PLLC*

PANISH SHEA & BOYLE LLP
Isolde Parr
parr@psblaw.com
Rahul Ravipudi
ravipudi@psblaw.com
Gregorio Vincent Silva
gsilva@psblaw.com

Attorneys for Panish Shea & Boyle

/s/ **John Y. Chong**
An Employee of Campbell & Williams

EXHIBIT 1



OGM

J. Stephen Peek, Esq.
Nevada Bar No. 1758
Ryan A. Semerad, Esq.
Nevada Bar No. 14615
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134
Phone: 702.669.4600
Fax: 702.669.4650
speek@hollandhart.com
rasemerad@hollandhart.com

Tamara Beatty Peterson, Esq.
Nevada Bar No. 5218
Nikki L. Baker, Esq.
Nevada Bar No. 6562
PETERSON BAKER, PLLC
701 S. 7th Street
Las Vegas, NV 89101
tpeterson@petersonbaker.com
nbaker@petersonbaker.com

*Attorneys for Defendants PAUL S. PADDA
and PAUL PADDA LAW, PLLC*

DISTRICT COURT

CLARK COUNTY, NEVADA

RUTH L. COHEN, an Individual,

Plaintiff,

v.

PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individuals I-
X; and ROE entities I-X,

Defendants.

Case No. A-19-792599-B
Dept. No. XI

**ORDER GRANTING DEFENDANTS'
MOTION FOR SUMMARY JUDGMENT;
JUDGMENT**

Hearing Date: January 27, 2020

Hearing Time: 9:00 a.m.

This matter came before the Court for hearing on the Motion for Summary Judgment (the "Motion") filed by Defendants Paul S. Padda ("Mr. Padda") and Paul Padda Law, PLLC ("Padda Law") (collectively, "Defendants"). J. Stephen Peek, Esq., and Ryan A. Semerad, Esq., of Holland & Hart, LLP, and Tamara Peterson, Esq., of Peterson Baker PLLC appeared on behalf of Defendants; Liane K. Wakayama, Esq., of Marquis Aurbach Coffing, and Samuel

1 R. Mirkovich, Esq., of Campbell & Williams, on behalf of Plaintiff Ruth L. Cohen ("Ms.
2 Cohen").

3 The Court, having carefully considered Defendants' Motion and the exhibits and
4 declarations attached thereto, Ms. Cohen's Opposition to the Motion and the exhibits and
5 affidavit attached thereto, Defendants' Reply in support of the Motion, as well as the arguments
6 of counsel for Defendants and Ms. Cohen, being fully apprised, and good cause appearing,
7 makes the following findings of undisputed fact, which are relevant to the Court's decision on
8 the Motion, and conclusions of law:

9 I.

10 **FINDINGS OF UNDISPUTED FACT**

11 1. On or about January 18, 2011, Mr. Padda and Ms. Cohen formed a partnership
12 called Cohen & Padda, LLP ("C&P") to provide legal services.

13 2. Pursuant to the Partnership Agreement dated January 18, 2011, Mr. Padda and
14 Ms. Cohen acknowledged that the duration of their partnership would be until January 14,
15 2014 or until earlier dissolved by agreement of the parties (the "Partnership Agreement").

16 3. Sometime in 2014, Ms. Cohen began to consider semi-retirement from the
17 practice of law.

18 4. On or about December 23, 2014, Mr. Padda and Ms. Cohen entered into an
19 agreement, which set forth the terms under which they effectuated the dissolution of C&P, and
20 C&P ceased to exist, as of December 31, 2014 (the "Dissolution Agreement").

21 5. Section 7(b) of the Dissolution Agreement provided, in relevant part, that
22 "[w]ith respect to contingency cases in which there is yet to be a recovery by way of settlement
23 or judgment," Ms. Cohen "shall be entitled to a 33.333% percent share of gross attorney's fees
24 recovered in all contingency fee cases for which [C&P] has a signed retainer agreement dated
25 on or before December 31, 2014" (the "Expectancy Interest"). Nothing in the Dissolution
26 Agreement required or anticipated that Ms. Cohen would perform work on the contingency
27 cases that comprised of her Expectancy Interest.
28

1 6. On January 2, 2015, Mr. Padda formed a new law firm, which after two separate
2 name changes, became Padda Law.

3 7. While she continued to practice law after the dissolution of C&P working
4 primarily on new employment law matters and handling employment discrimination
5 consultations, Ms. Cohen transitioned to part-time work and did not come to the office much.

6 8. On September 12, 2016, Ms. Cohen and Mr. Padda executed a Business
7 Expectancy Interest Resolution Agreement (the "Buyout Agreement"), wherein Ms. Cohen
8 agreed to exchange her Expectancy Interest for the sum certain of \$50,000.00.

9 9. In total, Mr. Padda paid Ms. Cohen, and Ms. Cohen accepted, \$51,500.00 under
10 the Buyout Agreement.

11 10. At the time Ms. Cohen and Mr. Padda entered into the Buyout Agreement,
12 several contingency fee cases subject to Ms. Cohen's Expectancy Interest were still pending
13 and had not reached a complete and final resolution, including, among others, *Garland v. SPB*
14 *Partners, LLC et al.*, Case No. A-15-724139-C (the "Garland Case"), *Moradi v. Nevada*
15 *Property 1, LLC et al.*, Case No. A-14-698824-C (the "Moradi Case"), and *Cochran v. Nevada*
16 *Property 1, LLC et al.*, Case No. A-13-687601-C (the "Cochran Case") (collectively referred
17 to, where appropriate, as the "Pending Cases").

18 11. With respect to her role in the Pending Cases, Ms. Cohen admits the following:

19 (a) "Ms. Cohen's involvement with the Moradi case was limited to the
20 initial intake meeting with Mr. Moradi in 2012, referring Mr. Moradi to a doctor, and
21 meeting with the Cosmopolitan's insurance adjuster."

22 (b) Ms. Cohen "stopped having an active role in the [Moradi] case almost
23 immediately after her initial involvement in 2012."

24 (c) Ms. Cohen "was not involved in the day-to-day aspects of the case, and
25 was not actively working on the [Moradi] case."

26 (d) "In or about 2014", Mr. Padda made a statement to Ms. Cohen about
27 reducing C&P's attorneys' fees in the Garland case and "after that" Ms. Cohen "did not
28 have any further involvement with Mr. Garland's case."

12. On October 6, 2016, Mark Garland, the client in the Garland Case, executed a disbursement sheet authorizing the release of settlement funds.

13. The disbursement sheet for Mr. Garland's case established that the gross attorneys' fees earned by Padda Law totaled \$51,600.00.¹

14. On or about April 6, 2017, Ms. Cohen was notified that she was suspended from the practice of law by the Nevada Board of Continuing Legal Education pursuant to Nevada Supreme Court Rule ("SCR") 212 for her failure to complete the 2016 Continuing Legal Education ("CLE") requirements, as mandated by SCR 210.

15. Upon learning of her suspension, Ms. Cohen "immediately called the bar" and discovered that she would be required to pay \$700.00 and complete her CLE requirements in order to be reinstated.

16. Ms. Cohen made a knowing and intentional decision to remain suspended from the practice of law. (*See* Motion at Ex. 34, 6:17-7:6.) ("And I don't intend to pay them \$700 to get my license back when I'm not going to use it, so. . . . So, it's my protest."; "And when I went to turn [the CLE credits] in, they said, Well, it will cost you \$700, and I said, See you. I'm just not going to do it.").

17. On April 27, 2017, a jury returned a verdict in favor of David Moradi, the client in the Moradi Case, including an award of damages for past and future loss of earnings as well as past and future pain and suffering.

18. On May 23, 2017, Mr. Moradi reached a confidential settlement agreement with the defendants as a complete and final resolution of the Moradi Case.

19. On February 27, 2019, Ms. Cohen, through counsel, and while she was suspended from the practice of law, sent a letter to Mr. Padda demanding, for the first time, payment of certain attorneys' fees Ms. Cohen claimed were owed to her by Defendants pursuant to her Expectancy Interest under the Dissolution Agreement.

20. In the spring of 2019, Stephen Cochran and Melissa Cochran, the clients in the

¹ Ms. Cohen's 33.333% putative share would have equaled \$17,196.67.

1 Cochran Case, reached a confidential settlement agreement with the defendants as a complete
2 and final resolution of the Cochran Case, and on or about July 9, 2019, filed a stipulation and
3 order to dismiss the Cochran Case.

4 21. On April 9, 2019, Ms. Cohen, while she was still suspended from the practice of
5 law, filed her Complaint in this action, asserting the following claims for relief: (1) First Claim
6 for Relief for breach of contract—Partnership Dissolution Agreement (against Mr. Padda); (2)
7 Second Claim for Relief for breach of the implied covenant of good faith and fair dealing
8 (against Mr. Padda); (3) Third Claim for Relief for tortious breach of the implied covenant of
9 good faith and fair dealing (against Mr. Padda); (4) Fourth Claim for Relief for breach of
10 fiduciary duty (against Mr. Padda); (5) Fifth Claim for Relief for fraud in the inducement
11 (against Mr. Padda and Padda Law); (6) Sixth Claim for Relief for fraudulent concealment
12 (against Mr. Padda and Padda Law); (7) Seventh Claim for Relief for fraudulent or intentional
13 misrepresentation (against Mr. Padda and Padda Law); (8) Eighth Claim for Relief for unjust
14 enrichment (against Padda Law or, in the alternative, against Mr. Padda); (9) Ninth Claim for
15 Relief for elder abuse under NRS 41.1395 (against Mr. Padda); and (10) Tenth Claim for
16 Relief for declaratory relief (against Mr. Padda and Padda Law). (*See generally* Compl.)

17 22. The gist of Ms. Cohen's claims is that Mr. Padda and/or Padda Law induced her
18 to enter the Buyout Agreement through fraudulent acts, misrepresentations and/or omissions
19 such that the Buyout Agreement should be rescinded, thereby entitling Ms. Cohen to recover as
20 damages 33.333% of the gross attorneys' fees earned in the Pending Cases pursuant to the
21 Expectancy Interest set forth in the Dissolution Agreement.

22 23. Ms. Cohen asserts that her 33.333% share of the gross legal fees Defendants
23 received for the Pending Cases equals \$3,314,227.49.

24 24. Ms. Cohen seeks to recover this amount (\$3,314,227.49) as damages caused by
25 Defendants' breach of the Dissolution Agreement under her First Claim for Relief. (*See* Compl.
26 at ¶¶ 82-90.)

27 25. Ms. Cohen seeks to recover the same amount of damages (\$3,314,227.49), in
28 addition to other statutory damages, under each of her other claims for relief.

26. On December 19, 2019, the day after Defendants filed their Motion, Ms. Cohen obtained a "Notice of Completion of Requirements for Reinstatement", which was executed by Executive Director Laura Bogden and reinstated Ms. Cohen's law license as of December 19, 2019 (the "Reinstatement Notice").

27. Pursuant to the Reinstatement Notice, the Nevada Board of Continuing Legal Education recognized that Ms. Cohen had completed a minimum of fifteen (15) hours of accredited educational activity within the period of twelve (12) months immediately preceding the filing of her application, as required by SCR 213.

28. Beginning on April 6, 2017, and continuing until December 19, 2019, Ms. Cohen's license to practice law in the State of Nevada was suspended.

29. Ms. Cohen admits she is not seeking quantum meruit damages in this action.

30. If any Finding of Undisputed Fact is properly a Conclusion of Law, it shall be treated as if appropriately identified and designated.

II.

CONCLUSIONS OF LAW

1. Summary judgment is appropriate when, "after review of the record viewed in a light most favorable to the non-moving party, there remain no genuine issues of material fact, and the moving party is entitled to judgment as a matter of law." *Evans v. Samuels*, 119 Nev. 378, 75 P.3d 361, 363 (2003).

2. "A genuine issue of material fact is one where the evidence is such that a reasonable jury could return a verdict for the non-moving party." *Pegasus v. Reno Newspapers, Inc.*, 118 Nev. 706, 713, 57 P.3d 82, 87 (2002) (citation and quotation omitted).

3. The moving party can meet its burden by either "(1) submitting evidence that negates an essential element of the nonmoving party's claim or (2) pointing out that there is an absence of evidence to support the nonmoving party's case." *Torrealba v. Kesmetis*, 124 Nev. 95, 100, 178 P.3d 716, 720 (2008) (internal citations and quotations omitted).

4. On the other hand, "[t]o successfully defend against a summary judgment motion, the nonmoving party must transcend the pleadings and, by affidavit or other

admissible evidence, introduce specific facts that show a genuine issue of material fact." *Id.* (internal citations and quotations omitted). In other words, the nonmoving party must "do more than simply show that there is some metaphysical doubt as to the operative facts in order to avoid summary judgment being entered in the moving party's favor." *Wood v. Safeway, Inc.*, 121 Nev. 724, 732, 121 P.3d 1026, 1031 (2005) (internal citations and quotations omitted).

5. The Nevada Rules of Professional Conduct provide that a "lawyer or law firm shall not share legal fees with a nonlawyer." NRPC 5.4(a).

6. A lawyer who is suspended from the practice of law pursuant to SCR 212 for failing to comply with the CLE requirements required by SCR 210 is a "nonlawyer" for purposes of NRPC 5.4(a). *See e.g., In re Phillips*, 226 Ariz. 112, 121, 244 P.3d 549, 558 (2010) (suspended lawyer is equivalent of nonlawyer for purposes of RPC 5.4(a)); *Disciplinary Counsel v. McCord*, 121 Ohio St.3d 497, 905 N.E.2d 1182, 1189 (2009) (ethical violation for suspended lawyer to receive attorney's fee); *Office of Disciplinary Counsel v. Jackson*, 536 Pa. 26, 637 A.2d 615, 620 (1994) (noting a suspended attorney is a "non-lawyer" within the meaning of the rules"); *Comm. on Prof'l Ethics*, State Bar of Tex., Op. 592 (2010) (prohibiting a lawyer from sharing legal fees with suspended attorney).

7. NRPC 5.4(a) prohibits suspended lawyers from recovering or sharing in attorneys' fees earned on cases that were open and unresolved at the time the lawyers were suspended. *See Lessoff v. Berger*, 2 A.D.3d 127, 767 N.Y.S.2d 605, (Mem)-606 (2003) (stating the general position adopted by courts that, "with respect to cases that were open at the time of [a] suspension, [the suspended attorney's] share in any fees paid after his suspension is limited to the quantum meruit value of any work he performed prior to his suspension.").

8. A lawyer who becomes suspended under SCR 212 for noncompliance with his or her CLE requirements could arguably seek to avoid some of the consequences of this suspension if the lawyer's noncompliance was inadvertent, accidental, or the product of the lawyer's reasonable mistake or misunderstanding. However, a lawyer who becomes suspended under this rule and knowingly or intentionally refuses to remedy his or her deficiencies or

1 deliberately protests the fees associated with remedying his or her deficiencies cannot avoid the
2 consequences of his or her suspension.

3 9. The undisputed facts establish that Ms. Cohen was suspended from the practice
4 of law on or about April 6, 2017, for failing to comply with the CLE requirements imposed by
5 SCR 210.

6 10. The undisputed facts establish that Ms. Cohen knowingly and intentionally
7 refused to reinstate her license until December 19, 2019, the day after Defendants filed their
8 Motion.

9 11. Ms. Cohen was a "nonlawyer" subject to the prohibition on fee sharing provided
10 in NRPC 5.4(a) beginning on April 6, 2017, and continuing until her law license was reinstated
11 on December 19, 2019.

12 12. Mr. Padda's obligation to pay Ms. Cohen the Expectancy Interest under the
13 Dissolution Agreement was rendered illegal and unenforceable the moment Ms. Cohen's law
14 license was suspended. *See McIntosh v. Mills*, 121 Cal. App. 4th 333, 343, 17 Cal. Rptr. 3d 66,
15 73 (2004) (holding that the issue of whether "the doctrine of illegality applies to the fee-sharing
16 agreement between" an attorney and a non-attorney "is a question of law"); *United States v.*
17 *36.06 Acres of Land*, 70 F. Supp. 2d 1272, 1276 (D.N.M. 1999) (holding that "unwritten
18 contingency fee contracts, because they violate the Rules of Professional Conduct, will not be
19 enforced, and an attorney's recovery in such cases will be limited to" the reasonable value of its
20 services under quantum meruit); *Christensen v. Eggen*, 577 N.W.2d 221, 225 (Minn. 1998)
21 (holding that fee-splitting agreement between attorneys "violates public policy because it does
22 not comply with Minn. R. Prof. Conduct 1.5(e) and is therefore unenforceable.").

23 13. With respect to Ms. Cohen's First, Second, and Third Claims for Relief relating
24 to an alleged breach of the Dissolution Agreement, Ms. Cohen is precluded from enforcing Mr.
25 Padda's obligation to pay her the Expectancy Interest and from recovering any share of the
26 attorneys' fees earned by Mr. Padda or Padda Law on the Pending Cases, which were resolved
27 while she was suspended from the practice of law between April 6, 2017, and December 19,
28 2019, including the Moradi Case and the Cochran Case.

14. Although Defendants received funds from the Garland Case before April 6, 2017, Ms. Cohen has not incurred any damages relating to her 33.333% share (or \$17,196.67) of the gross attorneys' fees received by Defendants for the Garland Case and did not present any evidence to establish that she was damaged as a result of "other contingency matters" resolved prior to April 6, 2017, even if she could establish an entitlement to recover such damages, because Ms. Cohen received \$51,500.00 from Defendants under the Buyout Agreement. *See Chicago Title Agency v. Schwartz*, 109 Nev. 415, 418, 851 P.2d 419, 421 (1993) (stating "whether a case be one in contract or in tort, the injured party bears the burden of proving that he or she has been damaged").

15. Having determined that Ms. Cohen is prohibited under NRPC 5.4(a) from enforcing the Expectancy Interest in the Dissolution Agreement on any Pending Cases, the Court cannot, in good conscience, permit Ms. Cohen to use her remaining fraud and fiduciary duty claims, among others, to circumvent NRPC 5.4(a) by essentially enforcing a contract obligation NRPC 5.4(a) renders illegal and unenforceable.

16. If Ms. Cohen is successful on her claim of fraudulent inducement, she would be able to address all of the claims that she has pled in her complaint at trial.

17. There remains a genuine issue of material fact as to whether a special relationship existed between Mr. Padma and Ms. Cohen following the dissolution of C&P.

18. However, given Ms. Cohen's knowing and intentional decision to be suspended from the practice of law as evidenced by Exhibit 34 to Defendants' motion, the Court cannot as a matter of law allow this case to proceed to trial. Thus, summary judgment is granted on that narrow basis.

19. If any Conclusion of Law is properly a Finding of Undisputed Fact, it shall be treated as if appropriately identified and designated.

III.

ORDER AND JUDGMENT

Having entered the foregoing Findings of Undisputed Fact and Conclusions of Law, and good cause appearing,

1 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Defendants' Motion is
2 GRANTED.

3 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the granting of
4 Defendants' Motion disposes of all claims asserted by Ms. Cohen against Defendants in this
5 action and, therefore, JUDGMENT is hereby entered against Ms. Cohen and in favor of
6 Defendants.

7 DATED this 18 day of February 2020

8 
9 DISTRICT COURT JUDGE
10 

11 Respectfully submitted by:

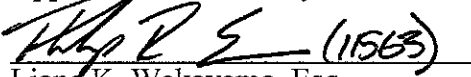
12 **Declined to Sign**

13 J. Stephen Peek, Esq.
14 Ryan A. Semerad, Esq.
15 HOLLAND & HART LLP
16 9555 Hillwood Dr., 2nd Floor
17 Las Vegas, NV 89134

18 Tamara Beatty Peterson, Esq.
19 Nikki L. Baker, Esq.
20 PETERSON BAKER, PLLC
21 701 S. 7th Street
22 Las Vegas, NV 89101

23 *Counsel for Defendants*

24 Approved as to form by:

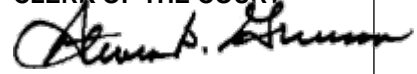
25  (11563)
26 Liane K. Wakayama, Esq.
27 Nevada Bar No. 11313
28 Jared M. Moser, Esq.
Nevada Bar No. 13003
MARQUIS AURBACH COFFING
10001 Park Run Drive
Las Vegas, NV 89145

Donald J. Campbell, Esq.
Nevada Bar No. 1216
Samuel R. Mirkovich, Esq.
Nevada Bar No. 11662
CAMPBELL & WILLIAMS
700 South Seventh Street
Las Vegas, Nevada 89101

Counsel for Plaintiff

EXHIBIT 5

-Plaintiff's Motion For Reconsideration Of
Order Granting Defendants' Motion For
Summary Judgment Filed On 2/21/2020-



MARQUIS AURBACH COFFING
LIANE K. WAKAYAMA, ESQ. (11313)

lwakayama@maclaw.com

JARED M. MOSER, ESQ. (13003)

jmoser@maclaw.com

10001 Park Run Drive
Las Vegas, Nevada 89145
Telephone: (702) 382-0711
Facsimile: (702) 382-5816

CAMPBELL & WILLIAMS
DONALD J. CAMPBELL, ESQ. (1216)

djc@cwlawlv.com

SAMUEL R. MIRKOVICH, ESQ. (11662)

srm@cwlawlv.com

PHILIP R. ERWIN, ESQ. (11563)

pre@cwlawlv.com

700 South Seventh Street
Las Vegas, Nevada 89101
Telephone: (702) 382-5222
Facsimile: (702) 382-0540

Attorneys for Plaintiff

**DISTRICT COURT
CLARK COUNTY, NEVADA**

RUTH L. COHEN, an individual,

Plaintiff,

vs.

PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individuals I-X;
and, ROE entities I-X,

Defendants.

Case No.: A-19-792599-B

Dept. No.: XI

**PLAINTIFF'S MOTION FOR
RECONSIDERATION OF ORDER
GRANTING DEFENDANTS' MOTION
FOR SUMMARY JUDGMENT;
JUDGMENT**

HEARING REQUESTED

Plaintiff Ruth L. Cohen ("Plaintiff"), by and through her undersigned counsel, hereby submits her Motion for Reconsideration of Order Granting Defendants' Motion for Summary Judgment; Judgment. This Motion is made and based upon the attached memorandum of points and authorities,

1 all exhibits attached hereto, all pleadings and papers on file herein, and any oral argument that the Court
2 shall allow at the time of hearing.

3 I. INTRODUCTION

4 We bring this Motion with the benefit of fresh eyes and hindsight in the hopes that a lengthy
5 appeal from this Court's recent order granting summary judgment can be avoided. Plaintiff
6 respectfully submits that the Court—through no fault of Her Honor—erred by ruling that Plaintiff's
7 suspension from the practice of law barred her from recovering the Expectancy Interest under the
8 Dissolution Agreement.¹ Although Plaintiff did not present this legal authority to the Court in the
9 underlying briefing, multiple courts have found that fee-splitting contracts involving suspended or
10 disbarred lawyers are enforceable where, as here, the lawyer transferred responsibility for the cases
11 at issue prior to suspension or disbarment in exchange for a percentage of the ultimate recovery.
12 These same courts have consistently determined that this type of arrangement does not run afoul of
13 the prohibition on fee-sharing with non-lawyers because the lawyer fully performed his or her
14 obligations before the suspension or disbarment and there was no abandonment of the client.
15

16 Plaintiff's case fits squarely within the framework established by these cases. As such,
17 Plaintiff submits this new and highly persuasive legal authority for the Court's consideration as it
18 plainly rebuts the arguments advanced by Defendants that any payment to Plaintiff under the
19 Dissolution Agreement would violate NRPC 5.4(a). Because Plaintiff's suspension from the practice
20 of law did not render the Expectancy Agreement illegal and unenforceable, we respectfully request
21 reconsideration of the Order pursuant to EDCR 2.24.
22
23
24
25
26
27
28

¹ Capitalized terms referenced herein have the same meaning as those set forth in the Order Granting Defendants' Motion for Summary Judgment; Judgment (the "Order").

II. ARGUMENT

A. Legal Standard.

Eighth Judicial District Court Rule 2.24 authorizes motions for reconsideration to be filed “within 10 days after service of written notice of the order or judgment[.]” EDCR 2.24(b). Because the Order was entered on February 18, 2020, this Motion is timely. While EDCR 2.24 does not set forth any specific standards, “[a] district court may reconsider a previously decided issue if substantially different evidence is subsequently introduced or the decision is clearly erroneous.” *Masonry and Title v. Jolley, Urga & Wirth*, 113 Nev. 737, 741, 941 P.2d 486, 489 (1997) (citing *Moore v. City of Las Vegas*, 92 Nev. 402, 405, 551 P.2d 244, 246 (1976)).

A ruling “is ‘clearly erroneous’ when although there is evidence to support it, the reviewing court on the entire evidence is left with the definite and firm conviction that a mistake has been committed.” *Unionamerica Mortgage and Equity Trust v. McDonald*, 97 Nev. 210, 211-212, 626 P.2d 1272, 1273 (1981) (quotation omitted). The Nevada Supreme Court has likewise recognized that reconsideration may be proper even though “the facts and law were unchanged,” but where the judge “was more familiar with the case by the time the second motion was heard[.]” *Harvey’s Wagon Wheel, Inc. v. MacSween*, 96 Nev. 217, 217-18, 606 P.2d 1095, 1097 (1980) (finding no abuse of discretion where district court reheard and granted motion for partial summary judgment after originally denying the same).

B. Plaintiff Is Entitled To Seek Recovery Under The Dissolution Agreement Irrespective Of Her Temporary Suspension From The Practice Of Law.

The relevant facts related to the Court’s analysis of whether Plaintiff’s suspension prevents her from enforcing the Dissolution Agreement are undisputed. Plaintiff and Defendant Paul Padda (“Padda”) entered into the Dissolution Agreement on or about December 23, 2014 at which time Plaintiff had an active Nevada law license.² The Dissolution Agreement effectuated the dissolution

² Order, ¶¶ 4, 14, 28.

1 of Cohen & Padda, LLP (“C&P”) as of December 31, 2014, and granted Plaintiff “a 33.333 percent
2 share of gross attorney’s fees recovered in all contingency fee cases for which [C&P] has a signed
3 retainer agreement on or before December 31, 2014.”³ The Dissolution Agreement did not require
4 or otherwise anticipate that Plaintiff would perform work on the contingency fee cases that were the
5 subject of the Dissolution Agreement.⁴ Nor did Plaintiff actually perform work on the disputed
6 contingency fee cases following the execution of the Dissolution Agreement.⁵ Beginning on April 6,
7 2017, and continuing until December 19, 2019—during which time the Moradi and Cochran Cases
8 settled—Plaintiff’s license to practice law was suspended.⁶

9
10 The Texas Court of Appeals confronted a similar scenario in *Lee v. Cherry*, 812 S.W.2d 361
11 (Tex. Ct. App. 1991). Attorney Lee referred a personal injury matter to attorney Cherry in exchange for
12 one-third of any legal fee earned in the case. *Id.* at 361. Approximately three years later, the Texas State
13 Bar suspended Lee’s law license and he subsequently resigned his license in lieu of disciplinary
14 proceedings. *Id.* The personal injury matter thereafter settled for \$1.6 million and Lee requested his
15 referral fee from Cherry. *Id.* Like Padda, however, Cherry contended that the referral agreement was
16 unenforceable due to the prohibition on fee-sharing with non-lawyers such that Cherry was legally
17 obligated to keep the entire fee. *Id.*

18
19 The Texas Court of Appeals soundly rejected Cherry’s argument as follows:

20
21 After careful consideration, we decline to extend the State Bar Rule forbidding payment
22 of attorney’s fees to non-lawyers to encompass fees due a former attorney who performed
23 all that was required of him prior to his resignation or disbarment under a client-approved
24 referral fee contract. To do otherwise, under the facts of this case where *no* issue of
abandonment exists, would not further the rationale behind Rule 5.04. Such an
interpretation would undermine the rule’s integrity by artificially expanding it simply to
inflict additional economic punishment on appellant.

25
26 ³ *Id.* at ¶ 5.

27 ⁴ *Id.* at ¶ 5.

28 ⁵ *Id.* at ¶ 11.

⁶ *Id.* at 18, 20, 28.

Id. at 363 (“We have found no cases which have disallowed attorney’s fees where the disbarred or resigned attorney had completed all of his contractual duties prior to surrendering his license.”) (emphasis in original); *see also A.M. Wright & Assocs., P.C. v. Glover, Anderson, Chandler & Uzick, L.L.P.*, 993 S.W.2d 466, 468-70 (Tex. Ct. App. 1999) (following *Lee* and remanding for further proceedings to determine whether referral contract provision addressing “day to day handling” of cases contemplated the future performance of legal services by suspended lawyer).⁷

The Iowa Supreme Court reached the same result in *West v. Jayne*, 484 N.W.2d 186 (Iowa 1992). Attorneys Jayne and West practiced law in the same firm and allocated the fees collected on contingency cases based on which attorney originated the case. *Id.* at 187-88. West was suspended from the practice of law and the firm broke up with Jayne taking more than 60 pending contingency fee cases. *Id.* Jayne refused to divide the fees recovered from the contingency cases on grounds that West was prohibited from earning fees or deriving income from the practice of law during his suspension. *Id.* at 190. The Iowa Supreme Court held that West’s suspension did not annul the contract because “West had performed his services under the contract at the time he turned the cases over to Jayne.” *Id.* at 191. The Iowa Supreme Court further opined that “Jayne’s contention that West can recover only on the reasonable value of his services performed, or on a quantum meruit basis, has no merit.” *Id.*

In holding that West’s suspension did not render the fee-splitting agreement unenforceable, the Iowa Supreme Court relied heavily on the Missouri Supreme Court’s decision in *Simpson v. Rogers*, 406 S.W.2d 26 (Mo. 1966). In *Simpson*, a lawyer facing disbarment proceedings decided to surrender

⁷ Although the Court did not reach this issue in the Order, Defendants argued that the Dissolution Agreement was invalid because the clients (Moradi, Cochran, *et cetera*) did not consent to the fee-splitting agreement pursuant to NRCP 1.5(e). This is incorrect. Plaintiff and Padda were members of the same firm when they entered into the Dissolution Agreement, which removes this matter from the purview of NRCP 1.5(e). *Id.* (“A division of a fee between lawyers **who are not in the same firm** may be made only if...”)(emphasis added). To that end, courts have repeatedly rejected the argument that a client must consent to a fee-splitting agreement between a lawyer and his or her former firm. *See Norton Frickey, P.C. v. James B. Turner, P.C.*, 94 P.3d 1266, 1267-1270 (Colo. Ct. App. 2004) (listing numerous cases).

1 his law license and approached another firm about taking over five pending contingency cases. *Id.* at
2 27-28. With knowledge that the lawyer would soon lose his law license, the firm accepted responsibility
3 for the five contingency fee cases and agreed to pay the lawyer one-half of any fees recovered. *Id.* As
4 in *West*, the Missouri Supreme Court determined that the disbarred lawyer had earned his portion of the
5 fee on the contingency fee cases at the time he entered into fee-splitting agreement. *Id.* at 27-29. The
6 Missouri Supreme Court further held that the contract did not violate the rule against fee-splitting with
7 non-lawyers because the parties entered into the contract while the disbarred attorney was still licensed
8 to practice law. *Id.* at 29.

10 The Appellate Division of the New Jersey Superior Court is in accord. In *Eichen, Levinson &*
11 *Crutchlow, LLP v. Weiner*, the New Jersey court considered whether a trustee appointed to oversee a
12 suspended lawyer's practice could recover referral fees on 78 contingency fee cases that resolved during
13 the period of suspension. 938 A.2d 947, 948-50 (N.J. App. Div. 2008). The New Jersey court expressly
14 rejected the defendant's "contention that payment of a referral fee to the trustee runs afoul of the
15 prohibition on sharing legal fees that are due after the date of [suspension]." *Id.* at 951. Instead, the New
16 Jersey court determined that the suspended lawyer's "interest in the referral fee from the [defendant]
17 vested in accordance with the terms of the referral agreement the moment the referral agreement was
18 executed[,] which was long before [the plaintiff] was first suspended." *Id.*

20 So, too, here. Defendants acknowledge that "the Dissolution Agreement was not illegal or
21 unenforceable at the time it was signed" because Plaintiff "was a properly licensed attorney."⁸ Plaintiff's
22 entitlement to fees was derived from her interest in the disputed contingency fee cases as a partner of
23 C&P rather than the expectation that she would continue to perform work on the cases. Thus, Plaintiff
24 had performed all services required of her and earned her one-third split of the unrealized proceeds from
25 the contingency fee cases at the time the parties entered into the Dissolution Agreement. Padda,
26
27
28

⁸ See Reply in Support of Defendants' Motion for Summary Judgment at 11 (on file).

1 moreover, assumed full responsibility for the contingency fee cases and there is no suggestion that
2 Plaintiff abandoned Moradi, Cochran or any other clients. The invocation of NRCP 5.4 to dismiss
3 Plaintiff's claims due to her temporary suspension would "visit additional, retroactive punishment" on
4 Plaintiff and "result in unjust enrichment" to Defendants. *Lee*, 812 S.W.2d at 364.⁹ That cannot be the
5 law.
6

7 III. CONCLUSION

8 Based on the foregoing, Plaintiff respectfully requests that the Court grant her Motion for
9 Reconsideration of Order Granting Defendants' Motion for Summary Judgment; Judgment and
10 permit this case to proceed to trial.

11 DATED this 21st day of February, 2020.

12 CAMPBELL & WILLIAMS

13 By /s/ ***Philip R. Erwin***

14 DONALD J. CAMPBELL, ESQ. (1216)
15 SAMUEL R. MIRKOVICH, ESQ. (11662)
16 PHILIP R. ERWIN, ESQ. (11563)

17 MARQUIS AURBACH COFFING

18 LIANE K. WAKAYAMA, ESQ. (11313)
19 JARED M. MOSER, ESQ. (13003)

20
21
22
23
24
25 ⁹ Notably, Defendants incorporated *Comm'n on Prof'l Ethics*, State Bar of Tex., Op. 592 (2010) in
26 the Order for the proposition that a lawyer may not share legal fees with a suspended lawyer. But
27 Opinion No. 592 addressed the enforceability of a referral agreement entered into between two
28 attorneys while one attorney was suspended from the practice of law. *Id.* In that regard, Opinion No.
592 referenced Opinion No. 568, which directly addressed the facts of *Lee* and *A.M. Wright*. The
Texas State Bar affirmed the enforceability of a fee-splitting agreement that was entered into before
the referring lawyer became disbarred and before the fee became payable. Exhibit 1 (*Comm'n on
Prof'l Ethics*, State Bar of Tex., Op. 568 (2010)). These legal authorities support the viability of
Plaintiff's claims and not the position advanced by Defendants.

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of Campbell & Williams, and that on this 21st day of February, 2020 I caused the foregoing document entitled **Motion for Reconsideration of Order Granting Defendants' Motion for Summary Judgment; Judgment** to be served upon those persons designated by the parties in the E-Service Master List for the above-referenced matter in the Eighth Judicial District Court eFiling System in accordance with the mandatory electronic service requirements of Administrative Order 14-2 and the Nevada Electronic Filing and Conversion Rules.

/s/ John Y. Chong
An Employee of Campbell & Williams

EXHIBIT 1

**The Supreme Court of Texas Professional Ethics Committee
for the State Bar of Texas
Opinion Number 568
April 2006**

QUESTION PRESENTED

Under the Texas Disciplinary Rules of Professional Conduct, may a lawyer share a contingent fee with a suspended or disbarred lawyer?

STATEMENT OF FACTS

Lawyer A refers a contingent fee case to Lawyer B pursuant to a signed referral agreement that calls for the two lawyers to share the contingent fee. Subsequently, Lawyer A is suspended from the practice of law. While Lawyer A is suspended from the practice of law, a contingent fee becomes payable with respect to the contingent fee case.

DISCUSSION

With exceptions not relevant here, Rule 5.04(a) of the Texas Disciplinary Rules of Professional Conduct provides that "[a] lawyer or law firm shall not share or promise to share legal fees with a non-lawyer" The primary rationale behind this rule is to prevent solicitation by lay persons of clients for lawyers and to avoid encouraging or assisting non-lawyers in the practice of law. See Comment 1 to Rule 5.04.

The Committee previously addressed a similar issue under Disciplinary Rule 3- 102 of the Texas Code of Professional Responsibility, the predecessor to current Rule 5.04(a) of the Texas Disciplinary Rules of Professional Conduct. Disciplinary Rule 3-102 provided that "[a] lawyer or law firm shall not share legal fees with a non-lawyer" In Professional Ethics Committee Opinion 432 (October 1986), the Committee held that payment of fees to a lawyer who is disbarred prior to the completion of a contingent fee contract violates Rule 3-102 because the disbarred lawyer is not entitled to collect either on the contract or quantum meruit for the services that have been rendered. Relying on the Texas Supreme Court's decision in *Royden v. Ardoin*, 331 S.W.2d 206 (Tex. 1960), the Committee concluded that the disbarment or suspension of the lawyer is tantamount to voluntary abandonment by the lawyer, which disqualifies the lawyer from compensation because the lawyer is unable to complete the work the lawyer was hired to perform. The Committee, however, expressly did not address the question of payment to a lawyer where there was no abandonment because the services had been completed prior to the disciplinary action.

Two opinions of the Fourteenth District Court of Appeals have addressed the specific question left unresolved by Opinion 432. In *Lee v. Cherry*, 812 S.W.2d 361 (Tex. App. - Houston [14th Dist.] 1991, writ denied), the court held that a disbarred lawyer may receive referral fees provided that the lawyer completed the legal work on the case prior to disbarment. In *Lee*, the court refused to extend the holding of *Royden v. Ardoin*, supra, to a case in which the lawyer had completed all of the work expected of him. The court reasoned that voluntary abandonment only applies to those situations where the lawyer has not completed the legal services prior to disbarment. See 812 S.W.2d at 363. The *Lee* decision was followed in *A.W. Wright & Associates, P.C. v. Glover, Anderson, Chandler & Uzick, L.L.P.*, 993 S.W.2d 466 (Tex. App. - Houston [14th Dist.] 1999, pet. denied). Both cases involved forwarding lawyers in referral fee arrangements.

Lee and *A. W. Wright* were decided before the amendments to Rule 1.04 of the Texas Disciplinary Rules of Professional Conduct, which became effective March 1, 2005. The amendments abolished the pure referral fee. Under the amended Rule as currently in effect, fee

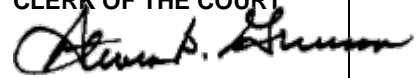
divisions between lawyers not in the same firm must be made either in proportion to the professional services performed by each lawyer or based on the lawyers' assumption of joint responsibility for the representation. See Rule 1.04(f). Under the amended rule, a referring lawyer's duties cannot end with the referral. Although *Lee* and *A. W. Wright* were decided before the 2005 amendment of Rule 1.04, the Committee is of the opinion that the underlying rationale of these decisions is correct and that under the Texas Disciplinary Rules of Professional Conduct a lawyer may share a contingent fee with a suspended or disbarred lawyer if the suspended or disbarred lawyer has fully performed all work in the matter prior to the lawyer's suspension or disbarment. The Committee, however, notes that under other principles of Texas law a suspended or disbarred lawyer may be prohibited from receiving some or all of the fees generated from a matter that forms the basis of the disciplinary action against the lawyer. See *Burrow v. Arce*, 997 S.W.2d 229 (Tex. 1999).

CONCLUSION

Under the Texas Disciplinary Rules of Professional Conduct, a lawyer may share a contingent fee with a suspended or disbarred lawyer if the fee-sharing agreement existed before the suspension or disbarment and the suspended or disbarred lawyer fully performed all work in the matter before the suspension or disbarment.

EXHIBIT 6

-Order Denying Plaintiff's Motion For
Reconsideration Filed On 3/31/2020-



ODM

J. Stephen Peek, Esq.
Nevada Bar No. 1758
Ryan A. Semerad, Esq.
Nevada Bar No. 14615
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134
Phone: 702.669.4600
Fax: 702.669.4650
speek@hollandhart.com
rasemerad@hollandhart.com

Tamara Beatty Peterson, Esq.
Nevada Bar No. 5218
Nikki L. Baker, Esq.
Nevada Bar No. 6562
PETERSON BAKER, PLLC
701 S. 7th Street
Las Vegas, NV 89101
tpeterson@petersonbaker.com
nbaker@petersonbaker.com

Daniel F. Polsenberg, Esq.
Joel D. Henroid, Esq.
Abraham G. Smith, Esq.
Lewis Roca Rothberger Christie LLP
3993 Howard Hughes Parkway Ste 600
Las Vegas, Nevada 89169-5996

*Attorneys for Defendants PAUL S. PADDA
and PAUL PADDA LAW, PLLC*

DISTRICT COURT

CLARK COUNTY, NEVADA

RUTH L. COHEN, an Individual,

Plaintiff,

v.

PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individuals I-
X; and ROE entities I-X,

Defendants.

Case No. A-19-792599-B
Dept. No. XI

**ORDER DENYING PLAINTIFF'S
MOTION FOR RECONSIDERATION**

1 This matter came before the Court and was decided without the necessity of oral argument
2 pursuant to Administrative Order 20-01 on March 25, 2020.¹

3 On December 18, 2019, Defendants Paul S. Padda, Esq. (“Mr. Padda”) and Paul Padda
4 Law, PLLC (“Padda Law”) (collectively, “Defendants”) filed a motion for summary judgment
5 arguing, in relevant part, that, because Plaintiff Ruth L. Cohen (“Ms. Cohen”) was suspended from
6 the practice of law on April 6, 2017, and remained suspended through the filing of that motion,
7 Ms. Cohen was prohibited from receiving any legal fees earned on any cases resolved on or after
8 April 6, 2017, by NRPC 5.4(a) such that the contractual obligation under which Ms. Cohen sought
9 to recover legal fees through this action was illegal and unenforceable as a matter of law.

10 On December 23, 2019, Ms. Cohen filed a motion to extend the time to file her opposition
11 to Defendants’ motion for summary judgment. The Court granted Ms. Cohen’s motion to extend
12 time and established the deadline for Ms. Cohen to file her opposition to January 10, 2020.

13 On January 10, 2020, Ms. Cohen filed her opposition to Defendants’ motion for summary
14 judgment. Regarding Defendants’ arguments concerning Ms. Cohen’s suspension from the
15 practice of law, Ms. Cohen cited one case, *Shimrak v. Garcia-Mendoza*, 112 Nev. 246, 912 P.2d
16 822 (1996).

17 On January 24, 2020, Defendants filed their reply in support of their motion for summary
18 judgment.

19 A hearing was held on Defendants’ motion for summary judgment on January 27, 2020.
20 At that hearing, in regard to Defendants’ arguments about Ms. Cohen’s suspension from the
21 practice of law, Ms. Cohen’s counsel only presented the same arguments Ms. Cohen had made in
22 her opposition, relying exclusively upon the *Shimrak decision* and without referring to other legal
23 authorities or distinguishing the authorities cited by Defendants.

24 On February 18, 2020, the Court granted Defendants’ motion for summary judgment.

25 On February 21, 2020, Ms. Cohen filed a motion for reconsideration of the Court’s order
26 granting Defendants’ motion for summary judgment (the “Motion”). There, Ms. Cohen argued

27 _____
28 ¹See EDCR 2.23(c) (“The judge may consider the motion on its merits at anytime with or without oral argument, and
grant or deny it.”).

1 that the Court's order was "clearly erroneous" because it failed to account for several legal
2 authorities from other jurisdictions, which Ms. Cohen failed to present in her opposition to
3 Defendants' motion for summary judgment or at the original hearing on the same motion.

4 On March 6, 2020, Defendants filed an opposition to Ms. Cohen's Motion (the
5 "Opposition").

6 Ms. Cohen filed a reply in support of her Motion on March 16, 2020.

7 After considering the papers and the pleadings on file, and good cause appearing, the Court
8 hereby orders as follows:

9 IT IS ORDERED THAT the Motion is DENIED.

10 EDCR Rule 2.24 provides, in pertinent part, that a party may seek "reconsideration of a
11 ruling of the court." However, the Nevada Supreme Court has determined that "[o]nly in very rare
12 instances in which new issues of fact or law are raised supporting a ruling contrary to the ruling
13 already reached should a motion for rehearing be granted." *Moore v. City of Las Vegas*, 92 Nev.
14 402, 405, 551 P.2d 244, 246 (1976). A district court may consider a motion for reconsideration
15 concerning a previously decided issue if the decision was clearly erroneous. *See Masonry and Tile*
16 *v. Jolley, Urga & Wirth*, 113 Nev. 737, 741, 941 P.2d 486, 489 (1997). But "[p]oints or contentions
17 not raised in the original hearing cannot be maintained or considered on rehearing." *Achrem v.*
18 *Expressway Plaza Ltd.*, 112 Nev. 737, 742, 917 P.2d 447, 450 (1996); *see also Sargeant v.*
19 *Henderson Taxi*, 425 P.3d 714 (Table), 2017 WL 10242277, at *1 (Nev. Sup. Ct. Dec. 1, 2017).

20 A court's decision is "clearly erroneous" where it would result in manifest injustice if it is
21 enforced or would amount to a fundamental miscarriage of justice. *See Hsu v. Cty. of Clark*, 123
22 Nev. 625, 630–31, 173 P.3d 724, 728–29 (2007). A party's failure to cite or present certain
23 nonbinding authorities from other jurisdictions to this Court in the original hearing on a motion
24 does not render this Court's decision on that motion "clearly erroneous." Thus, this Court's order
25 granting Defendants' motion for summary judgment is not "clearly erroneous" and subject to
26 reconsideration due to Ms. Cohen's failure to cite or present the nonbinding authorities she has
27 identified in her Motion.

28 Further, the authorities Ms. Cohen cites in her Motion do not apply here.

1 In her Motion, Ms. Cohen firsts asks the Court to consider, accept, and apply legal
2 authorities that stand for the general principle that an attorney who becomes disbarred or
3 suspended prior to the resolution of a client's pending matter has voluntarily abandoned that matter
4 such that the attorney may not recover any legal fees of any kind, including the *quantum meruit*
5 value of the services already rendered by the attorney, earned on the matter. *See, e.g., Royden v.*
6 *Ardoyn*, 331 S.W.2d 206, 209 (Tex. 1960). This general principle is far more punitive and exacting
7 than the authorities this Court relied upon in granting Defendants' motion for summary judgment
8 as it denies disbarred and/or suspended attorneys the ability to recover even the reasonable value
9 of services rendered on pending matters following their suspension or disbarment. *See Lessoff v.*
10 *Berger*, 2 A.D.3d 127, 767 N.Y.S.2d 605, (Mem)–606 (2003) (permitting recovery of *quantum*
11 *meruit* value of services rendered on pending matters for disbarred or suspended attorneys). In
12 fact, the line of cases Ms. Cohen relies on in her Motion simply represents the more exacting of
13 two approaches developed across the country to address a disbarred or suspended attorney's ability
14 to recover legal fees after his or her disbarment or suspension. *See, e.g., Pollock v. Wetterau Food*
15 *Distrib. Group*, 11 S.W.3d 754, 772–73 (Mo. Ct. App. 1999) ("There are two schools of thought
16 on the issue of a disbarred attorney's entitlement to recover fees for work performed prior to his
17 disbarment."); *Kourouvacilis v. Am. Fed'n of State, Cty. & Mun. Employees*, 841 N.E.2d 1273,
18 1279 (Mass. App. Ct. 2006) ("Two principal lines of authority have emerged in other jurisdictions
19 concerning an attorney's right to compensation after he has been suspended or disbarred before
20 completion of his services for the client.").

21 Ms. Cohen then requests the Court to consider, accept, and apply a narrow exception to
22 this general principle, which provides that, where an attorney has completed all the services he or
23 she was required to complete on a client's matter before his or her suspension or disbarment, the
24 attorney may recover his or her agreed upon share of the legal fees earned on the matter so long as
25 the attorney's right to such compensation was memorialized in a valid contract executed prior to
26 the attorney's suspension or disbarment. *See Lee v. Cherry*, 812 S.W.2d 361, 363 (Tex. App.
27 1991). The only applicable legal services contracts recognized by these courts (following the more
28 punitive approach which this Court declined to follow) are referral or origination fee agreements.

1 *See, e.g., Lee*, 812 S.W.2d at 361–62; *A.W. Wright & Assocs., P.C. v. Glover, Anderson, Chandler*
2 *& Uzick, LLP*, 993 S.W.2d 466, 467–68 (Tex. App. 1999); *Comm’n on Prof’l Ethics*, State Bar of
3 Tex., Op. 568 (2010) (considering “a signed referral agreement that calls for the two lawyers to
4 share the contingent fee”); *West v. Jayne*, 484 N.W.2d 186, 188 (Iowa 1992); *Simpson v. Rogers*,
5 406 S.W.2d 26, 27 (Mo. 1966). Because Ms. Cohen’s claim to a share of legal fees earned after
6 her suspension in this case is not predicated upon a referral fee or origination fee agreement, the
7 exception to the general “voluntary abandonment” rule recognized by these other jurisdictions
8 does not apply here.

9 ///

10 ///

11 ///

Accordingly, for all these reasons, the Court denies Ms. Cohen's Motion for Reconsideration.

DATED this 31st day of March, 2020


DISTRICT COURT JUDGE

Prepared and submitted by:

/s/ Ryan A. Semerad
J. Stephen Peek, Esq.
Ryan A. Semerad, Esq.
HOLLAND & HART LLP
9555 Hillwood Dr., 2nd Floor
Las Vegas, NV 89134

Tamara Beatty Peterson, Esq.
Nikki L. Baker, Esq.
PETERSON BAKER, PLLC
701 S. 7th Street
Las Vegas, NV 89101

Daniel F. Polsenberg, Esq.
Joel D. Henroid, Esq.
Abraham G. Smith, Esq.
Lewis Roca Rothberger Christie LLP
3993 Howard Hughes Parkway Ste 600
Las Vegas, Nevada 89169-5996

Counsel for Defendants

Approved as to form and content by:

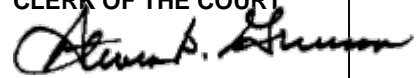
/s/ Philip R. Erwin
Liane K. Wakayama, Esq.
Nevada Bar No. 11313
Jared M. Moser, Esq.
Nevada Bar No. 13003
MARQUIS AURBACH COFFING
10001 Park Run Drive
Las Vegas, NV 89145

Donald J. Campbell, Esq.
Nevada Bar No. 1216
Samuel R. Mirkovich, Esq.
Nevada Bar No. 11662
CAMPBELL & WILLIAMS
700 South Seventh Street
Las Vegas, Nevada 89101

Counsel for Plaintiff

EXHIBIT 7

-Notice Of Entry Of Order Denying
Plaintiff's Motion For Reconsideration
Filed On 3/31/2020-



NEO

J. Stephen Peek, Esq.
Nevada Bar No. 1758
Ryan A. Semerad, Esq.
Nevada Bar No. 14615
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134
Phone: 702.669.4600
Fax: 702.669.4650
speek@hollandhart.com
rasemerad@hollandhart.com

Tamara Beatty Peterson, Esq.
Nevada Bar No. 5218
Nikki L. Baker, Esq.
Nevada Bar No. 6562
PETERSON BAKER, PLLC
701 S. 7th Street
Las Vegas, NV 89101
tpeterson@petersonbaker.com
nbaker@petersonbaker.com

Daniel F. Polsenberg, Esq.
Joel D. Henroid, Esq.
Abraham G. Smith, Esq.
Lewis Roca Rothberger Christie LLP
3993 Howard Hughes Parkway Ste 600
Las Vegas, Nevada 89169-5996

*Attorneys for Defendants PAUL S. PADDA
and PAUL PADDA LAW, PLLC*

DISTRICT COURT

CLARK COUNTY, NEVADA

RUTH L. COHEN, an Individual,

Plaintiff,

v.

PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individuals I-
X; and ROE entities I-X,

Defendants.

Case No. A-19-792599-B
Dept. No. XI

**NOTICE OF ENTRY OF ORDER
DENYING PLAINTIFF'S MOTION FOR
RECONSIDERATION**

PLEASE TAKE NOTICE that an Order Denying Plaintiff's Motion for Reconsideration
was entered the 31st day of March 2020.

1 A copy of said order is attached hereto.

2 DATED this 31st day of March, 2020

3 HOLLAND & HART LLP

4
5 /s/ Ryan A. Semerad

6 J. Stephen Peek, Esq.
7 Ryan A. Semerad, Esq.
8 9555 Hillwood Dr., 2nd Floor
9 Las Vegas, NV 89134

10 Tamara Beatty Peterson, Esq.
11 Nikki L. Baker, Esq.
12 701 S. 7th Street
13 Las Vegas, NV 89101

14 *Attorneys for Defendants PAUL S. PADDA and*
15 *PAUL PADDA LAW, PLLC*
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I hereby certify that on the 31st day of March, 2020, a true and correct copy of the foregoing
**NOTICE OF ENTRY OF ORDER DENYING PLAINTIFF'S MOTION FOR
RECONSIDERATION** was served by the following method(s):

☒ Electronic: by submitting electronically for filing and/or service with the Eighth Judicial District Court's e-filing system and served on counsel electronically in accordance with the E-service list to the following email addresses:

MARQUIS AURBACH COFFING
Liane K. Wakayama, Esq.
Jared M. Moser, Esq.
10001 Park Run Drive
Las Vegas, NV 89145
lwakayama@maclaw.com
jmoser@maclaw.com

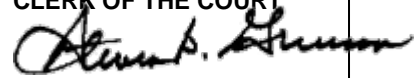
CAMPBELL & WILLIAMS
Donald J. Campbell, Esq.
Samuel R. Mirkovich, Esq.
700 South Seventh Street
Las Vegas, NV 89101
srm@cwlawlv.com

Attorneys for Plaintiff Ruth L. Cohen

Attorneys for Plaintiff Ruth L. Cohen

/s/ C. Bowman
An Employee of Holland & Hart LLP

14421539_v1



ODM

J. Stephen Peek, Esq.
Nevada Bar No. 1758
Ryan A. Semerad, Esq.
Nevada Bar No. 14615
HOLLAND & HART LLP
9555 Hillwood Drive, 2nd Floor
Las Vegas, NV 89134
Phone: 702.669.4600
Fax: 702.669.4650
speek@hollandhart.com
rasemerad@hollandhart.com

Tamara Beatty Peterson, Esq.
Nevada Bar No. 5218
Nikki L. Baker, Esq.
Nevada Bar No. 6562
PETERSON BAKER, PLLC
701 S. 7th Street
Las Vegas, NV 89101
tpeterson@petersonbaker.com
nbaker@petersonbaker.com

Daniel F. Polsenberg, Esq.
Joel D. Henroid, Esq.
Abraham G. Smith, Esq.
Lewis Roca Rothberger Christie LLP
3993 Howard Hughes Parkway Ste 600
Las Vegas, Nevada 89169-5996

*Attorneys for Defendants PAUL S. PADDA
and PAUL PADDA LAW, PLLC*

DISTRICT COURT

CLARK COUNTY, NEVADA

RUTH L. COHEN, an Individual,

Plaintiff,

v.

PAUL S. PADDA, an individual; PAUL
PADDA LAW, PLLC, a Nevada professional
limited liability company; DOE individuals I-
X; and ROE entities I-X,

Defendants.

Case No. A-19-792599-B
Dept. No. XI

**ORDER DENYING PLAINTIFF'S
MOTION FOR RECONSIDERATION**

1 This matter came before the Court and was decided without the necessity of oral argument
2 pursuant to Administrative Order 20-01 on March 25, 2020.¹

3 On December 18, 2019, Defendants Paul S. Padda, Esq. (“Mr. Padda”) and Paul Padda
4 Law, PLLC (“Padda Law”) (collectively, “Defendants”) filed a motion for summary judgment
5 arguing, in relevant part, that, because Plaintiff Ruth L. Cohen (“Ms. Cohen”) was suspended from
6 the practice of law on April 6, 2017, and remained suspended through the filing of that motion,
7 Ms. Cohen was prohibited from receiving any legal fees earned on any cases resolved on or after
8 April 6, 2017, by NRPC 5.4(a) such that the contractual obligation under which Ms. Cohen sought
9 to recover legal fees through this action was illegal and unenforceable as a matter of law.

10 On December 23, 2019, Ms. Cohen filed a motion to extend the time to file her opposition
11 to Defendants’ motion for summary judgment. The Court granted Ms. Cohen’s motion to extend
12 time and established the deadline for Ms. Cohen to file her opposition to January 10, 2020.

13 On January 10, 2020, Ms. Cohen filed her opposition to Defendants’ motion for summary
14 judgment. Regarding Defendants’ arguments concerning Ms. Cohen’s suspension from the
15 practice of law, Ms. Cohen cited one case, *Shimrak v. Garcia-Mendoza*, 112 Nev. 246, 912 P.2d
16 822 (1996).

17 On January 24, 2020, Defendants filed their reply in support of their motion for summary
18 judgment.

19 A hearing was held on Defendants’ motion for summary judgment on January 27, 2020.
20 At that hearing, in regard to Defendants’ arguments about Ms. Cohen’s suspension from the
21 practice of law, Ms. Cohen’s counsel only presented the same arguments Ms. Cohen had made in
22 her opposition, relying exclusively upon the *Shimrak decision* and without referring to other legal
23 authorities or distinguishing the authorities cited by Defendants.

24 On February 18, 2020, the Court granted Defendants’ motion for summary judgment.

25 On February 21, 2020, Ms. Cohen filed a motion for reconsideration of the Court’s order
26 granting Defendants’ motion for summary judgment (the “Motion”). There, Ms. Cohen argued

27 _____
28 ¹See EDCR 2.23(c) (“The judge may consider the motion on its merits at anytime with or without oral argument, and
grant or deny it.”).

1 that the Court's order was "clearly erroneous" because it failed to account for several legal
2 authorities from other jurisdictions, which Ms. Cohen failed to present in her opposition to
3 Defendants' motion for summary judgment or at the original hearing on the same motion.

4 On March 6, 2020, Defendants filed an opposition to Ms. Cohen's Motion (the
5 "Opposition").

6 Ms. Cohen filed a reply in support of her Motion on March 16, 2020.

7 After considering the papers and the pleadings on file, and good cause appearing, the Court
8 hereby orders as follows:

9 IT IS ORDERED THAT the Motion is DENIED.

10 EDCR Rule 2.24 provides, in pertinent part, that a party may seek "reconsideration of a
11 ruling of the court." However, the Nevada Supreme Court has determined that "[o]nly in very rare
12 instances in which new issues of fact or law are raised supporting a ruling contrary to the ruling
13 already reached should a motion for rehearing be granted." *Moore v. City of Las Vegas*, 92 Nev.
14 402, 405, 551 P.2d 244, 246 (1976). A district court may consider a motion for reconsideration
15 concerning a previously decided issue if the decision was clearly erroneous. *See Masonry and Tile*
16 *v. Jolley, Urga & Wirth*, 113 Nev. 737, 741, 941 P.2d 486, 489 (1997). But "[p]oints or contentions
17 not raised in the original hearing cannot be maintained or considered on rehearing." *Achrem v.*
18 *Expressway Plaza Ltd.*, 112 Nev. 737, 742, 917 P.2d 447, 450 (1996); *see also Sargeant v.*
19 *Henderson Taxi*, 425 P.3d 714 (Table), 2017 WL 10242277, at *1 (Nev. Sup. Ct. Dec. 1, 2017).

20 A court's decision is "clearly erroneous" where it would result in manifest injustice if it is
21 enforced or would amount to a fundamental miscarriage of justice. *See Hsu v. Cty. of Clark*, 123
22 Nev. 625, 630–31, 173 P.3d 724, 728–29 (2007). A party's failure to cite or present certain
23 nonbinding authorities from other jurisdictions to this Court in the original hearing on a motion
24 does not render this Court's decision on that motion "clearly erroneous." Thus, this Court's order
25 granting Defendants' motion for summary judgment is not "clearly erroneous" and subject to
26 reconsideration due to Ms. Cohen's failure to cite or present the nonbinding authorities she has
27 identified in her Motion.

28 Further, the authorities Ms. Cohen cites in her Motion do not apply here.

1 In her Motion, Ms. Cohen firsts asks the Court to consider, accept, and apply legal
2 authorities that stand for the general principle that an attorney who becomes disbarred or
3 suspended prior to the resolution of a client's pending matter has voluntarily abandoned that matter
4 such that the attorney may not recover any legal fees of any kind, including the *quantum meruit*
5 value of the services already rendered by the attorney, earned on the matter. *See, e.g., Royden v.*
6 *Ardoyn*, 331 S.W.2d 206, 209 (Tex. 1960). This general principle is far more punitive and exacting
7 than the authorities this Court relied upon in granting Defendants' motion for summary judgment
8 as it denies disbarred and/or suspended attorneys the ability to recover even the reasonable value
9 of services rendered on pending matters following their suspension or disbarment. *See Lessoff v.*
10 *Berger*, 2 A.D.3d 127, 767 N.Y.S.2d 605, (Mem)–606 (2003) (permitting recovery of *quantum*
11 *meruit* value of services rendered on pending matters for disbarred or suspended attorneys). In
12 fact, the line of cases Ms. Cohen relies on in her Motion simply represents the more exacting of
13 two approaches developed across the country to address a disbarred or suspended attorney's ability
14 to recover legal fees after his or her disbarment or suspension. *See, e.g., Pollock v. Wetterau Food*
15 *Distrib. Group*, 11 S.W.3d 754, 772–73 (Mo. Ct. App. 1999) ("There are two schools of thought
16 on the issue of a disbarred attorney's entitlement to recover fees for work performed prior to his
17 disbarment."); *Kourouvacilis v. Am. Fed'n of State, Cty. & Mun. Employees*, 841 N.E.2d 1273,
18 1279 (Mass. App. Ct. 2006) ("Two principal lines of authority have emerged in other jurisdictions
19 concerning an attorney's right to compensation after he has been suspended or disbarred before
20 completion of his services for the client.").

21 Ms. Cohen then requests the Court to consider, accept, and apply a narrow exception to
22 this general principle, which provides that, where an attorney has completed all the services he or
23 she was required to complete on a client's matter before his or her suspension or disbarment, the
24 attorney may recover his or her agreed upon share of the legal fees earned on the matter so long as
25 the attorney's right to such compensation was memorialized in a valid contract executed prior to
26 the attorney's suspension or disbarment. *See Lee v. Cherry*, 812 S.W.2d 361, 363 (Tex. App.
27 1991). The only applicable legal services contracts recognized by these courts (following the more
28 punitive approach which this Court declined to follow) are referral or origination fee agreements.

1 *See, e.g., Lee*, 812 S.W.2d at 361–62; *A.W. Wright & Assocs., P.C. v. Glover, Anderson, Chandler*
2 *& Uzick, LLP*, 993 S.W.2d 466, 467–68 (Tex. App. 1999); *Comm’n on Prof’l Ethics*, State Bar of
3 Tex., Op. 568 (2010) (considering “a signed referral agreement that calls for the two lawyers to
4 share the contingent fee”); *West v. Jayne*, 484 N.W.2d 186, 188 (Iowa 1992); *Simpson v. Rogers*,
5 406 S.W.2d 26, 27 (Mo. 1966). Because Ms. Cohen’s claim to a share of legal fees earned after
6 her suspension in this case is not predicated upon a referral fee or origination fee agreement, the
7 exception to the general “voluntary abandonment” rule recognized by these other jurisdictions
8 does not apply here.

9 ///

10 ///

11 ///

Accordingly, for all these reasons, the Court denies Ms. Cohen's Motion for Reconsideration.

DATED this 31st day of March, 2020


DISTRICT COURT JUDGE

Prepared and submitted by:

/s/ Ryan A. Semerad
J. Stephen Peek, Esq.
Ryan A. Semerad, Esq.
HOLLAND & HART LLP
9555 Hillwood Dr., 2nd Floor
Las Vegas, NV 89134

Tamara Beatty Peterson, Esq.
Nikki L. Baker, Esq.
PETERSON BAKER, PLLC
701 S. 7th Street
Las Vegas, NV 89101

Daniel F. Polsenberg, Esq.
Joel D. Henroid, Esq.
Abraham G. Smith, Esq.
Lewis Roca Rothberger Christie LLP
3993 Howard Hughes Parkway Ste 600
Las Vegas, Nevada 89169-5996

Counsel for Defendants

Approved as to form and content by:

/s/ Philip R. Erwin
Liane K. Wakayama, Esq.
Nevada Bar No. 11313
Jared M. Moser, Esq.
Nevada Bar No. 13003
MARQUIS AURBACH COFFING
10001 Park Run Drive
Las Vegas, NV 89145

Donald J. Campbell, Esq.
Nevada Bar No. 1216
Samuel R. Mirkovich, Esq.
Nevada Bar No. 11662
CAMPBELL & WILLIAMS
700 South Seventh Street
Las Vegas, Nevada 89101

Counsel for Plaintiff