## 1 IN THE SUPREME COURT OF THE STATE OF NEVADA 2 3 **Electronically Filed** IN RE: DISCIPLINE OF Case Noct 09 2020 04:09 p.m. Elizabeth A. Brown 4 BRIAN C. PADGETT, ESQ. NEVADA BAR NO. 7474 Clerk of Supreme Court 5 6 7 8 9 10 11 **VOLUME I** 12 13 RECORD OF DISCIPLINARY PROCEEDINGS, PLEADINGS AND TRANSCRIPT OF HEARING 14 15 16 17 18 19 Brian C. Padgett, Esq. Gerard Gosioco, Esq. 20 Nevada Bar No. 7474 Nevada Bar No. 14371 611 S. 6th Street State Bar of Nevada 21 3100 W. Charleston Blvd., Ste. 100 Las Vegas, NV 89101 22 Las Vegas, NV 89102 Respondent Counsel for the State Bar of Nevada 23 24 25

## IN THE SUPREME COURT OF THE STATE OF NEVADA

	,	
IN RE:	)	
BRIAN C. PADGETT, ESQ.	)	CASE SUMMARY FOR
NEVADA BAR NO. 7474	)	RECORD ON APPEAL
	Ś	

## **SUMMARY OF NATURE OF THE CASE**

## OBC19-0604

Brian C. Padgett (hereinafter "Mr. Padgett"), Bar No. 7474, was retained by Bruce Familian (hereinafter "Mr. Familian") to represent DKB, LLC, for an inverse condemnation case against Clark County on or about July 25, 2012. The case went to trial and DKB was awarded \$116,508 by the jury. Mr. Familian then retained Lewis Roca Rothgerber Christie LLP (hereinafter "Lewis & Roca") to file an appeal as he was not satisfied with the amount awarded by the jury. On or about November 8, 2017, Clark County deposited \$151,599.83 with the District Court representing the jury verdict plus interest.

On or about June 8, 2018, Mr. Padgett filed a Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit. Lewis & Roca were not served with Mr. Padgett's motion which was eventually granted. Mr. Familian emailed Mr. Padgett asking why the disbursement motion was filed without his knowledge and instructed Mr. Padgett to stop the process of withdrawing the funds. Mr. Familian specifically asked Mr. Padgett not to touch on deposit with the District Court should

not be touched during the appeal. However, Mr. Padgett had already received \$151,599.63 of the judgment funds from the Court on or about October 22, 2018.

On or about June 19, 2019, Mr. Padgett attempted to obtain an additional \$13,845.45 from funds that Clark County deposited with the District Court by 5 || submitting a proposed order directly to the Court without copying any other parties or filing a motion. The Court returned the proposed order to Respondent and provided copies to Lewis & Roca.

## OBC19-0798

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Ian Ritchie (hereinafter "Mr. Ritchie") was hired as the head of security for CWNevada (hereinafter "CWN"), a marijuana dispensary of which Mr. Padgett is the CEO, from approximately 2017 to March 26, 2019. In or around May 2015, Mr. 12 | Ritchie was sued by his former employer, Pro-Tect Security, for violating the terms 13 of a non-compete agreement.

Although Mr. Ritchie was not counsel of record for Mr. Ritchie or Round 15 | Table Security (Mr. Ritchie's company), he advised Mr. Ritchie that he should agree 16|| to be jointly and severally liable for the judgment, and that Mr. Padgett, himself, 17 would be paying the judgment. Following Mr. Padgett's advice, the lawsuit was settled with Mr. Ritchie agreeing to be jointly and severally liable for payment to 19||Pro-Tect Security along with Round Table Security. Neither Mr. Padgett, Mr. 20||Ritchie, or Round Table Security satisfied the settlement.

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In or around February 2017, Pro-Tect Security sued Mr. Ritchie for breach of contract. On or about March 12, 2018, Respondent entered his appearance on behalf of Mr. Ritchie. On or about June 28, 2018, the Court entered summary judgment in 4|| favor of Pro-Tect Security and against Mr. Ritchie for \$129,999.92. On or about 5 July 27, 2018, Mr. Padgett filed a Notice of Appeal with the District Court. Mr. 6 Padgett continued to communicate to Mr. Ritchie that Mr. Padgett would give him the money to pay off Pro-Tect Security. Ultimately, Mr. Padgett withdrew as counsel from the appeal. Mr. Ritchie was not able to secure new counsel, and his appeal was dismissed.

## NUMBER OF GRIEVANCES INCLUDED IN CASE

Two (2) grievance files.

## THE RULES OF PROFESSIONAL CONDUCT

OBC19-0604 and OBC19-0798 were consolidated into one matter. The alleged violations in the Formal Complaint were as follows: (1) RPC 1.2 (Scope of 15||Representation and Allocation of Authority Between Client and Lawyer); (2) RPC 16 1.4 (Communication); (3) RPC 1.8 (Conflict of Interest: Current Clients: Specific 17 Rules); (4) RPC 1.15 (Safekeeping Property); (5) RPC 3.3 (Candor Toward the Tribunal); (6) RPC 8.1 (Bar Admission and Disciplinary Matters); and (7) RPC 8.4 (Misconduct).

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## THE NATURE OF THE RULE VIOLATIONS

The Formal Hearing Panel found by clear and convincing evidence that Mr. Padgett violated: (1) RPC 1.2 (Scope of Representation and Allocation of Authority Between Client and Lawyer); (2) RPC 1.4 (Communication); (3) RPC 1.8 (Conflict of Interest: Current Clients: Specific Rules); (4) RPC 1.15 (Safekeeping Property); (5) RPC 3.3 (Candor Toward the Tribunal); (6) RPC 8.1 (Bar Admission and Disciplinary Matters); and (7) RPC 8.4 (Misconduct).

## **SUMMARY OF THE RECOMMENDATION**

Mr. Padgett should receive a suspension from the practice of law for five (5) years and be required to retake the Nevada Bar Exam. Additionally, Pursuant to SCR 120, Respondent shall pay a \$2,500 fee plus the actual costs of this proceeding within ninety (90) days of receipt of a billing from the State Bar.

DATED this 29th day of July, 2020.

STATE BAR OF NEVADA

DANIEL M. HOOGE, BAR COUNSEL

/S/ GEVAVA GOSIOCO /s/ Gerard Gosioco (Jul 29, 2020 14:52 PDT)

Gerard Gosioco, Assistant Bar Counsel Nevada Bar No. 14371 3100 West Charleston Boulevard, Suite 100 Las Vegas, Nevada 89102 (702) 382-2200

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Entry of Default Filed March 24, 2020	ROA Page 056-059	I
Findings of Fact, Conclusions of Law, and Recommendation After Formal Hearing Filed July 30, 2020	ROA Page 082-091	I
First Amended Complaint and Affidavit of Mailing Filed January 7, 2020	ROA Page 019-033	I
Notice of Amended Formal Hearing Filed April 9, 2020	ROA Page 070-072	I
Notice of Formal Hearing Filed May 22, 2020	ROA Page 080-081	I
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Order Appointing Hearing Panel Chair Filed March 4, 2020	ROA Page 048-049	I
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practice of law located in Clark County, Nevada, has engaged in acts of misconduct in violation of the Nevada Rules of Professional Conduct ("RPC"), warranting the imposition of professional discipline as set out herein.

#### OBC 19-0604/Bruce Familian

- 2. On or about July 25, 2012, Bruce Familian ("Familian") retained Respondent to represent DKB, LLC ("DKB") in an inverse condemnation case against Clark County.
- On September 11, 2012, Respondent filed a Complaint in Inverse Condemnation, initiating case No. A-12-668136-C in the Eight Judicial Circuit Court (the "Inverse Condemnation Case").
- The Inverse Condemnation Case went to trial and DKB was awarded \$116,508 by the jury.
- 5. Following trial, several post-judgment motions were filed regarding attorney's fees, costs, and prejudgment interest on the award. An Order granting the prejudgment interest was filed on November 3, 2017, but the Court requested additional briefing regarding fees and costs.
- 6. Familian retained attorneys Dan Polsenberg ("Polsenberg") and Joel Henriod ("Henroid") of Lewis & Roca ("L&R") to file an appeal of the Inverse Condemnation Case (the "Appeal") as he was not satisfied with the amount awarded by the jury.
- L&R filed a Notice of Appearance in the Inverse Condemnation Case on June 12,
   2017.
- 8. On or about November 8, 2017, Clark County deposited \$151,599.83 with the District Court, representing the jury verdict plus interest.
- 9. On June 8, 2018, Respondent filed a Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit (the "Motion for Disbursement").

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- 10. On June 12, 2018, an Order granting the Motion for Disbursement was filed.
- 11. L&R were not served with the Motion for Disbursement.
- 12. On or about June 20, 2018, Henroid discovered that the Motion for Disbursement and the Order granting same had been filed.
- 13. Henroid contacted Respondent's office and expressed concern that they had withdrawn the funds without notifying Familian or L&R, stated that he believed withdrawing the funds might jeopardize Familian's case, and notified Respondent that Familian did not authorize the withdrawal.
- 14. On June 22, 2018, Familian emailed Respondent asking why the Motion for Disbursement was filed without Familian's knowledge and why it had been done on shortened time. The email requested the status of the funds and an accounting explaining what happened to any funds received by Respondent.
- 15. Respondent replied that he did not yet have the check in hand, but that in his opinion retrieving the funds would not jeopardize Familian's rights on appeal. Respondent stated that he would send Familian a copy of the outstanding bill which Familian could pay out of pocket or from the released funds.
- 16. Familian instructed Respondent to stop the process of withdrawing the funds and requested the current bill, stating that he had not received one in over a year.
- 17. On June 29, 2018, Respondent's office emailed Familian a copy of an invoice dated June 26, 2018 for \$69,945.73 for services from November 2016 through may 2017, indicating that Familian had yet to be billed for post-trial work.
- 18. On October 16, 2018, the Court filed its Decision and Order awarding DKB over \$400,000 in attorney's fees and costs.

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- 19. The same day, Respondent filed a Notice of Filing of Attorney's Lien. The Attorney's Lien Notice did not include an amount.
- 20. Respondent never filed a Motion to Enforce the Attorney's Lien, as required by NRS 18.015.
- 21. On October 25, 2018, Familian emailed Respondent and stated that he had no objection if Respondent took the approximately \$70,000 he was owed from the attorney fee award proceeds, but specifically stated that the funds on deposit with the court for the judgment and interest should not be touched during the appeal.
- 22. However, Familian had already received \$151,599.83 of the judgment funds from the Court on October 22, 2018.
- 23. As feared by Henriod, Clark County made the argument that DKB had forfeited its right to interest on the judgment from the date that the Court granted the Motion for Disbursal, though the Court ultimately rejected that argument.
- 24. Respondent never provided with Familian a billing invoice after the June 29, 2018 bill for \$69,945.73.
- 25. On July 19, 2019, Respondent attempted to obtain an additional \$13,845.45 from funds that Clark County had deposited with the District Court by submitting a proposed order directly to the court without copying any other parties or filing a motion. The court returned the proposed order to Respondent and courtesy copies to Polsenberg.

#### OBC19-0798/Ian Ritchie

26. Ian Ritchie ("Ritchie") was hired as the head of security for CWNevada ("CWN"), a marijuana dispensary of which Respondent is the CEO, from approximately 2017 to March 26, 2019.

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- (1) Promptly inform the client of any decision or circumstance with respect to which the client's informed consent is required by these Rules;
- (2) Reasonably consult with the client about the means by which the client's objectives are to be accomplished;
- (3) Keep the client reasonably informed about the status of the matter... act with reasonable diligence and promptness in representing a client.
  - (b) A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.
- 49. Respondent failed to adequately communicate with Familian when he submitted motions and orders for disbursement to the court without informing Familian.
  - 50. Respondent knew or should have known of his duty to communicate.
  - 51. As a result of Respondent's misconduct, Familian suffered actual or potential harm.

#### **Count Three**

#### RPC 1.8 (Conflict of Interest; Current Clients; Specific Rules)

- 52. RPC 1.8 states, in relevant part:
- (e) a lawyer shall not provide financial assistance to client in connection with pending or contemplated litigation...
  - 53. Respondent offered to pay the actual amount of the judgment against Ritchie.
- 54. Respondent knew or should have known that he was prohibited from advancing the amount of the judgment to Ritchie.
  - 55. As a result of Respondent's misconduct, Ritchie suffered actual or potential harm.
- 56. In light of the forgoing, including without limitation paragraphs 1 through 55, Respondent has violated RPC 1.8.

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**Count Seven** 

**RPC 8.4 (Misconduct)** 

74. RPC 8.4 states, in relevant part:

It is professional misconduct for a lawyer to:

(a) Violate or attempt to violate the Rules of Professional Conduct, knowingly assist or induce another to do so, or do so through the acts of another;

...

- (c) Engage in conduct involving dishonesty, fraud, deceit or misrepresentation;
- (d) Engage in conduct that is prejudicial to the administration of justice;...
- 75. Respondent violated, or attempted to violate the rules of professional conduct as described above.
- 76. Respondent engaged in acts involving dishonestly, fraud, deceit or misrepresentation both by deceitfully offering to pay Ritchie in the breach of contract matter and by misrepresenting material facts to the State Bar.
- 77. Respondent engaged in conduct that is prejudicial to the administration of justice by submitting ex-parte motions and proposed orders to the court in the Familian matter against his client's wishes and without proper notice, as well as without providing all relevant facts to the court.
- 78. Respondent knew or should have known of his responsibility not to commit professional misconduct.
- 79. As a result of Respondent's misconduct, the legal profession, Familian, and Ritchie suffered actual or potential harm.

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80. In light of the foregoing, including without limitation paragraphs 1 through 79, Familian has violated RPC 8.4.

WHEREFORE, Complainant prays as follows:

- 1. That a hearing be held pursuant to Nevada Supreme Court Rule 105;
- 2. That Respondent be assessed the costs of the disciplinary proceeding pursuant to SCR 120(1); and,
- 3. That pursuant to SCR 102, such disciplinary action be taken by the Southern Nevada Disciplinary Board against Respondent as may be deemed appropriate under the circumstances.

DATED this 23 day of December, 2019.

By:

STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel

ter the

Matthew R. Carlyon, Assistant Bar Counsel

# 10620

Nevada Bar No. 12712

3100 W. Charleston Blvd, Ste. 100

Las Vegas, Nevada 89102

1	Case Nos.: OBC19-0604; OBC19-0798
2	DEC 23 2019
3	STATE BAR OF NEVADA BY: SOW.
4	OFFICE OF BAR COUNSEL
5	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD
6	STATE BAR OF NEVADA, )
7 8	Complainant, ) vs. )
9	BRIAN PADGETT, ESQ., Nevada Bar No. 7474  DESIGNATIONOF HEARING PANEL MEMBERS   Output  Designation of the property of the pro
10	Respondent. )
11	
12	TO: Brian Padgett, Esq. 611 S. 6 <sup>th</sup> Street
13	Las Vegas, NV 89101
14	The following are members of the Disciplinary Board for the Southern District of Nevada.
15	Pursuant to Nevada Supreme Court Rule (SCR) 105, you may issue peremptory challenge to five
16	(5) such individuals by delivering the same in writing to the Office of Bar Counsel within twenty
17	(20) days of service of the complaint.
18	The Chair of the Southern Nevada Disciplinary Board will thereafter designate a hearing
19	panel of three (3) members of the Disciplinary Board, including at least one member who is not
20	an attorney, to hear the above-captioned matter.
21	///
22	
23	<i>///</i>
24	
25	Page 1 of 4

1. Hogan, Kenneth
2. Marsh, Russell
3. Bloxham, Ronald C.
4. Bradley, Annette
5. Brady, Katlyn
6. Bragonje, John E.
7. Briscoe, Shemilly
8. Brookhyser, Amanda J.
9. Carman, Jacqueline
10. Chiu, Andrew
11. Chrisman, James
12. Christensen, Nell
13. Cook, Marc
14. Cox, Bryan
15. David, Ira
16. DiGiacomo, Sandra
17. Edwards, F. Thomas
18. Fox, Matthew
19. Garth, Adam
20. Ghandi, Nedda
21. Giunta, Robert
22. Givens, Yolanda
23. Guingcangco, Angela
24. Heshmati, Parish
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1	25. Hostetler, Jennifer
2	26. Katschke, Franklin
3	27. Kelley, Robert A.
4	28. Lalli, Christopher J.
5	29. Leavitt, James
6	30. Lee, Michael
7	31. Levy, Anat
8	32. Lloyd, Jennifer
	33. Maier, Jason
10	34. Naqvi, Farhan
11	35. Oh, Michael
12	36. Oswalt, Dana
13	37. Pezzillo, Brian
14	38. Puschnig, Paul "Luke"
15	39. Remitio, Jericho
16	40. Rickard, Jarrod
17	41. Rodriguez, Miriam
··· 18	42. Romeo, Vincent
19	43. Royal, Daniel DO
20	44. Saladino, Maria Veronica
21	45. Sanchez, Africa
	46. Sarafina, Jen
22	47. Shafer, Jay
23	48. Sheets, Thomas R.
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1	49. Sloane, Jeffrey
2	50. Smith, Sarah E.
3	51. Sweetin, James
4	52. Throne, Dawn
5	53. Titzer, Steve
6	54. Villani, Jacob
7	55. Waite, Dan-C
8	56. Werner, Reed J.
9	57. Winesett, Shann
10	58. Albregts, Mary
11	59. Falconi, Alexander
12	60. Gold, Joelyne
13	61. Holland, William M.
14	62. Kho, Nicholas
15	63. Ossowski, Grace
16	64. Ossowski, Peter
17	65. Rubin, Kellie C.
18	66. Weatherford, Harvey
19	DATED this day of December, 2019.
20	STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel
21	# 10620
22	By: Matthew R. Carlyon, Assistant Bar Counsel
23	Nevada Bar No. 12712 3100 W. Charleston Blvd, Ste. 100
24	Las Vegas, Nevada 89102

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No.	FILED
1	Case Nos.: OBC19-0604; OBC19-0798
2	DEC 2 3 2019
3	STATE BAR OF NEVADA BY: OFFICE OF BAR COUNSEL
4	
5	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD
6	
7	STATE BAR OF NEVADA, )
8	Complainant, )
	vs. ) AFFIDAVIT OF MAILING
9	BRIAN PADGETT, ESQ., Nevada Bar No. 7474
10	Respondent.
11	
12	STATE OF NEVADA )
13	COUNTY OF CLARK )
14	Kristi Faust, under penalty of perjury, being first and duly sworn, deposes and says as
15	follows:
16	1. That Affiant is employed with the State Bar of Nevada and, in such capacity, Affiant
17	is Custodian of Records for the Discipline Department of the State Bar of Nevada.
18	2. That Affiant states that the enclosed documents are true and correct copies of the
19	COMPLAINT, FIRST DESIGNATION OF HEARING PANEL MEMBERS,
20	and STATE BAR OF NEVADA'S PEREMPTORY CHALLENGES in the matter
21	of the State Bar of Nevada vs. Brian Padgett, Esq., Case No. OBC19-0604; OBC19-
22	0798.
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25	Page 1 of 2

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1	//
2	3. That pursuant to Supreme Court Rule 109, the Complaint, First Designation of
3	Hearing Panel Members, and State Bar of Nevada's Peremptory Challenges were
4	served on the following by placing copies in an envelope which was then sealed and
5	postage fully prepaid for regular and certified mail, and deposited in the United States
6	mail at Las Vegas, Nevada to:
7	Brian Padgett, Esq. 611 S. 6 <sup>th</sup> Street
8	Las Vegas, NV 89101
9	CERTIFIED MAIL RECEIPT 7019 2280 0001 8733 2241
10	Dated this <u>23</u> day of December, 2019.
11	X2- Sauce
12	Kristi Faust, an employee of the State Bar of Nevada
13	
14	
15	SUBSCRIBED AND SWORN to before me on this day of December, 2019.  ANETRA JONES NOTARY PUBLIC STATE OF NEVADA
16	MY COMMISSION EXPIRES 9-21-2021 CERTIFICATE NO. 17-4007-1
17	NOTARY PUBLIC
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0.4	

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#### SENDER: COMPLETE THIS SECTION PS Form 3811, July 2015 PSN 7530-02-000-9053 Article Number (Transfer from service label) Article Addressed to: Attach this card to the back of the mailpiece, Complete items 1, 2, and 3. Print your name and address on the reverse or on the front if space permits. so that we can return the card to you Las Vegas, NV 89101 611 S. 6th Street Brian Padgett, Esq. 2280 0001 8733 2241 W Insured Mail Restricted Delivery Insured Ma Collect on Delivery Restricted Delivery Collect on Delivery Certified Mail Restricted Delivery Certified Mail® Adult Signature Restricted Delivery Adult Signature D. Is delivery address different from item 1? COMPLETE THIS SECTION ON DELIVERY Service Type If YES, enter delivery address below: Heceived RECEIVED BY JAN 0 7 2020 (Printed Name Domestic Return Receipt ☐ Signature Confirmation Signature Confirmation Merchandise ☐ Registered Mail Restricted ☐ Registered Mail™ □ Priority Mail Express® Delivery Restricted Delivery C. Date of Delivery ☐ Addressee ☐ Agent ROA Page

1 Case Nos.: OBC19-0604; OBC19-0798 2 3 4 5 STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD 6 STATE BAR OF NEVADA, 7 Complainant, 8 VS. 9 BRIAN PADGETT, ESQ., Nevada Bar No. 7474 10 Respondent. 11 12 TO: Brian Padgett, Esq. 611 S. 6th Street 13 Las Vegas, NV 89101 14 PLEASE TAKE NOTICE that pursuant to Supreme Court Rule ("SCR") 105(2) a 15 VERIFIED RESPONSE OR ANSWER to this Complaint must be filed with the Office of Bar 16 Counsel, State Bar of Nevada, 3100 W. Charleston, Blvd, Suite 100, Las Vegas, Nevada, 89102, 17 within twenty (20) days of service of this Complaint. The procedure regarding service is 18 addressed in Supreme Court Rule 109. 19 **GENERAL ALLEGATIONS** 20 1. Complainant, State Bar of Nevada ("State Bar") alleges that Respondent, Brian 21 Padgett, Esq. ("Respondent"), Nevada Bar No. 7474, who is currently an active member of the 22 State Bar of Nevada having been licensed to practice law in the State of Nevada since December 23 28, 2000, and at all times pertinent to this Complaint having a principal place of business for the

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JAN 0 7 2020 STATE BAR OF NEVADA OFFICE OF BAR COUNSEL FIRST AMENDED COMPLAINT

practice of law located in Clark County, Nevada, has engaged in acts of misconduct in violation of the Nevada Rules of Professional Conduct ("RPC"), warranting the imposition of professional discipline as set out herein.

#### OBC 19-0604/Bruce Familian

- 2. On or about July 25, 2012, Bruce Familian ("Familian") retained Respondent to represent DKB, LLC ("DKB") in an inverse condemnation case against Clark County.
- 3. On September 11, 2012, Respondent filed a Complaint in Inverse Condemnation, initiating case No. A-12-668136-C in the Eight Judicial Circuit Court (the "Inverse Condemnation Case").
- 4. The Inverse Condemnation Case went to trial and DKB was awarded \$116,508 by the jury.
- 5. Following trial, several post-judgment motions were filed regarding attorney's fees, costs, and prejudgment interest on the award. An Order granting the prejudgment interest was filed on November 3, 2017, but the Court requested additional briefing regarding fees and costs.
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- 9. On June 8, 2018, Respondent filed a Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit (the "Motion for Disbursement").

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- 12. On or about June 20, 2018, Henroid discovered that the Motion for Disbursement and the Order granting same had been filed.
- 13. Henroid contacted Respondent's office and expressed concern that they had withdrawn the funds without notifying Familian or L&R, stated that he believed withdrawing the funds might jeopardize Familian's case, and notified Respondent that Familian did not authorize the withdrawal.
- 14. On June 22, 2018, Familian emailed Respondent asking why the Motion for Disbursement was filed without Familian's knowledge and why it had been done on shortened time. The email requested the status of the funds and an accounting explaining what happened to any funds received by Respondent.
- 15. Respondent replied that he did not yet have the check in hand, but that in his opinion retrieving the funds would not jeopardize Familian's rights on appeal. Respondent stated that he would send Familian a copy of the outstanding bill which Familian could pay out of pocket or from the released funds.
- 16. Familian instructed Respondent to stop the process of withdrawing the funds and requested the current bill, stating that he had not received one in over a year.
- 17. On June 29, 2018, Respondent's office emailed Familian a copy of an invoice dated June 26, 2018 for \$69,945.73 for services from November 2016 through may 2017, indicating that Familian had yet to be billed for post-trial work.
- 18. On October 16, 2018, the Court filed its Decision and Order awarding DKB over \$400,000 in attorney's fees and costs.

- 19. The same day, Respondent filed a Notice of Filing of Attorney's Lien. The Attorney's Lien Notice did not include an amount.
- 20. Respondent never filed a Motion to Enforce the Attorney's Lien, as required by NRS 18.015.
- 21. On October 25, 2018, Familian emailed Respondent and stated that he had no objection if Respondent took the approximately \$70,000 he was owed from the attorney fee award proceeds, but specifically stated that the funds on deposit with the court for the judgment and interest should not be touched during the appeal.
- 22. However, Respondent had already received \$151,599.83 of the judgment funds from the Court on October 22, 2018.
- 23. As feared by Henriod, Clark County made the argument that DKB had forfeited its right to interest on the judgment from the date that the Court granted the Motion for Disbursal, though the Court ultimately rejected that argument.
- 24. Respondent never provided with Familian a billing invoice after the June 29, 2018 bill for \$69,945.73.
- 25. On July 19, 2019, Respondent attempted to obtain an additional \$13,845.45 from funds that Clark County had deposited with the District Court by submitting a proposed order directly to the court without copying any other parties or filing a motion. The court returned the proposed order to Respondent and courtesy copies to Polsenberg.

### OBC19-0798/Ian Ritchie

26. Ian Ritchie ("Ritchie") was hired as the head of security for CWNevada ("CWN"), a marijuana dispensary of which Respondent is the CEO, from approximately 2017 to March 26, 2019.

Page 4 of 11

- (1) Promptly inform the client of any decision or circumstance with respect to which the client's informed consent is required by these Rules;
- (2) Reasonably consult with the client about the means by which the client's objectives are to be accomplished;
- (3) Keep the client reasonably informed about the status of the matter... act with reasonable diligence and promptness in representing a client.
  - (b) A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.
- 49. Respondent failed to adequately communicate with Familian when he submitted motions and orders for disbursement to the court without informing Familian.
  - 50. Respondent knew or should have known of his duty to communicate.
  - 51. As a result of Respondent's misconduct, Familian suffered actual or potential harm.

#### **Count Three**

#### RPC 1.8 (Conflict of Interest; Current Clients; Specific Rules)

- 52. RPC 1.8 states, in relevant part:
- (e) a lawyer shall not provide financial assistance to client in connection with pending or contemplated litigation...
  - 53. Respondent offered to pay the actual amount of the judgment against Ritchie.
- 54. Respondent knew or should have known that he was prohibited from advancing the amount of the judgment to Ritchie.
  - 55. As a result of Respondent's misconduct, Ritchie suffered actual or potential harm.
- 56. In light of the forgoing, including without limitation paragraphs 1 through 55, Respondent has violated RPC 1.8.

#### **Count Seven**

#### **RPC 8.4 (Misconduct)**

74. RPC 8.4 states, in relevant part:

It is professional misconduct for a lawyer to:

(a) Violate or attempt to violate the Rules of Professional Conduct, knowingly assist or induce another to do so, or do so through the acts of another;

• • •

- (c) Engage in conduct involving dishonesty, fraud, deceit or misrepresentation;
- (d) Engage in conduct that is prejudicial to the administration of justice;...
- 75. Respondent violated, or attempted to violate the rules of professional conduct as described above.
- 76. Respondent engaged in acts involving dishonestly, fraud, deceit or misrepresentation both by deceitfully offering to pay Ritchie in the breach of contract matter and by misrepresenting material facts to the State Bar.
- 77. Respondent engaged in conduct that is prejudicial to the administration of justice by submitting ex-parte motions and proposed orders to the court in the Familian matter against his client's wishes and without proper notice, as well as without providing all relevant facts to the court.
- 78. Respondent knew or should have known of his responsibility not to commit professional misconduct.
- 79. As a result of Respondent's misconduct, the legal profession, Familian, and Ritchie suffered actual or potential harm.

Page 10 of 11

1 2	Case Nos.: OBC19-0604; OBC19-0798 FILED		
3	JAN 0 7 2020		
	STATE BAR OF NEVADA		
4	OFFICE OF BAR COUNSEL		
5	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD		
6 7	STATE BAR OF NEVADA,		
8	Complainant, ) vs. )		
9	BRIAN PADGETT, ESQ., Nevada Bar No. 7474 )  AFFIDAVIT OF MAILING		
10	)		
11	Respondent.		
12	STATE OF NEVADA )		
13	COUNTY OF CLARK )		
14	Kristi Faust, under penalty of perjury, being first and duly sworn, deposes and says as		
15	follows:		
16	1. That Affiant is employed with the State Bar of Nevada and, in such capacity, Affiant		
17	is Custodian of Records for the Discipline Department of the State Bar of Nevada.		
18	2. That Affiant states that the enclosed documents are true and correct copies of the		
19	AMENDED <b>COMPLAINT</b> in the matter of the State Bar of Nevada vs. Brian		
20	Padgett, Esq., Case No. OBC19-0604; OBC19-0798.		
21			
22			
23			
24			
25	Page 1 of 2		
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1	3. That pursuant to Supreme Court Rule 109, the Amended Complaint were served on
2	the following by placing copies in an envelope which was then sealed and postage
3	fully prepaid for regular and certified mail, and deposited in the United States mail at
4	Las Vegas, Nevada to:
5	Brian Padgett, Esq. 611 S. 6 <sup>th</sup> Street
6	Las Vegas, NV 89101
7	CERTIFIED MAIL RECEIPT 7018 3090 0000 3915 2420
8	Dated this day of January, 2020.
9	do- I
10	Kristi Faust, an employee of the State Bar of Nevada
11	of the State Bar of Nevada
12	SUBSCRIBED AND SWORN to before
13	me on this day of January, 2020.
14	
15	NOTARY PUBLIC
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25	Page 2 of 2

RECEIVED

JAN 1 3 2020

OFFICE OF BAR COUNSE

Las Vegas, Nevada 89102

3100 W. Charleston Blvd., Suite 100 ATTN: Kristi Faust, Hearing Paralegal

State Bar of Nevada

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ROA Page 032



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Case Nos.: OBC19-0604; OBC19-0798

STATE BAR OF NEVADA,	)	
Complainant, vs.	)	
BRIAN PADGETT, ESQ., Nevada Bar No. 7474	) ) )	NOTICE OF INTENT TO PROCEED ON A DEFAULT BASIS
Respondent.	)	

STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD

TO: Brian Padgett, Esq. 611 S. 6<sup>th</sup> Street Las Vegas, NV 89101

PLEASE TAKE NOTICE THAT unless the State Bar receives a responsive pleading in the above-captioned matter by *February 24, 2020*, it will proceed on a default basis and *the charges against you shall be deemed admitted*. Supreme Court Rule 105 (2) states in relevant part:

A copy of the complaint shall be served on the attorney and it shall direct that a verified response or answer be served on bar counsel within 20 days of service.

. . In the event the attorney fails to plead, **the charges shall be deemed admitted**; provided, however, that an attorney who fails to respond within the time provided may thereafter obtain permission of the appropriate disciplinary board chair to do so, if failure to file is attributable to mistake, inadvertence, surprise, or excusable neglect. (Emphasis added.)

-1-

Another copy of the Complaint previously served upon you accompanies this Notice. Dated this 31 day of January, 2020. STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel By: Gerard Gosioco, Assistant Bar Counsel 3100/W. Charleston Blvd, Ste. 100 Las Vegas, Nevada 89102 -2-

## **CERTIFICATE OF SERVICE BY MAIL**

The undersigned hereby certifies a true and correct copy of the foregoing **NOTICE OF INTENT TO PROCEED ON A DEFAULT BASIS** was deposited in the United States Mail at Las

Vegas, Nevada, postage fully pre-paid thereon for first-class regular mail and certified mail, return receipt requested, addressed to:

Brian Padgett, Esq. 611 S. 6<sup>th</sup> Street Las Vegas, NV 89101 Respondent

## CERTIFIED MAIL RECEIPT NO.: 7019 1640 0000 7877 8814

DATED this <u>3</u> day of January, 2020.

Kristi Faust, an employee of the State Bar of Nevada.

**FILED** Case Nos.: OBC19-0604; OBC19-0798 1 DEC 23 2019 2 STATE BAR OF NEVADA 3 4 STATE BAR OF NEVADA 5 SOUTHERN NEVADA DISCIPLINARY BOARD 6 STATE BAR OF NEVADA. 7 Complainant, 8 vs. **COMPLAINT ∞** 9 BRIAN PADGETT, ESQ., Nevada Bar No. 7474 10 Respondent. 11 12 TO: Brian Padgett, Esq. 611 S. 6th Street <sub>4</sub>.13 Las Vegas, NV 89101 14 PLEASE TAKE NOTICE that pursuant to Supreme Court Rule ("SCR") 105(2) a 15 VERIFIED RESPONSE OR ANSWER to this Complaint must be filed with the Office of Bar 16 Counsel, State Bar of Nevada, 3100 W. Charleston, Blvd, Suite 100, Las Vegas, Nevada, 89102, 17 within twenty (20) days of service of this Complaint. The procedure regarding service is 18 addressed in Supreme Court Rule 109. 19 **GENERAL ALLEGATIONS** 20 1. Complainant, State Bar of Nevada ("State Bar") alleges that Respondent, Brian 21 Padgett, Esq. ("Respondent"), Nevada Bar No. 7474, who is currently an active member of the State Bar of Nevada having been licensed to practice law in the State of Nevada since December ~ 22 23 28, 2000, and at all times pertinent to this Complaint having a principal place of business for the

Page 1 of 11

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practice of law located in Clark County, Nevada, has engaged in acts of misconduct in violation of the Nevada Rules of Professional Conduct ("RPC"), warranting the imposition of professional discipline as set out herein.

#### **OBC 19-0604/Bruce Familian**

- 2. On or about July 25, 2012, Bruce Familian ("Familian") retained Respondent to represent DKB, LLC ("DKB") in an inverse condemnation case against Clark County.
- On September 11, 2012, Respondent filed a Complaint in Inverse Condemnation, initiating case No. A-12-668136-C in the Eight Judicial Circuit Court (the "Inverse Condemnation Case").
- 4. The Inverse Condemnation Case went to trial and DKB was awarded \$116,508 by the jury.
- 5. Following trial, several post-judgment motions were filed regarding attorney's fees, costs, and prejudgment interest on the award. An Order granting the prejudgment interest was filed on November 3, 2017, but the Court requested additional briefing regarding fees and costs.
- 6. Familian retained attorneys Dan Polsenberg ("Polsenberg") and Joel Henriod ("Henroid") of Lewis & Roca ("L&R") to file an appeal of the Inverse Condemnation Case (the "Appeal") as he was not satisfied with the amount awarded by the jury.
- L&R filed a Notice of Appearance in the Inverse Condemnation Case on June 12,
   2017.
- 8. On or about November 8, 2017, Clark County deposited \$151,599.83 with the District Court, representing the jury verdict plus interest.
- 9. On June 8, 2018, Respondent filed a Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit (the "Motion for Disbursement").

- 10. On June 12, 2018, an Order granting the Motion for Disbursement was filed.
- 11. L&R were not served with the Motion for Disbursement.
- 12. On or about June 20, 2018, Henroid discovered that the Motion for Disbursement and the Order granting same had been filed.
- 13. Henroid contacted Respondent's office and expressed concern that they had withdrawn the funds without notifying Familian or L&R, stated that he believed withdrawing the funds might jeopardize Familian's case, and notified Respondent that Familian did not authorize the withdrawal.
- 14. On June 22, 2018, Familian emailed Respondent asking why the Motion for Disbursement was filed without Familian's knowledge and why it had been done on shortened time. The email requested the status of the funds and an accounting explaining what happened to any funds received by Respondent.
- 15. Respondent replied that he did not yet have the check in hand, but that in his opinion retrieving the funds would not jeopardize Familian's rights on appeal. Respondent stated that he would send Familian a copy of the outstanding bill which Familian could pay out of pocket or from the released funds.
- 16. Familian instructed Respondent to stop the process of withdrawing the funds and requested the current bill, stating that he had not received one in over a year.
- 17. On June 29, 2018, Respondent's office emailed Familian a copy of an invoice dated June 26, 2018 for \$69,945.73 for services from November 2016 through may 2017, indicating that Familian had yet to be billed for post-trial work.
- 18. On October 16, 2018, the Court filed its Decision and Order awarding DKB over \$400,000 in attorney's fees and costs.

- 19. The same day, Respondent filed a Notice of Filing of Attorney's Lien. The Attorney's Lien Notice did not include an amount.
- 20. Respondent never filed a Motion to Enforce the Attorney's Lien, as required by NRS 18.015.
- 21. On October 25, 2018, Familian emailed Respondent and stated that he had no objection if Respondent took the approximately \$70,000 he was owed from the attorney fee award proceeds, but specifically stated that the funds on deposit with the court for the judgment and interest should not be touched during the appeal.
- 22. However, Familian had already received \$151,599.83 of the judgment funds from the Court on October 22, 2018.
- 23. As feared by Henriod, Clark County made the argument that DKB had forfeited its right to interest on the judgment from the date that the Court granted the Motion for Disbursal, though the Court ultimately rejected that argument.
- 24. Respondent never provided with Familian a billing invoice after the June 29, 2018 bill for \$69,945.73.
- 25. On July 19, 2019, Respondent attempted to obtain an additional \$13,845.45 from funds that Clark County had deposited with the District Court by submitting a proposed order directly to the court without copying any other parties or filing a motion. The court returned the proposed order to Respondent and courtesy copies to Polsenberg.

#### OBC19-0798/Ian Ritchie

26. Ian Ritchie ("Ritchie") was hired as the head of security for CWNevada ("CWN"), a marijuana dispensary of which Respondent is the CEO, from approximately 2017 to March 26, 2019.

Page 4 of 11

- (1) Promptly inform the client of any decision or circumstance with respect to which the client's informed consent is required by these Rules;
- (2) Reasonably consult with the client about the means by which the client's objectives are to be accomplished;
- (3) Keep the client reasonably informed about the status of the matter... act with reasonable diligence and promptness in representing a client.
  - (b) A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.
- 49. Respondent failed to adequately communicate with Familian when he submitted motions and orders for disbursement to the court without informing Familian.
  - 50. Respondent knew or should have known of his duty to communicate.
  - 51. As a result of Respondent's misconduct, Familian suffered actual or potential harm.

### **Count Three**

## RPC 1.8 (Conflict of Interest; Current Clients; Specific Rules)

- 52. RPC 1.8 states, in relevant part:
- (e) a lawyer shall not provide financial assistance to aclient in connection with pending or contemplated litigation...
  - 53. Respondent offered to pay the actual amount of the judgment against Ritchie.
- 54. Respondent knew or should have known that he was prohibited from advancing the amount of the judgment to Ritchie.
  - 55. As a result of Respondent's misconduct, Ritchie suffered actual or potential harm.
- 56. In light of the forgoing, including without limitation paragraphs 1 through 55, Respondent has violated RPC 1.8.

## **Count Seven**

### **RPC 8.4 (Misconduct)**

74. RPC 8.4 states, in relevant part:

It is professional misconduct for a lawyer to:

(a) Violate or attempt to violate the Rules of Professional Conduct, knowingly assist or induce another to do so, or do so through the acts of another;

• • •

- (c) Engage in conduct involving dishonesty, fraud, deceit or misrepresentation:
- (d) Engage in conduct that is prejudicial to the administration of justice;...
- 75. Respondent violated, or attempted to violate the rules of professional conduct as described above.
- 76. Respondent engaged in acts involving dishonestly, fraud, deceit or misrepresentation both by deceitfully offering to pay Ritchie in the breach of contract matter and by misrepresenting material facts to the State Bar.
- 77. Respondent engaged in conduct that is prejudicial to the administration of justice by submitting ex-parte motions and proposed orders to the court in the Familian matter against his client's wishes and without proper notice, as well as without providing all relevant facts to the court.
- 78. Respondent knew or should have known of his responsibility not to commit professional misconduct.
- 79. As a result of Respondent's misconduct, the legal profession, Familian, and Ritchie suffered actual or potential harm.

Page 10 of 11

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80. In light of the foregoing, including without limitation paragraphs 1 through 79, Familian has violated RPC 8.4.

WHEREFORE, Complainant prays as follows:

- 1. That a hearing be held pursuant to Nevada Supreme Court Rule 105;
- 2. That Respondent be assessed the costs of the disciplinary proceeding pursuant to SCR 120(1); and,
- 3. That pursuant to SCR 102, such disciplinary action be taken by the Southern Nevada Disciplinary Board against Respondent as may be deemed appropriate under the circumstances.

DATED this 23 day of December, 2019.

STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel

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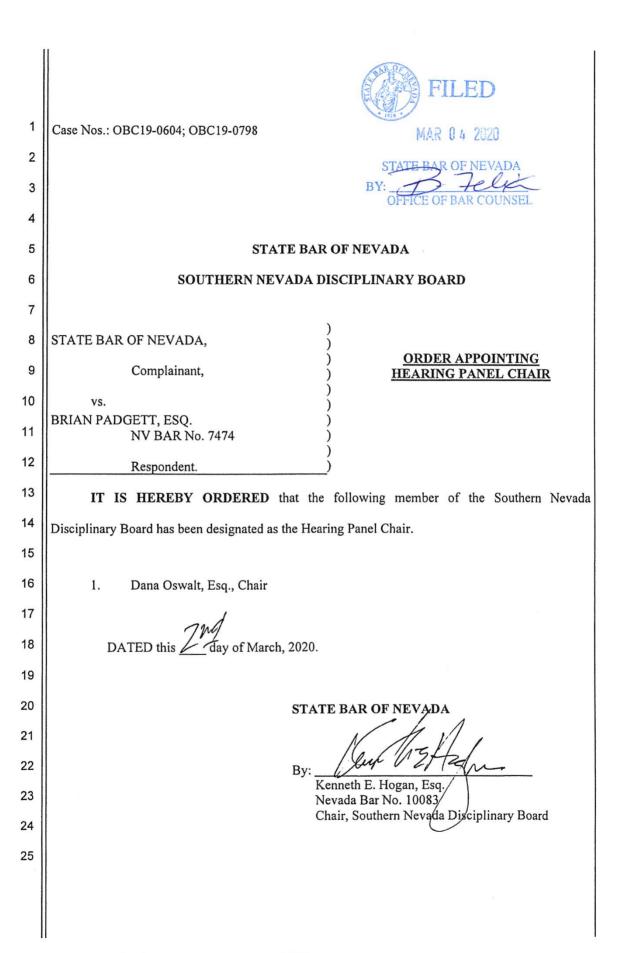
Matthew R. Carlyon, Assistant Bar Counsel

# 10620

Nevada Bar No. 12712

3100 W. Charleston Blvd, Ste. 100

Las Vegas, Nevada 89102



## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies a true and correct copy of the foregoing **ORDER APPOINTING HEARING PANEL CHAIR** was deposited in the United States Mail at Las Vegas, Nevada, postage fully pre-paid thereon for first-class regular mail addressed to:

Brian Padgett, Esq. 611 S. 6<sup>th</sup> Street Las Vegas, NV 89101

## and via email to:

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com
- 3. Gerard Gosioco, Esq. (Bar Counsel): <a href="mailto:gerardg@nvbar.org">gerardg@nvbar.org</a>
  DATED this \_\_\_\_\_\_day of March, 2020.

By: Kristi Faust, an employee of the State Bar of Nevada.

1	Case Nos.: OBC19-0604; OBC19-0798 FILED		
3	MAR 0 5 2020		
4	STATE BAR OF NEVADA BY:		
5	OFFICE OF BAR COUNSEL		
6	CTATE DAD OF NEWADA		
7	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD		
8	STATE BAR OF NEVADA, )		
9	Complainant,		
10	vs. )  NOTICE OF TELEPHONIC INITIAL		
11	BRIAN PADGETT, ESQ., Nevada Bar No. 7474  CASE CONFERENCE		
12	Respondent.		
13			
14	PLEASE TAKE NOTICE, the telephonic Initial Case Conference in the above-entitled		
15	matter is set for Wednesday, March 18, 2020, at 2:00 p.m. The State Bar conference		
16	call number is 1-877-594-8353, participant passcode is 16816576#.		
17	Dated this <u>S</u> day of March, 2020.		
18	STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel		
19			
20	By:		
21	Gerard Gosioco, Assistant Bar Counsel 3100 W. Charleston Blvd, Ste. 100		
22	Las Vegas, Nevada 89102		
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## **CERTIFICATE OF SERVICE BY MAIL**

The undersigned hereby certifies a true and correct copy of the foregoing **NOTICE OF TELEPHONIC INITIAL CASE CONFERENCE** was deposited in the United States

Mail at Las Vegas, Nevada, postage fully pre-paid thereon for first-class regular mail and certified mail, return receipt requested, addressed to:

Brian Padgett, Esq. 611 S. 6<sup>th</sup> Street Las Vegas, NV 89101 Respondent

And via electronic mail to:

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com
- 3. Gerard Gosioco, Esq. (Bar Counsel): <a href="mailto:gerardg@nvbar.org">gerardg@nvbar.org</a>

DATED this \_\_\_\_\_\_ day of March, 2020.

Kristi Faust, an employee of the State Bar of Nevada.

bates stamped with numerical designations. See DRP 17 (a).

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- 3. On or before **April 2, 2020, at 5:00 p.m.**, Respondent's initial disclosures shall be served on all parties. The documents provided by the Respondent shall be bates stamped with alphabetical exhibit designations. *See* DRP 17 (a).
- 4. On or before April 13, 2020, at 5:00 p.m., the parties shall file and serve any Motions.
- 5. On or before April 23, 2020, at 5:00 p.m., all oppositions to the Motions, if any, shall be filed and served on the parties.
- 6. On or before **April 28, 2020, at 5:00 p.m.**, all replies to any opposition, if any, shall be filed and served on the parties.
- 7. On or before May 12, 2020, at 5:00 p.m., the parties shall serve a Final Designation of witnesses expected to testify and exhibits expected to be presented at the Formal Hearing in this matter, pursuant to SCR 105(2)(d), DRP 17(a) and DRP 21.
- 8. All documents disclosed shall be bates stamped, the State Bar will use numerical exhibit designations and Respondent will use alphabetical exhibit designations, pursuant to DRP 17.
- 9. On May 26, 2020, at 2:00 p.m., the parties shall meet telephonically with Dana P. Oswalt, Esq. for the Pre-hearing Conference. Any pending issues, including pending Motions, will be addressed at the Pre-hearing Conference. The parties shall use the State Bar conference bridge (877) 594-8353 and the passcode is 16816576#.

Pursuant to DRP 23, at the Pre-hearing conference (i) the parties shall discuss all matters needing attention prior to the hearing date, (ii) the Chair may rule on any motions or disputes including motions to exclude evidence, witnesses, or other pretrial evidentiary matter, and (iii) the parties shall discuss and determine stipulated exhibits proffered by either the State Bar or Respondent as well as a stipulated statement of facts, if any.

1	10. The parties stipulate to waive SCR 105(2)(d) to allow for the formal appointment of
2	the remaining hearing panel members on a date that is greater than 45 days prior to the scheduled
3	hearing.
4	Based on the parties' verbal agreement to the foregoing during the telephonic Initial
5	Conference and good cause appearing, IT IS SO ORDERED.
6	Dated this day of March, 2020.
7	SOUTHERN NEVADA DISCIPLINARY BOARD
8	By:
9	Dana P. Oswalt, Esq.  Hearing Panel Chair
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## **CERTIFICATE OF SERVICE BY MAIL**

The undersigned hereby certifies a true and correct copy of the foregoing **Scheduling**Order was sent via electronic mail to:

- 1. Dana P. Oswalt, Esq. (Hearing Panel Chair): dana@bensonbingham.com
- 2. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com
- 3. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org

DATED this <u>19</u> day of March, 2020.

Sonia Del Rio, an employee of the State Bar of Nevada.



STATE BAR OF NEVADA

ENTRY OF DEFAULT

 STATE BAR OF NEVADA

## SOUTHERN NEVADA DISCIPLINARY BOARD

Complainant,

vs.

BRIAN C. PADGETT, ESQ.,

Nevada Bar No. 7474,

Respondent.

Case No.: OBC19-0604; OBC19-0798

TO: Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101

STATE BAR OF NEVADA,

## PROCEDURAL HISTORY

The State Bar of Nevada filed and served its Complaint and First Designation of Hearing Panel Members, in accordance with Supreme Court Rule 109, upon BRIAN C. PADGETT, Esq. (hereinafter "Respondent"), on or about December 23, 2019. A First Amended Complaint was filed on or about January 7, 2020. The First Amended Complaint was delivered to the Respondent's SCR 79 address on or about January 7, 2020.

A Notice of Intent to Proceed on a Default Basis (hereinafter "Notice") was filed and served via certified mail on or about January 31, 2020. The State Bar received a return receipt postcard showing the Notice was delivered on or about January 14, 2020. The Notice was also served via (1) Certified Return Receipt U.S. Mail at the SCR 79 address.

Although Respondent was supposed to provide a response to the State Bar's First Amended Complaint by February 24, 2020. Respondent did not provide his "response" to the State Bar until

February 26, 2020. Rather than admit, deny, or respond to any of the State Bar's allegations, 1 Respondent goes on a tangent about how he is the owner of a cannabis firm, and that there is a 2 conspiracy to takeover his cannabis firm, as well as damage his "standing in the practice of law." 3 Respondent fails to provide one substantive response to the State Bar's allegations. 4 On or about March 18, 2020, an Initial Case Conference ("ICC") was held. Respondent was 5 not present during the ICC. 6 **ORDER** 7 IT APPEARING that the Respondent, BRIAN C. PADGETT, Esq., is in default for failure 8 to plead or otherwise defend as required by law, DEFAULT is hereby entered against Respondent. 9 The allegations set forth in the First Amended Complaint filed on or about January 7, 2020, 10 are deemed admitted. 11 The Formal Hearing regarding the appropriate sanction to issue in this matter shall be 12 conducted on the 8th of June 2020, starting at 9:00 a.m., at the State Bar of Nevada's office located 13 at 3100 W. Charleston Blvd., Ste. 100, Las Vegas, NV 89102. 14 IT IS SO ORDERED. 15 Dated this 24 of March, 2020. 16 Dana P. Oswalt
Dana P. Oswalt (Mar 24, 2020) 17 Dana Oswalt, Esq., Hearing Panel Chair 18 Southern Nevada Disciplinary Board 19 Submitted by: STATE BAR OF NEVADA 20 DANIEL M. HOOGE, BAR COUNSEL 21 22 Gerard Gosioco, Esq. 23 Assistant Bar Counsel 3100 W. Charleston Blvd., Ste. 100 24 Las Vegas, NV 89102 25

## **Entry of Default**

Final Audit Report

2020-03-24

Created:

2020-03-24

By:

Sonia Del Rio (soniad@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAAXhSKR1yHyN7cb7L6f6pGaTdTfH9lYkDH

## "Entry of Default" History

Document created by Sonia Del Rio (soniad@nvbar.org) 2020-03-24 - 7:11:11 PM GMT- IP address: 24.253.47.29

Document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) for signature 2020-03-24 - 7:11:31 PM GMT

Email viewed by /s/ Gerard Gosioco (gerardg@nvbar.org) 2020-03-24 - 7:12:09 PM GMT- IP address: 70.173.56.155

Document e-signed by /s/ Gerard Gosioco (gerardg@nvbar.org)

Signature Date: 2020-03-24 - 7:12:36 PM GMT - Time Source: server- IP address: 70.173.56.155

Document emailed to Dana P. Oswalt (dana@bensonbingham.com) for signature 2020-03-24 - 7:12:38 PM GMT

Email viewed by Dana P. Oswalt (dana@bensonbingham.com) 2020-03-24 - 7:14:30 PM GMT- IP address: 184.184.230.226

© Document e-signed by Dana P. Oswalt (dana@bensonbingham.com)

Signature Date: 2020-03-24 - 7:15:52 PM GMT - Time Source: server- IP address: 184.184.230.226

Signed document emailed to Sonia Del Rio (soniad@nvbar.org), /s/ Gerard Gosioco (gerardg@nvbar.org) and Dana P. Oswalt (dana@bensonbingham.com)

2020-03-24 - 7:15:52 PM GMT



## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies a true and correct copy of the foregoing ENTRY OF

**<u>DEFAULT</u>** was deposited via U.S. Mail to:

Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101

## And via email to:

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Brian C. Padgett, Esq. (Respondent): brian@briancpadgett.com
- 3. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org

DATED this 24 day of March, 2020.

Sonia Del Rio

an employee of the State Bar of Nevada.



Case No: OBC19-0604; OBC19-0798

•

MAR 2 4 2020 STATE BAR OF NEVADA

## STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,	)
Complainant,	)
vs.	) STATE BAR'S INITIAL DISCLOSURE
	OF WITNESSES AND DOCUMENTS
BRIAN C. PADGETT, ESQ.,	)
Nevada Bar No. 7474	)
	)
Respondent.	

PLEASE TAKE NOTICE that the following is a list of witnesses and a summary of evidence which may be offered against Respondent at the time of the Formal Hearing, in the above-entitled complaint.

## A. Documentary Evidence

Any and all documentation contained in the State Bar of Nevada's files including but not limited to, correspondence, emails, memorandums, text messages, notes, payments, invoices, bank records, receipts, billing entries and pleadings regarding grievance file numbers OBC19-0604 and OBC19-0798.

Any and all documentation contained in records of the State Bar of Nevada regarding Respondent's licensure, compliance with reporting requirements, and disciplinary history.

The State Bar reserves the right to supplement this list as necessary.

-1-

1	Exhibit#	Document
2 1. Formal Hearing Packet		Formal Hearing Packet
3	2.	Affidavit of Prior Discipline
4	3.	Engagement Letter
5	3.	Dated July 26, 2012
	4.	Lewis & Roca's Notice of Appearance File June 12, 2017
6		Declaration of Joel Henroid
	5.	Beclaration of Joel Hemola
7		Motion on Order Shortening Time to Direct Disburse
0	6.	of Funds on Deposit Filed June 8, 2018
8	7.	Order Granting Immediate Disbursement of Proceeds
9	/.	Filed June 18, 2018
	8.	Email from Lewis & Roca to Respondent
10	0.	Dated June 20, 2018
10	9.	Email between Respondent and Familian
11		Dated June 22, 2018
.	10.	Email to Familian attaching June 26, 2018 invoice
12		Dated June 29, 2018
	11.	Decision and Order, Case No. A-12-668136-C
13	11.	Filed October 16, 2018
	12.	Notice of Attorney's Lien Filed October 16, 2018
14		Email from Familian to Respondent
	13.	Filed October 25, 2018
15		Check for Judgement Proceeds
	14.	Dated October 22, 2018
16		Declaration of Abraham Smith
17	15.	Beckman of Alexandria
18	16.	Respondent's Accounting of DKB Funds
	17.	NRS18.015
19	18.	Leventhal v. Black & Lobello
20	10.	D
21	19.	Respondent's invoices to DKB/Familian
22	20.	Motion for Attorney's Fees Filed February 2, 2017
22	21	Respondent's July 19, 2019, attempt to collect addit
23	21.	funds
24	22.	Motion to Enforce Attorney's Lien filed in Case No. A 731822-C on February 26, 2019

Exhibit#	Document	Bates Stamped
1.	Formal Hearing Packet	will be produced prior
	Affidavit of Prior Discipline	to hearing will be produced at the
2.	Arridavit of Frior Discipline	time of hearing
7,00 cm	Engagement Letter	SBN Exhibit 3
3.	Dated July 26, 2012	001-006
	Lewis & Roca's Notice of Appearance	SBN Exhibit 4
4.	File June 12, 2017	001-002
	Declaration of Joel Henroid	SBN Exhibit 5
5.		001-011
	Motion on Order Shortening Time to Direct Disbursement	SBN Exhibit 6
6.	of Funds on Deposit Filed June 8, 2018	001-019
7.	Order Granting Immediate Disbursement of Proceeds	SBN Exhibit 7
/.	Filed June 18, 2018	001-002
8.	Email from Lewis & Roca to Respondent	SBN Exhibit 8 001
ļ	Dated June 20, 2018 Email between Respondent and Familian	SBN Exhibit 9
9.	Dated June 22, 2018	001-002
	Email to Familian attaching June 26, 2018 invoice	SBN Exhibit 10
10.	Dated June 29, 2018	001-017
	Decision and Order, Case No. A-12-668136-C	SBN Exhibit 11
11.	Filed October 16, 2018	001-021
	Notice of Attorney's Lien	SBN Exhibit 12
12.	Filed October 16, 2018	001-003
1.0	Email from Familian to Respondent	SBN Exhibit 13
13.	Filed October 25, 2018	001
14.	Check for Judgement Proceeds	SBN Exhibit 14
14.	Dated October 22, 2018	001
15.	Declaration of Abraham Smith	SBN Exhibit 15
13.	Described to Assess the ast DVD Founds	001-003 SBN Exhibit 16
16.	Respondent's Accounting of DKB Funds	SBN Exhibit 16
10.	NRS18.015	SBN Exhibit 17
17.	NK516.015	001
	Leventhal v. Black & Lobello	SBN Exhibit 18
18.	Devendral V. Black & Bootho	001-005
	Respondent's invoices to DKB/Familian	SBN Exhibit 19
19.	<del></del>	001-086
12000	Motion for Attorney's Fees	SBN Exhibit 20
20.	Filed February 2, 2017	001-103
2.	Respondent's July 19, 2019, attempt to collect additional	SBN Exhibit 21
21.	funds	001-004
22	Motion to Enforce Attorney's Lien filed in Case No. A-16-	SBN Exhibit 22
22.	731822-C on February 26, 2019	001-126

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23.	Filed March 12, 2018	001-002
24.	Notice of Entry of Order Filed July 5, 2018	SBN Exhibit 24 001-007
25.	Docket- Nevada Supreme Case No. 76584	SBN Exhibit 25 001-004
26.	Text Messages between Respondent and Ritchie	SBN Exhibit 26 001-009
27.	Minutes from February 19, 2019 Hearing	SBN Exhibit 27 001
28.	Notice of Withdrawal Filed March 19, 2019	SBN Exhibit 28 001-002
29.	Motion to Withdraw Filed March 25, 2019	SBN Exhibit 29 001-005
30.	Motion to Withdraw Filed April 1, 2019	SBN Exhibit 30 001-005
31.	Order Granting Motion to Withdraw Filed April 18, 2019	SBN Exhibit 31 001-002
32.	Affidavit Claiming Exemption from Execution Dated March 20, 2019	SBN Exhibit 32 001-010
33.	Diana Ritchie's Letter of Resignation Dated November 27, 2018	SBN Exhibit 33 001-002

Notice of Appearance in Case No. A-17-751033-C

SBN Exhibit 23

The State Bar incorporates by reference all documents identified by Respondent in these matters.

### B. Witnesses and Brief Statement of Facts

1. Respondent, Brian C. Padgett, Esq., will be called and would be expected to testify regarding his conduct and communications surrounding the events related to, and any and all documents pertinent to, each of the charged violations of the Rules of Professional Conduct, including but not limited to facts pertaining to the breach of his professional responsibilities as an attorney, his mental state pursuant to ABA Standards, the harm resulting from his conduct, and any aggravating and mitigating factors pursuant to Supreme Court Rule 102.5. Respondent is expected to provide testimony regarding the facts and circumstances regarding OBC19-0604 and OBC19-0798.

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- 2. Louise Watson, an investigator with the State Bar of Nevada Office of Bar Counsel, is expected to provide testimony regarding her investigation of OBC19-0604 and OBC19-0798, including but not limited to, information and documents provided by Respondent and Grievant(s), communications with Respondent and Grievant(s), and Respondent's disciplinary history.
- 3. Bruce Familian is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 4. Joel Henriod, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 5. Daniel Polsenberg, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 6. Abraham Smith, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 7. Ian Ritchie is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0798, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.

8. Diana Ritchie is expected to offer testimony regarding the facts and circumstances Regarding Case No. OBC19-0798, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.

Dated this 24 day of March, 2020.

STATE BAR OF NEVADA
DANIEL M. HOOGE, BAR COUNSEL



Gerard Gosioco, Assistant Bar Counsel Nevada Bar No. 14371 3100 West Charleston Boulevard, Suite 100 Las Vegas, Nevada 89102 (702) 382-2200

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies a true and correct copy of the foregoing **STATE BAR'S** 

INITIAL DISCLOSURE OF WITNESSES DOCUMENTS was deposited via U.S. Mail to:

Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101

#### And via email to:

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Brian C. Padgett, Esq. (Respondent): brian@briancpadgett.com
- 3. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org

DATED this 24 day of March, 2020.

Sonia Del Rio

By:

Sonia Del Rio,

an employee of the State Bar of Nevada.

## **SBN Initial Disclosures**

Final Audit Report

2020-03-24

Created:

2020-03-24

By:

Sonia Del Rio (soniad@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAAQK2M4lxaf3o2LMo0URrg3xbJ-iuLpniJ

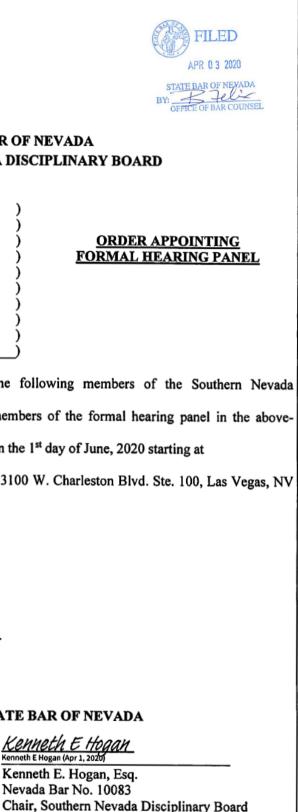
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- Email viewed by /s/ Gerard Gosioco (gerardg@nvbar.org) 2020-03-24 5:30:09 PM GMT- IP address: 70.173.56.155
- Document e-signed by /s/ Gerard Gosioco (gerardg@nvbar.org)

  Signature Date: 2020-03-24 5:30:53 PM GMT Time Source: server- IP address: 70.173.56.155
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- Email viewed by Sonia Del Rio (soniad@nvbar.org) 2020-03-24 5:31:39 PM GMT- IP address: 24.253.47.29
- Document e-signed by Sonia Del Rio (soniad@nvbar.org)

  Signature Date: 2020-03-24 5:31:58 PM GMT Time Source: server- IP address: 24.253.47.29
- Signed document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) and Sonia Del Rio (soniad@nvbar.org) 2020-03-24 5:31:58 PM GMT





## Hearing Panel Ord\_Padgett

Final Audit Report 2020-04-01

Created:

2020-04-01

Ву:

Cathi Britz (cathib@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAA3IncUod\_gbQHiBn7MjpqKyLIYiAd9rBs

### "Hearing Panel Ord\_Padgett" History

Document created by Cathi Britz (cathib@nvbar.org) 2020-04-01 - 4:35:25 PM GMT- IP address: 71.38.7.111

- Document emailed to Kenneth E Hogan (ken@h2legal.com) for signature 2020-04-01 4:36:17 PM GMT
- Email viewed by Kenneth E Hogan (ken@h2legal.com) 2020-04-01 5:06:27 PM GMT- IP address: 184.53.16.166
- Document e-signed by Kenneth E Hogan (ken@h2legal.com)

  Signature Date: 2020-04-01 5:06:57 PM GMT Time Source: server- IP address: 184.53.16.166
- Signed document emailed to Cathi Britz (cathib@nvbar.org) and Kenneth E Hogan (ken@h2legal.com) 2020-04-01 5:06:57 PM GMT

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies a true and correct copy of the foregoing **ORDER APPOINTING HEARING PANEL** was served *via email to:* 

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Farhan Naqvi, Esq. (Panel Member): Naqvi@naqvilaw.com
- 3. Peter Ossowski (Laymember): p e ossowski@yahoo.com
- 4. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com
- 5. Gerard Gosioco, Esq. (Bar Counsel): <a href="mailto:gerardg@nvbar.org">gerardg@nvbar.org</a>
  DATED this <a href="mailto:global">31d</a> day of April, 2020.

Kristi Faust, an employee of

1	Case No.: OBC19-0604; OBC19-0798
2	APR 0 9 2020
3	STATE BAR OF NEVADA
4	OFFICE OF BAR COUNSEL
5	
6	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD
7	STATE BAR OF NEVADA, )
8	Complainant, ) NOTICE OF AMENDED
9	vs. ) <u>FORMAL HEARING DATE</u> )
10	BRIAN C. PADGETT, ESQ., Nevada Bar No. 7474,
- 1	, j
11	Respondent.
12	TO: Brian C. Padgett, Esq.
13	611 S. 6th St. Las Vegas, NV 89101
4	PLEASE TAKE NOTICE that the formal hearing in the above-entitled action
5	previously scheduled for June 1, 2020, has been re-scheduled for one day on Monday, June 8,
16	2020, at the hour of 9:00 a.m., The hearing will be conducted at the State Bar of Nevada
7	located at 3100 W. Charleston Blvd., Suite 100, Las Vegas, NV 89102, (702) 382-2200.
8	Please be further advised that you are entitled to be represented by counsel, to cross-
9	examine witnesses, and to present evidence.
20	DATED this day of April, 2020.
21	STATE BAR OF NEVADA
22	Daniel M. Hooge, Bar Counsel
23	By: /s/ Gerard Gosloco (Apr 9, 2020)
24	Gerard Gosioco, Assistant Bar Counsel 3100 W. Charleston Blvd., Suite 100
	Las Vegas, NV 89104
25	(702) 382-2200

### 1 **CERTIFICATE OF SERVICE** 2 The undersigned hereby certifies a true and correct copy of the foregoing NOTICE OF 3 AMENDED FORMAL HEARING DATE was personally served to: 4 Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101 5 and via email to: 6 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com 7 2. Farhan Naqvi, Esq. (Panel Member): Naqvi@naqvilaw.com 3. Peter Ossowski (Laymember): p e ossowski@yahoo.com 8 4. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com 5. Gerard Gosioco, Esq. (Bar Counsel): gerardg@nvbar.org 9 DATED this 9 day of April, 2020. 10 By: Kristi Faust 11 Kristi Faust, an employee of 12 the State Bar of Nevada. 13 14 15 16 17 18 19 20 21 22 23 24 25

## 2020.04.08 Padget--Notice of Formal Hearing

Final Audit Report

2020-04-09

Created:

2020-04-09

Ву:

Kristi Faust (kristif@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAAHHOw7uDvKk0DNZBSQcrC-6SzlyXaQqzF

### "2020.04.08 Padget--Notice of Formal Hearing" History

- Document created by Kristi Faust (kristif@nvbar.org) 2020-04-09 4;28:11 PM GMT- IP address: 68.224.139.231
- Document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) for signature 2020-04-09 4:30:01 PM GMT
- Email viewed by /s/ Gerard Gosioco (gerardg@nvbar.org) 2020-04-09 4:30:47 PM GMT- IP address: 70.173.56.155
- Document e-signed by /s/ Gerard Gosioco (gerardg@nvbar.org)

  Signature Date: 2020-04-09 4:32:05 PM GMT Time Source: server- IP address: 70.173.56.155
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- Document e-signed by Kristi Faust (kristif@nvbar.org)

  Signature Date: 2020-04-09 4:48:14 PM GMT Time Source: server- IP address: 68.224.139.231
- Signed document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) and Kristi Faust (kristif@nvbar.org) 2020-04-09 - 4:48:14 PM GMT





Case No: OBC19-0604; OBC19-0798

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STATE BAR OF NEVADA
SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,	)
	)
Complainant,	)
vs.	) STATE BAR'S FINAL DISCLOSURE
	OF WITNESSES AND DOCUMENTS
BRIAN C. PADGETT, ESQ.,	)
Nevada Bar No. 7474	)
	)
Respondent.	)

PLEASE TAKE NOTICE that the following is a list of witnesses and a summary of evidence which may be offered against Respondent at the time of the Formal Hearing, in the above-entitled complaint.

### A. Documentary Evidence

Any and all documentation contained in the State Bar of Nevada's files including but not limited to, correspondence, emails, memorandums, text messages, notes, payments, invoices, bank records, receipts, billing entries and pleadings regarding grievance file numbers OBC19-0604 and OBC19-0798.

Any and all documentation contained in records of the State Bar of Nevada regarding Respondent's licensure, compliance with reporting requirements, and disciplinary history.

The State Bar reserves the right to supplement this list as necessary.

Exhibit#	Document	Bates Stamped
1.	Formal Hearing Packet	will be produced prio to hearing
2.	Affidavit of Prior Discipline	will be produced at the time of hearing
3.	Engagement Letter Dated July 26, 2012	SBN Exhibit 3 001-006
4.	Lewis & Roca's Notice of Appearance File June 12, 2017	SBN Exhibit 4 001-002
5.	Declaration of Joel Henroid	SBN Exhibit 5 001-011
6.	Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit Filed June 8, 2018	SBN Exhibit 6 001-019
7.	Order Granting Immediate Disbursement of Proceeds Filed June 18, 2018	SBN Exhibit 7 001-002
8.	Email from Lewis & Roca to Respondent Dated June 20, 2018	SBN Exhibit 8 001
9.	Email between Respondent and Familian Dated June 22, 2018	SBN Exhibit 9 001-002
10.	Email to Familian attaching June 26, 2018 invoice Dated June 29, 2018	SBN Exhibit 10 001-017
11.	Decision and Order, Case No. A-12-668136-C Filed October 16, 2018	SBN Exhibit 11 001-021
12.	Notice of Attorney's Lien Filed October 16, 2018	SBN Exhibit 12 001-003
13.	Email from Familian to Respondent Filed October 25, 2018	SBN Exhibit 13 001
14.	Check for Judgement Proceeds Dated October 22, 2018	SBN Exhibit 14 001
15.	Declaration of Abraham Smith	SBN Exhibit 15 001-003
16.	Respondent's Accounting of DKB Funds	SBN Exhibit 16 001
17.	NRS18.015	SBN Exhibit 17
18.	Leventhal v. Black & Lobello	SBN Exhibit 18 001-005
19.	Respondent's invoices to DKB/Familian	SBN Exhibit 19 001-086
20.	Motion for Attorney's Fees Filed February 2, 2017	SBN Exhibit 20 001-103
21.	Respondent's July 19, 2019, attempt to collect additional funds	SBN Exhibit 21 001-004
22.	Motion to Enforce Attorney's Lien filed in Case No. A-16-731822-C on February 26, 2019	SBN Exhibit 22 001-126

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	Notice of Appearance in Case No. A-17-751033-C	SBN Exhibit 23
23.	Filed March 12, 2018	001-002
	Notice of Entry of Order	SBN Exhibit 24
24.	Filed July 5, 2018	001-007
	Docket- Nevada Supreme Case No. 76584	SBN Exhibit 25
25.	•	001-004
	Text Messages between Respondent and Ritchie	SBN Exhibit 26
26.		001-009
	Minutes from February 19, 2019 Hearing	SBN Exhibit 27
27.		001
	Notice of Withdrawal	SBN Exhibit 28
28.	Filed March 19, 2019	001-002
	Motion to Withdraw	SBN Exhibit 29
29.	Filed March 25, 2019	001-005
	Motion to Withdraw	SBN Exhibit 30
30.	Filed April 1, 2019	001-005
	Order Granting Motion to Withdraw	SBN Exhibit 31
31.	Filed April 18, 2019	001-002
	Affidavit Claiming Exemption from Execution	SBN Exhibit 32
32.	Dated March 20, 2019	001-010
	Diana Ritchie's Letter of Resignation	SBN Exhibit 33
33.	Dated November 27, 2018	001-002

The State Bar incorporates by reference all documents identified by Respondent in these matters.

### B. Witnesses and Brief Statement of Facts

1. Respondent, Brian C. Padgett, Esq., will be called and would be expected to testify regarding his conduct and communications surrounding the events related to, and any and all documents pertinent to, each of the charged violations of the Rules of Professional Conduct, including but not limited to facts pertaining to the breach of his professional responsibilities as an attorney, his mental state pursuant to ABA Standards, the harm resulting from his conduct, and any aggravating and mitigating factors pursuant to Supreme Court Rule 102.5. Respondent is expected to provide testimony regarding the facts and circumstances regarding OBC19-0604 and OBC19-0798.

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- 2. Louise Watson, an investigator with the State Bar of Nevada Office of Bar Counsel, is expected to provide testimony regarding her investigation of OBC19-0604 and OBC19-0798, including but not limited to, information and documents provided by Respondent and Grievant(s), communications with Respondent and Grievant(s), and Respondent's disciplinary history.
- 3. Bruce Familian is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 4. Joel Henriod, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 5. Daniel Polsenberg, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 6. Abraham Smith, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 7. Ian Ritchie is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0798, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.

8. Diana Ritchie is expected to offer testimony regarding the facts and circumstances Regarding Case No. OBC19-0798, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.

Dated this 12 day of May, 2020.

STATE BAR OF NEVADA
DANIEL M. HOOGE, BAR COUNSEL



Gerard Gosioco, Assistant Bar Counsel Nevada Bar No. 14371 3100 West Charleston Boulevard, Suite 100 Las Vegas, Nevada 89102 (702) 382-2200

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies a true and correct copy of the foregoing STATE BAR'S

### FINAL DISCLOSURE OF WITNESSES DOCUMENTS was deposited via U.S. Mail to:

Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101

### And via email to:

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Brian C. Padgett, Esq. (Respondent): brian@briancpadgett.com
- 3. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org

DATED this 12 day of May, 2020.

Sonia Del Rio

By:

Sonia Del Rio,
an employee of the State Bar of Nevada.

# Padgett, Brian Final Disclosure (OBC19-0604; OBC19-0798)

Final Audit Report

2020-05-12

Created:

2020-05-12

By:

Sonia Del Rio (soniad@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAA\_vkSmDylMeY7GXoGNm8C\_gW3NvvfRrwd

## "Padgett, Brian Final Disclosure (OBC19-0604; OBC19-0798)" H istory

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  Signature Date: 2020-05-12 10:49:54 PM GMT Time Source: server- IP address: 24.253.55.206
- Signed document emailed to Sonia Del Rio (soniad@nvbar.org) and /s/ Gerard Gosioco (gerardg@nvbar.org) 2020-05-12 10:49:54 PM GMT



	FILED
1	Case No.: OBC19-0604; OBC19-0798
2	MAY 2 2 2020
3	STATE BAR OF NEVADA
4	OFFICE OF BAR COUNSEL
5	STATE BAR OF NEVADA
6	SOUTHERN NEVADA DISCIPLINARY BOARD
7	STATE BAR OF NEVADA,
8	Complainant, ) NOTICE OF vs. PORMAL HEARING
9	BRIAN C. PADGETT, ESQ.,
10	Nevada Bar No. 7474, )
11	Respondent.
12	PLEASE TAKE NOTICE that the formal hearing in the above-entitled action
13	scheduled for one day on Monday, June 8, 2020, at the hour of 9:00 a.m., The hearing will
14	be conducted virtually via ZOOM through the State Bar of Nevada. The State Bar of Nevada
15	will email an access link on June 5, 2020.
16	Please be further advised that you are entitled to be represented by counsel, to cross-
17	examine witnesses, and to present evidence.
18	DATED this 21 day of May, 2020.
19	STATE BAR OF NEVADA
20	Daniel M. Hooge, Bar Counsel
21	By: /s/ Gerard Gosioco (May 21, 2020 15:08 PDT)
22	Gerard Gosioco, Assistant Bar Counsel 3100 W. Charleston Blvd., Suite 100
23	Las Vegas, NV 89104 (702) 382-2200
24	
25	
	-1-
- 1	

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies a true and correct copy of the foregoing **NOTICE OF FORMAL HEARING** was deposited in the United States Mail at Las Vegas, Nevada, postage fully pre-paid thereon for first-class regular mail to:

Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101

### and via email to:

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Farhan Naqvi, Esq. (Panel Member): Naqvi@naqvilaw.com
- 3. Peter Ossowski (Laymember): p e ossowski@yahoo.com
- 4. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com
- 5. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org

DATED this 22 day of May, 2020.

By: Sonia Del Rio, an employee of the State Bar of Nevada.

Case Nos.; OBC19-0604; OBC19-0798



### STATE BAR OF NEVADA

### SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,

Complainant,

Vs.

BRIAN C. PADGETT,

STATE BAR NO. 7474

Respondent.

Complainant,

FINDINGS OF FA
OF LAW, AND R
AFTER FOR

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND RECOMMENDATION AFTER FORMAL HEARING

This matter involving attorney BRIAN C. PADGETT, Esq. (hereinafter "Respondent"), Bar No. 7474, initially came before a designated Formal Hearing Panel of the Southern Nevada Disciplinary Board (hereinafter "Panel") at 9:00 a.m. on Monday, June 8, 2020, at the office of the State Bar of Nevada in Las Vegas, Nevada. The Panel consisted of Chair Dana P. Oswalt, Esq., Farhan R. Naqvi Esq., and Peter Ossowski, Laymember. Assistant Bar Counsel, Gerard Gosioco, Esq., represented the State Bar of Nevada (hereinafter "State Bar"). Respondent was not present.

The State Bar presented materials consisting of pleadings and State Bar documents, which were admitted into evidence as Exhibits 1 through 36. *See* Transcript, pp. 8-9.

Based upon the evidence presented, the Panel unanimously issues the following Findings of Fact, Conclusions of Law, and Recommendation:

### FINDINGS OF FACT

- Respondent is an attorney licensed to practice law in the State of Nevada and was admitted to the State Bar of Nevada on or about December 28, 2000.
- During the period in question, Respondent maintained a law practice in Clark
   County, Nevada.
- 3. OBC19-0604. On or about July 25, 2012, Bruce Familian (hereinafter "Mr. Familian") retained Respondent to represent DKB, LLC, in an inverse condemnation case against Clark County. *See* Transcript, p. 10. On or about September 11, 2012, Respondent filed a Complaint initiating Case Number A-12-668136-C in the Eighth Judicial District Court. *Id*.

The case went to trial, and DKB was awarded \$116,508 by the jury. *Id.* Following trial, several post-judgment motions were filed regarding attorney's fees and costs of prejudgment interest on the award. *Id.* An Order granting the prejudgment interest was filed on November 3, 2017, but the Court requested additional briefing regarding fees and costs. *Id.* 

Mr. Familian then retained attorneys Dan Polsenberg and Joel Henriod (hereinafter "appellate attorneys") to file an appeal of the inverse condemnation case as Mr. Familian was not satisfied with the amount awarded by the jury. *Id.* At 11. On or about June 12, 2017, Mr. Familian's appellate attorneys filed a Notice of Appearance. *Id.* On or about

November 8, 2017, Clark County deposited \$151,599.83 with the District Court representing the jury verdict plus interest. *Id*.

On or about June 8, 2018, Respondent filed a Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit. *Id.* On or about June 12, 2018, an Order granting Respondent's Motion was filed. *Id.* Mr. Familian's appellate attorneys were not served with Respondent's Motion. *Id.* 

On or about June 20, 2018, Mr. Henriod discovered that Respondent's Motion and an Order granting the same had been filed. *Id.* Mr. Henriod then contacted Respondent's office and expressed concern that they had withdrawn the funds without notifying Mr. Familian or his appellate attorneys. *Id.* Mr. Henriod stated that he believed withdrawing the funds might jeopardize Mr. Familian's case and notified Respondent that Mr. Familian did not authorize the withdrawal. *Id.* 

On or about June 22, 2018, Mr. Familian emailed Respondent asking why the motion for disbursement was filed without his knowledge and why it had been done on shortened time. *Id.* at 11-12. The email requested the status of funds and an accounting explaining what happened to any funds received by Respondent. *Id.* at 12. Respondent replied that he did have the check in hand, but that in his opinion, retrieving the funds would not jeopardize Mr. Familian's rights on appeal. *Id.* 

Respondent stated that he would send Mr. Familian a copy of his outstanding bill, which he can pay out of pocket or from the release of funds. *Id.* Mr. Familian then instructed Respondent to stop the process of withdrawing the funds and requested the current bill stating that he had not received one in over a year. *Id.* On or about June 29, 2018, Respondent's office emailed Mr. Familian a copy of the invoice dated June 26, 2018,

for \$69,945.73 for services that were rendered from November 2016 through May 2017, indicating that Mr. Familian had not been billed for any post-trial work. *Id*.

On or about October 16, 2018, the Court filed a decision and awarded DKB over \$400,000 in attorney's fees and costs. *Id.* That same day, Respondent filed a Notice of Filing of Attorney's Lien, but did not include an amount. *Id.* at 12-13. Respondent never filed a motion to enforce the attorney's lien as required by NRS 18.015. *Id.* at 13.

On or about October 25, 2018, Mr. Familian emailed Respondent and stated that he had no objection to him taking the approximately \$70,000 Mr. Familian owed from the attorney's fee award proceeds. *Id.* In addition, Mr. Familian specifically stated to Respondent that the funds on deposit with the Court for the judgment and interest should not be touched during the appeal. *Id.* However, Respondent had already received \$151,599.63 of the judgment funds from the Court on or about October 22, 2018. *Id.* 

On or about June 19, 2019, Respondent attempted to obtain an additional \$13,845.45 from funds that Clark County deposited with the District Court by submitting a proposed order directly to the Court without copying any other parties or filing a motion. *Id.* The Court returned the proposed order to Respondent and provided copies to Mr. Familian's appellate attorneys. *Id.* at 13-14.

4. OBC19-0798. Ian Ritchie (hereinafter "Mr. Ritchie") was hired as the head of security for CWNevada (hereinafter "CWN"), a marijuana dispensary of which Respondent is the CEO, from approximately 2017 to March 26, 2019. *Id.* at 14. Prior to Mr. Ritchie's employment at CWN, he was employed as the Director of Sales for Pro-Tect Security. *Id.* While employed with Pro-Tect Security, Mr. Ritchie signed a non-compete agreement. *Id.* Despite the non-compete, Mr. Ritchie left Pro-Tect Security and founded Round Table Security. *Id.* 

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In or around May 2015, Pro-Tect Security sued Mr. Ritchie for violating the terms of the non-compete. *Id.* Although Respondent was not counsel of record for Mr. Ritchie or Round Table Security, he advised Mr. Ritchie that he should agree to be jointly and severally liable for the judgment, and that Respondent, himself, would be paying the judgment. *Id.* Following Respondent's advice, the lawsuit was settled with Mr. Ritchie agreeing to be jointly and severally liable for payment to Pro-Tect Security along with Round Table Security. *Id.* Neither Respondent, Mr. Ritchie, or Round Table Security satisfied the settlement. *Id.* 

In or around February 2017, Pro-Tect Security sued Mr. Ritchie for breach of contract. On or about March 12, 2018, Respondent entered his appearance on behalf of Mr. Ritchie. *Id.* at 14-15. On or about June 28, 2018, the Court entered summary judgment in favor of Pro-Tect Security and against Mr. Ritchie for \$129,999.92. *Id.* On or about July 27, 2018, Respondent filed a Notice of Appeal with the District Court. *Id.* at 15. Respondent continued to communicate to Mr. Ritchie that Respondent would give him the money to pay off Pro-Tect Security. *Id.* Ultimately, Respondent withdrew as counsel from the appeal. *Id.* Mr. Ritchie was not able to secure new counsel, and his appeal was dismissed. *Id.* When the State Bar asked Respondent about this incident, he simply responded that he is "not permitted to advance funds to a client, nor would [he] have agreed to do so in Mr. Ritchie's case." *Id.* 

- 5. On or about December 23, 2019, the State Bar filed a disciplinary Complaint.
- 6. On or about January 7, 2020, the State Bar filed a First Amended Complaint which charged Respondent with the following violations of the Rule of Professional Conduct ("RPC"): (1) RPC 1.2 (Scope of Representation and Allocation of Authority Between Client and Lawyer); (2) RPC 1.4 (Communication); (3) RPC 1.8 (Conflict of

Interest: Current Clients: Specific Rules); (4) RPC 1.15 (Safekeeping Property); (5) RPC 3.3
(Candor Toward the Tribunal); (6) RPC 8.1 (Bar Admission and Disciplinary Matters); and
(7) RPC 8.4 (Misconduct).

- 7. A return receipt provided to the State Bar showed that the First Amended Complaint was delivered to Respondent on or about January 14, 2020.
- 8. On or about February 26, 2020, Respondent provided a response to the State Bar's First Amended Complaint.
- 9. The response did not address any of the State Bar's allegations; rather, Respondent went on a tangent about how he is the owner of a cannabis firm, and that there is a conspiracy to take over his cannabis firm which included "damaging [his] standing in the practice of law."
- 10. On or about January 31, 2020, a Notice of Intent to Proceed on a Default Basis was filed.
  - 11. On or about March 4, an Order Appointing Hearing Panel Chair was filed.
  - 12. On or about March 18, 2020, an Initial Case Conference ("ICC") was held.
  - 13. Respondent was not present during the ICC.
  - 14. On or about March 24, 2020, an Entry of Default was ordered and filed.
- 15. On or about March 24, 2020, the State Bar filed its Initial Disclosure of Witnesses and Documents.
- 16. On or about April 3, 2020, an Order Appointing Formal Hearing Panel was filed.
- 17. On or about April 9, 2020, a Notice of Amended Formal Hearing Date was filed.

- 18. On April 10, 2020, and April 13, 2020, Judith Mae All (hereinafter "Ms. All") of Nationwide Legal Nevada, LLC, attempted to personally serve Respondent at 611 South 6th Street, Las Vegas, Nevada, 89101, with all previously filed documents pertaining to this case, but to no avail.
- 19. On April 24, 2020, April 26, 2020, and April 29, 2020, Tyler Trewet (hereinafter "Mr. Trewet") of Nationwide Legal Nevada, LLC, attempted to personally serve Respondent at 1672 Liege Drive, Henderson, Nevada, 89012, with previously filed documents pertaining to this case, but to no avail.
- 20. On or about May 12, 2020, the State Bar filed its Final Disclosure of Witnesses and Documents.
  - 21. On or about May 22, 2020, a Notice of Hearing was filed.

### **CONCLUSIONS OF LAW**

Based upon the foregoing Findings of Fact, the Panel hereby issues the following Conclusions of Law:

- 1. The Southern Nevada Disciplinary Board has jurisdiction over Respondent and the subject matter of these proceedings pursuant to Supreme Court Rule ("SCR") 99.
  - 2. Venue is proper in Clark County.
- 3. The State Bar must prove by clear and convincing evidence that Respondent violated any Rules of Professional Conduct. See Nev. Sup. Ct. R. 105(2)(f); In re Stuhff, 108 Nev. 629, 633-634, 837 P.2d 853, 856; Gentile v. State Bar, 106 Nev. 60, 62, 787 P.2d 386, 387 (1990).
- 4. The Panel unanimously finds that the foregoing findings of fact prove by clear and convincing evidence that:

- a. Respondent intentionally violated RPC 1.2 (Scope of Representation and Allocation of Authority Between Client and Lawyer) which caused injury to Mr. Familian. See Transcript, p. 38.
- b. Respondent knowingly violated RPC 1.4 (Communication) which caused injury to Mr. Familian and Mr. Ritchie. *Id*.
- c. Respondent knowingly violated RPC 1.8 (Conflict of Interest: Current Clients: Specific Rules) which caused injury to Mr. Familian and Mr. Ritchie. See Transcript, p. 38.
- d. Respondent knowingly violated RPC 1.15 (Safekeeping Property) which caused injury to Mr. Familian and Mr. Ritchie. *See* Transcript, p. 38.
- e. Respondent knowingly violated RPC 3.3 (Candor Toward the Tribunal) which caused injury to Mr. Familian and Mr. Ritchie. *See* Transcript, p. 38.
- f. Respondent knowingly violated RPC 8.1 (Bar Admission and Disciplinary Matters) which caused injury to Mr. Familian and Mr. Ritchie. *See* Transcript, p. 38.
- g. Respondent knowingly violated RPC 8.4 (Misconduct) which caused injury to Mr. Familian and Mr. Ritchie. *See* Transcript, p. 38.
- 5. The appropriate level of discipline must be determined considering "all relevant factors and mitigating circumstances on a case-by-case basis." State Bar of Nevada v. Claiborne, 104 Nev. 11, 219, 756 P.2d 464, 531 (1988). We evaluate The American Bar Association Standards for Imposing Lawyer Sanctions' four factors to be considered in determining the appropriate disciplinary sanction: "the duty violated, the lawyer's mental state, the potential or actual injury caused by the lawyer's misconduct, and

1	3. Pursuant to SCR 120, Respondent shall pay a \$2,500 fee plus the actual costs
2	of this proceeding, excluding Bar Counsel and staff salaries no later than the 30th day after
3	the Supreme Court's Order in this matter or service of a Memorandum of Costs, whichever
4	is later.
5	
6	DATED this 30 day of July, 2020.
7	<u>Dana P. Oswalt</u> Dana P. Oswalt (Jul 30, 2020 11:22 PDT)
8	Dana P. Oswalt, Esq., Chair Southern Nevada Disciplinary Panel
9	Southern Wevada Disciplinary Faner
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Case Nos.: OBC19-0604; OBC19-0798



### STATE BAR OF NEVADA

### SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,	)
Complainant,	)
vs.	)
	) <u>STATE BAR OF NEVADA'S</u>
BRIAN C. PADGETT, ESQ.,	) <u>MEMORANDUM OF COSTS</u>
NV Bar No. 7474	)
, , , ,	)
Respondent.	)

Description	Amount
Court Reporter Fee & Transcript Fee	\$643.40
Hearing Held on June 8, 2020	
Nation Wide Legal Services	\$60.00
Certified Mail Costs (2 x \$6.78)	\$13.56
TOTAL	\$716.96

- I am Assistant Bar Counsel with the State Bar of Nevada. I have personal knowledge of the above-referenced costs and disbursements expended.
- The costs set forth above are true and correct to the best of my knowledge and 2. belief and were necessary and reasonably incurred and paid in connection with this matter. True and correct copies of invoices supporting these costs are attached to this Memorandum of Costs.
- As stated in the Findings of Fact, Conclusions of Law and Recommendation, 3. Respondent shall be ordered to pay the fees and costs of these proceedings within thirty (30)

days of receipt of the State Bar of Nevada's Memorandum of Costs in this matter pursuant to Supreme Court Rule 120(1). Dated this 24 day of August, 2020. STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel /s/ Gerard Gosioco Gerard Gosioco, Assistant Bar Counsel 3100 W. Charleston Boulevard, Ste. 100 Las Vegas, Nevada 89102 Attorney for State Bar of Nevada 

### **CERTIFICATE OF SERVICE BY MAIL** The undersigned hereby certifies a true and correct copy of the foregoing STATE BAR OF NEVADA'S MEMORANDUM OF COSTS was deposited in the United States Mail at Las Vegas, Nevada, postage fully pre-paid thereon for certified mail addressed to: Brian Padgett, Esq. 611 S. 6th Street Las Vegas, NV 89101 **CERTIFIED MAIL RECEIPT NO.** 7019 2970 0001 1910 4683 DATED this \_\_25 day of August, 2020. Sonia Del Rio Sonia Del Rio, an employee of the State Bar of Nevada

## Memo of Costs

Final Audit Report 2020-08-24

Created: 2020-08-24

By: Sonia Del Rio (soniad@nvbar.org)

Status: Signed

Transaction ID: CBJCHBCAABAA5y4vuqpB\_fhpPKQx8Zi3raw-P9xrgN6C

## "Memo of Costs" History

Document created by Sonia Del Rio (soniad@nvbar.org)

2020-08-24 - 11:39:10 PM GMT- IP address: 70.175.53.4

Document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) for signature 2020-08-24 - 11:39:28 PM GMT

Email viewed by /s/ Gerard Gosioco (gerardg@nvbar.org)

2020-08-24 - 11:44:33 PM GMT- IP address: 68.104.81.227

Document e-signed by /s/ Gerard Gosioco (gerardg@nvbar.org)
Signature Date: 2020-08-24 - 11:44:58 PM GMT - Time Source: server- IP address: 68.104.81,227

Signed document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) and Sonia Del Rio (soniad@nvbar.org) 2020-08-24 - 11:44:58 PM GMT



### **CERTIFICATE OF SERVICE**

2	The undersigned hereby certifies that a true and correct copy of the foregoing <b>RECORD</b>
3	ON APPEAL was placed in a sealed envelope and sent by U.S. regular mail and certified mail in
4	Las Vegas, Nevada, postage fully prepaid thereon for first class regular mail and certified mail
5	addressed to:
6	Brian C. Padgett, Esq. 611 S. 6 <sup>th</sup> Street Las Vegas, NV 89101
7	CERTIFIED MAIL RECEIPT NO. 7019 2280 0001 9440 7147

DATED this 9th day of October, 2020.

Sonia Del Rio Sonia Del Rio, an Employee of the State Bar of Nevada

1	IN THE SUPREME COURT OF THE STATE OF NEVADA	
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3	IN DE, DICCIDI INE OF	
4	IN RE: DISCIPLINE OF ) BRIAN C. PADGETT, ESQ. ) Case No	
5	NEVADA BAR NO. 7474	
6		
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11	<u>VOLUME II</u>	
12		
13	RECORD OF DISCIPLINARY PROCEEDINGS, PLEADINGS AND TRANSCRIPT OF HEARING	
14	I LEADINGS AND TRANSCRIPT OF HEARING	
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19	Gerard Gosioco, Esq. Brian C. Padgett, Esq.	
20	Nevada Bar No. 14371 Nevada Bar No. 7474	
21	State Bar of Nevada 611 S. 6 <sup>th</sup> Street 3100 W. Charleston Blvd., Ste. 100 Las Vegas, NV 89101	
22	Las Vegas, NV 89102 Respondent Counsel for the State Bar of Nevada	
23	Combel for the State But of Nevada	
24		
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## STATE BAR OF NEVADA

## SOUTHERN NEVADA DISCIPLINARY BOARD

Complainant,
vs.

BRIAN C. PADGETT, ESQ.,
Nevada Bar No. 7474,
Respondent.

REPORTER'S TRANSCRIPT OF ZOOM HEARING PROCEEDINGS

BEFORE HEARING PANEL CHAIRMAN DANA P. OSWALT

Grievance File Nos.: OBC19-0640 and OBC19-0798

Taken on Monday, June 8, 2020

At 9:09 a.m.

Las Vegas, Nevada

Reported by: Carla N. Bywaters, CCR 866 Job No. 52308

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APPEARANCES:
    Panel Members:
 3
         DANA P. OSWALT, ESQ., Chair
         FARHAN R. NAQVI, ESQ., Panel Member
 4
 5
         PETER OSSOWSKI, Lay Member
 6
    Also Present:
 7
         JOHN GERARD GOSIOCO, ESQ., Assistant Bar Counsel
 8
         SONIA DEL RIO, Hearing Paralegal
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First Legal Deposition-Calendar@firstlegal.com L.A. 855.348.4997

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## **HEARING**

June 08, 2020

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	Julie 06, 2020
1	PROCEEDINGS
2	LAS VEGAS, NEVADA; JUNE 8, 2020;
3	9:09 A.M.
4	
5	CHAIR OSWALT: Okay. This is the time set for
6	the Formal Hearing for Case Numbers OBC19-0604 and
7	OBC19-0798, State Bar of Nevada versus Brian Padgett.
8	And it's my understanding Mr. Padgett is not present
9	today; is that correct?
10	MR. GOSIOCO: That's correct.
11	CHAIR OSWALT: Okay. So I will turn it over
12	to the State Bar if you would like to begin.
13	MR. GOSIOCO: Absolutely. Thank you so much.
14	Good morning, everybody. My name is Gerard Gosioco.
15	I'm Assistant Bar Counsel here with the State Bar of
16	Nevada, and I'm the one handling the case for Brian
17	Padgett OBC19-0640 as well as OBC19-0798. Now, before
18	we begin, I would like to, if Panel Chair would allow me
19	to, go through a brief procedural history of this case
20	just so we understand how we got to the Default Hearing
21	today.
22	CHAIR OSWALT: Absolutely.
23	MR. GOSIOCO: Thank you so much.
24	So, like I said, this case these cases have
25	been we have entered an entry of default in this

l case. And by way of procedural history, the Complaint

- 2 was filed on December 23rd, 2013. The State Bar filed a
- 3 First Amended Complaint approximately two weeks -- or
- 4 two or three weeks later on January 7th, 2020. On
- 5 January 14th, 2020, I personally called Mr. Padgett and
- 6 left him a voice mail.
- 7 We were supposed to speak on the phone. Two
- 8 days later on January 16th, 2020, I received an e-mail
- 9 from Mr. Padgett asking for an extension. We spoke the
- 10 following day on January 17th, 2020, and he asked me if
- 11 I would be willing to stipulate to a deadline of January
- 12 31st, 2020. I did stipulate to that deadline, allowed
- 13 Mr. Padgett to file an answer by that date; however,
- 14 nothing was filed by January 31st.
- 15 I did speak to Mr. Padgett on January 27th,
- 16 and there was another State Bar employee present. I did
- 17 inform Mr. Padgett that, because the deadline's
- 18 approaching, if he doesn't file by that, by the 31st,
- 19 I'll be filing a notice, which would make his deadline
- 20 approximately February 24th, 2020.
- I also explained to Mr. Padgett the
- 22 ramifications of what happens when I file a notice and
- 23 if he doesn't file an answer by that point, and he did
- 24 state that he understood. Nothing was filed, so a
- 25 notice was filed on January 31st, 2020. The Order

1 Appointing Hearing Chair was filed March 4th, 2020. The

- 2 Scheduling Order was filed March 19th, 2020, and the
- 3 entry of default was filed March 24th, 2020.
- 4 Our initial disclosures were mailed February
- 5 24th -- or March 24th, 2020. Order Appointing a Formal
- 6 Hearing Panel filed April 3rd, 2020. The notice of
- 7 amended formal hearing date was filed April 9th, 2020,
- 8 and we did make personal service attempts on Mr. Padgett
- 9 on April 15th, April 24th, April 26th, April 29th of
- 10 2020.
- 11 The final disclosures from the State Bar was
- 12 filed May 12th, 2020, and the notice of formal hearing
- 13 was filed May 22nd, 2020. Now, because we did file an
- 14 entry of default in this case, the State Bar would
- 15 respectfully move to admit Exhibits 1 and 2.
- 16 CHAIR OSWALT: That's fine, yes.
- 17 (Exhibits 1 and 2 were admitted into
- 18 evidence.)
- 19 MR. GOSIOCO: Thank you. Additionally, the
- 20 State Bar would also like to admit Exhibits 1 through
- 21 33, which were listed in the final disclosures. That
- 22 was Exhibit 1, pages 67 through 70, and the State Bar
- 23 would move to admit those as Exhibits 3 through 35.
- 24 CHAIR OSWALT: So I'm looking at what I have
- 25 from the disclosures. I'm only showing 31 exhibits,

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although, I believe 1 and 2 were the Complaint.
 2
              MR. GOSIOCO:
                           One second.
                                         Let's see.
                                                      1 and 2
    are the Complaints. I actually have 33 dated in our
 3
    final disclosures.
 4
 5
                                    I think that I just have
              CHAIR OSWALT:
                             Okay.
    the Complaints staged separately, and so mine are off by
 6
 7
    one, because I have a total of 31 plus the Complaints,
 8
    which makes 33.
 9
              MR. GOSIOCO: Okay. I do have, at least in
    our final, 33, and the first one is the hearing packet
10
    today that we just admitted, and the second one is the
11
    Affidavit of Prior Discipline, so total right now is 33
12
13
    with just the disclosures.
14
              CHAIR OSWALT: Okay.
                                    Then, yes, that's fine.
                   (Exhibits 3 through 35 were admitted into
15
16
                   evidence.)
17
              MR. GOSIOCO:
                            Thank you. And, lastly, I would
    like to admit Exhibit 36, which is the Affidavit of Due
18
19
    Diligence, when we tried to personally serve Mr. Padgett
20
    two months ago.
21
              CHAIR OSWALT:
                             That will be admitted as well.
22
                   (Exhibit 36 was admitted into evidence.)
23
              MR. GOSIOCO: Perfect. Thank you so much.
    Now, at this point, I do want to briefly go over the
24
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allegations, and so what I will do here is I will share

25

- 1 my screen going off of Exhibit 1 that we just admitted
- 2 and reading through the Amended Complaint. One second,
- 3 let me get me that pulled up. Okay.
- 4 Okay. Can everyone see my screen?
- 5 (No audible response.)
- 6 Okay. Perfect. So as I stated, this First
- 7 Amended Complaint was filed on January 7th, 2020.
- 8 Mr. Padgett did not file an answer or a response to
- 9 this. However, I will -- like I said, I'll just briefly
- 10 go through the allegations starting on paragraph 2.
- 11 Starting on paragraph 2, we are discussing Case Number
- 12 OBC19-0640.
- So on or about July 25th, 2012, Bruce Familian
- 14 retained Respondent to represent DKB, LLC, in an inverse
- 15 condemnation case against Clark County. On September
- 16 11th, 2012, Respondent filed a Complaint in the inverse
- 17 condemnation initiating Case Number A-12-668136-C in the
- 18 Eighth Judicial District Court.
- 19 The inverse condemnation case went to trial,
- 20 and DKB was awarded \$116,508 by the jury. Following
- 21 trial, several post judgment motions were filed
- 22 regarding attorney's fees, costs of prejudgment interest
- 23 on the award. An Order granting the prejudgment
- 24 interest was filed on November 3rd, 2017, but the Court
- 25 requested additional briefing regarding fees and costs.

- 1 Familian then retained Attorneys Dan
- 2 Polsenberg and Joel Henriod of Lewis and Roca to file an
- 3 appeal of the inverse condemnation case as Mr. Familian
- 4 was not satisfied with the amount awarded by the jury.
- 5 Lewis and Roca filed a Notice of Appearance in the case
- 6 on June 12th, 2017. On or about November 8th, 2017,
- 7 Clark County deposited \$151,599.83 with the District
- 8 Court representing the jury verdict plus interest.
- 9 On June 8th, 2018, Respondent filed a Motion
- 10 on Order Shortening Time to direct disbursement of funds
- 11 on the deposit. Four days later, on June 12th, 2018, an
- 12 order granting the motion for disbursement was filed.
- 13 Lewis and Roca who was now Mr. Familian's counsel was
- 14 not served with a motion for disbursement.
- 15 On or about June 20, 2018, Henriod discovered
- 16 the motion for disbursement and the order granting the
- 17 same had been filed. Mr. Henriod then contacted
- 18 Mr. Padgett's office and expressed concern that they had
- 19 withdrawn the funds without notifying the client,
- 20 Mr. Familian, or Lewis and Roca.
- 21 He stated that he believed withdrawing the
- 22 funds might jeopardize Mr. Familian's case and notified
- 23 Mr. Padgett that Mr. Familian did not authorize the
- 24 withdrawal. On June 22, 2018, Familian e-mailed
- 25 Respondent asking why the motion for disbursement was

l filed without his knowledge and why it had been done on

- 2 shortened time.
- 3 The e-mail requested the status of funds and
- 4 an accounting explaining what happened to any funds
- 5 received by Respondent. Respondent replied that he did
- 6 have the check in hand, but that, in his opinion,
- 7 retrieving the funds would not jeopardize Mr. Familian's
- 8 rights on appeal.
- 9 Respondent said that he would send
- 10 Mr. Familian a copy of the outstanding bill, which he
- 11 can pay out of pocket or from the release of funds.
- 12 Mr. Familian then instructed Mr. Padgett to stop the
- 13 process of withdrawing the funds and requested the
- 14 current bill stating that he had not received one in
- 15 over a year.
- 16 On June 29, 2018, Respondent's office e-mailed
- 17 Mr. Familian a copy of the invoice dated June 26th,
- 18 2018, for \$69,945.73 for services that were rendered
- 19 from November 2016 through May 2017 indicating that
- 20 Mr. Familian had not been billed for any post trial
- 21 work.
- 22 On October 16th, 2018, the Court filed a
- 23 decision and awarded DKB over \$400,000 in attorney's
- 24 fees and costs. That same day Respondent filed a notice
- 25 of filing of attorney's lien. The attorney's lien did

1 not include an amount. Mr. Padgett never filed a motion

- 2 to enforce the attorney's lien as required by
- 3 NRS 18.015.
- 4 On October 25, 2018, Mr. Familian e-mailed
- 5 Mr. Padgett and stated that he had no objection to --
- 6 Mr. Padgett took approximately \$70,000 that he was owed
- 7 from the attorney fee award proceeds. But he
- 8 specifically stated that the funds on deposit with the
- 9 Court for the judgment and interest should not be
- 10 touched during the appeal.
- 11 However, at this point, Mr. Padgett had
- 12 already received \$151,599.83 of the judgment funds from
- 13 the Court on October 22, 2018. As appeared by
- 14 Mr. Henriod, Clark County made the argument that DKB had
- 15 forfeited its right to interest on the judgment from the
- 16 date the Court granted the motion for disbursal, though,
- 17 the Court ultimately rejected that argument. Respondent
- 18 never provided Mr. Familian with a billing invoice after
- 19 June 29, 2018 -- the June 29, 2018, bill for 69,945.73.
- 20 Lastly, on June 19th, 2019, Respondent
- 21 attempted to obtain an additional \$13,845.45 from funds
- 22 that Clark County had deposited with the District Court
- 23 by submitting a proposed order directly to the Court
- 24 without copying any parties or filing a motion. The
- 25 Court returned the proposed order to the Respondent and

l provided courtesy copies to Mr. Polsenberg, and then

- 2 that's OBC19-0604.
- And briefly I want to go over OBC19-0798. In
- 4 that matter, Ian Ritchie was hired as the head of
- 5 security for CWNevada, a marijuana dispensary, of which
- 6 Mr. Padgett is a CEO. He has been the CEO from
- 7 approximately 2017 to March 26th, 2019. Prior to
- 8 Mr. Ritchie's employment at CWN, he was employed as the
- 9 Director of Sales for Pro-Tect Security.
- 10 While employed with Pro-Tect, Mr. Ritchie
- 11 signed a non-compete agreement. Despite the
- 12 non-compete, Mr. Ritchie left Pro-Tect and founded Round
- 13 Table Security. On or about May 2015, Pro-Tect sued
- 14 Mr. Ritchie for violating the non-compete. Ultimately,
- 15 the non-compete lawsuit was settled with Ritchie
- 16 agreeing to be jointly and severally liable for payment
- 17 to Pro-Tect along with RTS.
- 18 Though Mr. Padgett was not the counsel of
- 19 record in the non-compete lawsuit, Mr. Padgett did
- 20 advise Mr. Ritchie that he should be jointly -- he
- 21 should agree to be jointly and severally liable on the
- 22 judgment, and that Mr. Padgett himself would be paying
- 23 the judgment. Neither Mr. Padgett, Mr. Ritchie, or RTS
- 24 satisfied the settlement.
- In February of 2017, Pro-Tect sued Mr. Ritchie

1 for breach of contact -- contract, I apologize. On

- 2 March 12, 2018, Respondent entered his appearance on
- 3 behalf of Mr. Ritchie in a breach case. On June 28, 28
- 4 -- 29, 2018, the Court entered summary judgment in favor
- 5 of Pro-Tect and against Mr. Ritchie for \$129,999.92.
- 6 On July 27, 2018, Respondent filed a notice of
- 7 appeal in the District Court. On December 4th, 2018,
- 8 Nevada Supreme Court mandated a settlement conference
- 9 was held in the breach appeal. Mr. Padgett continued to
- 10 communicate with Mr. Ritchie that Respondent would give
- 11 Mr. Ritchie -- he would give Mr. Ritchie the money to
- 12 pay off Pro-Tect.
- 13 Ultimately, Mr. Padgett withdrew as counsel
- 14 for the breach -- of record from the breach appeal.
- 15 Mr. Ritchie was not able to secure new counsel, and the
- 16 appeal was dismissed. When we asked Mr. Padgett about
- 17 this incident, he just simply responded he's not
- 18 permitted to advance funds to a client nor would I have
- 19 agreed to do so in Mr. Ritchie's case.
- Now, those are the allegations, and at this
- 21 point, I would like to go through the counts briefly in
- 22 the allegations. So as to Count One, which is -- we're
- 23 alleging -- a violation of RPC 1.2 Scope of
- 24 Representation & Allocation of Authority Between Client
- 25 & Lawyer.

```
1
              That Rule, in relevant part, states that "a
 2
    lawyer shall abide by a client's decision concerning the
    objectives of representation as required by Rule 1.4 and
 3
 4
    shall consult with the client as to the means by which
    they are to be pursued."
 5
 6
              Count Two, we're alleging that Mr. Padgett
 7
    violated Rule -- RPC 1.4: Communications.
                                                1.4 states,
 8
    in relevant part, that "A lawyer shall: (1) promptly
    inform the client of any decision or circumstance with
 9
10
    respect to which the client's informed consent is
11
    required by these rules;
12
              "(2) reasonably consult with a client about
    the means by which the client's objectives are to be
13
14
    accomplished; (3) keep the client reasonably informed
    about the status of the matter and act with reasonable
15
16
    diligence and promptness in representing the client";
17
    and (b) "a lawyer shall explain the matter to the extent
    reasonably necessary to permit the client to make
18
19
    informed decisions regarding the representation."
20
              As to Count Four, we are alleging that
21
    Mr. Padgett violated RPC 1.8: Conflict of Interest:
22
    Current Clients: Specific Rules. Now that Rule, in
23
    relevant part, states that "A lawyer shall not provide
24
    financial assistance to a client in connection with
    pending or contemplated litigation."
25
```

- 1 As to Count Four, we are alleging that
- 2 Mr. Padgett violated RPC 1.15: Safekeeping Property.
- 3 That Rule, in relevant part, states that "When in the
- 4 course of representation, a lawyer is in possession of
- 5 funds or other property in which two or more persons
- 6 claim interests, the property shall be kept separate by
- 7 the lawyer until the dispute is resolved."
- 8 Count 5, we are alleging that Mr. Padgett
- 9 violated RPC 3.3: Candor Toward the Tribunal. That
- 10 Rule, in relevant part, states that "In an ex parte
- 11 proceeding, a lawyer shall inform the tribunal of all
- 12 material facts known to the lawyer that will enable the
- 13 tribunal to make an informed decision whether or not
- 14 those facts are adverse.
- 15 Count Six, we are alleging that Mr. Padgett
- 16 violated Rule 8.1: Bar Admission & Disciplinary Matters,
- 17 in relevant part, that lawyer [sic] states that "a
- 18 lawyer in connection with a disciplinary matter shall
- 19 not (a) knowingly make a false statement of material
- 20 fact."
- 21 And, lastly, as to Count Seven, we are
- 22 alleging that Mr. Padgett violated RPC 8.4 Misconduct.
- 23 Now, that Rule, in relevant part, states "It is
- 24 professional misconduct for a lawyer to (a) violate or
- 25 attempt to violate the Rules of Professional Conduct,

1 knowingly assist or induce another to do so or do so

- 2 through the acts of another;
- 3 (c) states that "It is professional misconduct
- 4 for a lawyer to engage in conduct involving dishonesty,
- 5 fraud, deceit, or misrepresentation"; and lastly, "It is
- 6 misconduct for a lawyer to engage in conduct that is
- 7 prejudicial to the administration of justice."
- 8 Those are the facts as we have alleged, and
- 9 because we are in a Default Hearing, those allegations
- 10 will be deemed admitted. At this point, I would like to
- 11 go over the penalty phase with the Panel. In the
- 12 penalty phase, we are asked to look at -- we go off of
- 13 the ABA Annotated Standards for imposing sanctions on
- 14 lawyers. The ABA recommends that we look at four
- 15 different factors when determining what disciplinary
- 16 sanction is appropriate in a case.
- 17 The first thing we're to look at is the duty
- 18 violated. The second factor is to look at the mental
- 19 state of the Respondent Mr. Padgett. No. 3 is to
- 20 determine whether there have been injuries to the
- 21 client. And No. 4, it is -- No. 4 we have to look at
- 22 the stipulated -- we have to look at the aggravating and
- 23 mitigating factors to determine whether or not the
- 24 baseline sanction, if it warrants a deviation upwards or
- 25 about downwards.

Τ	So	Τ	MITT	go	tnrougn	eacn	OI	tne	Iour	iactors

- 2 for each of the counts. As to Count One, RPC 1.2 Scope
- 3 of Representation & Allocation of Authority Between the
- 4 Client & Lawyer. Mr. Padgett -- one second, my computer
- 5 just froze on me -- okay. Perfect. Sorry about that.
- 6 So as to Count One, RPC 1.2, that Rule again
- 7 states that essentially "A lawyer shall abide by the
- 8 client's decision concerning the objectives of
- 9 representation and shall consult with the client as to
- 10 the meanings by which they are to be pursued."
- Now, this duty was violated by Mr. Padgett
- 12 when he withdrew the funds from Mr. Familian's case,
- 13 even though -- he withdrew \$151,000 from Mr. Familian's
- 14 settlement award despite his express wish --
- 15 Mr. Familian's express wishes and his appellate
- 16 counsel's wishes to keep the funds there. So, by not
- 17 following this directive, Mr. Padgett is in violation of
- 18 RPC 1.2, because he did not abide by the client's
- 19 decision concerning the objectives of the
- 20 representation.
- 21 As to Count Two, RPC 1.4: Communication, the
- 22 duty here owed was that Mr. Padgett should probably
- 23 inform clients of any decisions or circumstances that
- 24 required the client's consent and to reasonably consult
- 25 with the client about the means by which his objectives

1 are to be accomplished, to reasonably inform the client

- 2 of the status of the matter, and should explain the
- 3 matter to the extent reasonably necessary to permit the
- 4 client to make informed decisions regarding the
- 5 representation.
- 6 Mr. Familian [sic] failed to uphold this duty
- 7 when he knowingly failed to adequately communicate with
- 8 Mr. Familian when he filed the motion for disbursement
- 9 as well as the order for disbursement. At that point,
- 10 he -- yes, that was -- unfortunately Mr. Familian was
- 11 not aware of this until his appellate counsel was
- 12 looking at the case and realized that Mr. Padgett had
- 13 filed the motion and order in this case. And so without
- 14 consulting with Mr. Familian about filing a motion and
- 15 order, Mr. Padgett did violate Rule 1.4: Communication.
- 16 As to Count Three, RPC 1.8: Conflict of
- 17 Interest: Current Clients and Specific Rules, again,
- 18 that Rule essentially states that a lawyer shall not
- 19 provide financial assistance to a client in connection
- 20 with pending or contemplated litigation. In OBC19-0798
- 21 with the Ian Ritchie case, Mr. Padgett violated his duty
- 22 under 8.1 when he offered Mr. Ritchie to pay the amount
- 23 of the judgment against him.
- 24 Mr. Padgett knew that he was prohibited from
- 25 advancing the amount of the judgment to Mr. Ritchie, and

1 that's demonstrated by his response to the State Bar

- 2 saying that he's not allowed to advance fees and costs.
- 3 So, for those reasons, Mr. Padgett did violate Rule 1.8
- 4 under Count Three.
- 5 As to Count Four, that concerns RPC 1.15:
- 6 Safekeeping Property. This Rule establishes that
- 7 Mr. Padgett has a duty to keep the funds separate if
- 8 there's a dispute. So it states that "When in the
- 9 course of representation a lawyer is in possession of
- 10 funds or other property in which two or more persons
- 11 claim interest, the property shall be kept separate by
- 12 the lawyer until the dispute is resolved."
- The reason why Mr. Padgett violated this duty
- 14 is because there was a dispute as to the amount
- 15 Mr. Padgett was entitled to between him and Mr. Familian
- 16 concerning the judgment by the Court. Despite this
- 17 dispute, Mr. Familian was under the -- Mr. Familian --
- 18 I'm sorry -- Mr. Familian believed that he was owed
- 19 approximately \$70,000; however, Mr. Padgett ended up
- 20 withdrawing \$151,000, close to \$152,000.
- 21 Clearly, there was a dispute as to how much he
- 22 earned. So when there is a dispute, as Rule 1.15
- 23 states, those funds in dispute must be kept separate
- 24 until that dispute is resolved. So, for those reasons,
- 25 Mr. Padgett did violate his duty under 1.15:

- 1 Safekeeping Property.
- 2 As to Count Five, that is an allegation of
- 3 Mr. Padgett violating Rule 3.3: Candor Toward the
- 4 Tribunal. Again, that Rule states, in relevant part, "a
- 5 lawyer shall inform the tribunal all material facts
- 6 known to the lawyer that will enable the tribunal to
- 7 make an informed decision, whether or not those facts
- 8 are adverse."
- 9 Mr. Padgett violated this duty when he filed
- 10 the Ex Parte Motion for disbursement to the courts as
- 11 well as the order to the court without informing the
- 12 court of the material fact that Mr. Familian had
- 13 requested that those funds remain on deposit with the
- 14 Court for his appellate case. And that's -- for those
- 15 reasons, Mr. Padgett did violate his duty under
- 16 Rule 3.3.
- 17 As to Count Six, that concerns Rule 8.1: Bar
- 18 Admission & Disciplinary Matters. In relevant part,
- 19 that states that "a lawyer in connection with a
- 20 disciplinary hear -- matter shall not knowingly make a
- 21 false statement of material fact."
- 22 Mr. Padgett violated this duty, as I explained
- 23 briefly earlier, when he told State Bar investigators
- 24 that he had not offered to advance funds to Mr. Ritchie
- 25 for his case, although despite the fact that Mr. Ritch

- 1 -- there are -- we have correspondence between
- 2 Mr. Ritchie and Mr. Padgett indicating that he was -- he
- 3 did offer to advance funds to Mr. Ritchie.
- 4 So, for that reason, for knowingly making a
- 5 false statement of material fact to State Bar
- 6 investigators, Mr. Padgett did invite his duty under
- 7 8.1.
- 8 Lastly, as to Count Seven, that allegation is
- 9 concerning RPC 8.4: Misconduct. Again, that states, in
- 10 relevant part, that it's "misconduct for a lawyer to
- 11 violate or attempt to violate the RPC or knowing --
- 12 knowingly assist or induce another to do so."
- 13 It's professional "misconduct for a lawyer to
- 14 engage in conduct involving dishonesty, fraud, deceit or
- 15 misrepresentation, " and it's "misconduct for a lawyer to
- 16 engage in conduct that is prejudicial to the
- 17 administrative -- administration of justice."
- Now, Mr. Padgett violated this duty under 8.4
- 19 when he engaged in acts involving dishonesty, fraud,
- 20 deceit or misrepresentation both by deceitfully offering
- 21 to pay Mr. Ritchie for a breach of a contract matter and
- 22 also by misrepresenting those facts to the State Bar.
- 23 Additionally, Mr. Padgett also engaged in
- 24 conduct that is prejudicial to the administration of
- 25 justice when he submitted ex parte motions and -- an ex

1 parte motion and order to the Court in the Familian case

- 2 despite Mr. Familian's wishes to keep the money with the
- 3 Court. And so, for those reasons, we do believe that
- 4 Mr. Padgett has violated his duty under 8.4: Misconduct.
- Now, as I stated earlier, the ABA wants us to
- 6 go through four different factors. I just went over the
- 7 first factor as to the duty Mr. Padgett owed to
- 8 Mr. Familian as well as Mr. Ritchie. As to the second
- 9 factor the ABA wants us to look at, they do want us to
- 10 look at the mental state of Mr. Padgett.
- Now, the State Bar, in its Amended Complaint
- 12 alleged that Mr. Padgett's mental state for all seven
- 13 counts was that he did -- he violated those duties
- 14 knowingly. And in the ABA Guidelines, the Second
- 15 Edition, they define a knowing mental state as did have
- 16 a conscious awareness of the nature or attendant
- 17 circumstances of his conduct but didn't have the
- 18 conscious objective or purpose to accomplish a
- 19 particular result.
- 20 And so, for those matters, we do believe that
- 21 he committed all those acts knowingly. Briefly, as to
- 22 the first one with the Scope of Representation, he
- 23 knowingly withdrew the funds against the wishes of
- 24 Mr. Familian and his appellate accountant and did so,
- 25 anyway, so he knowingly committed that violation.

- 1 As to Count Two, RPC 1.4: Communication,
- 2 Mr. Padgett knowingly did fail to communicate with
- 3 Mr. Familian that he was filing a motion and an order
- 4 for disbursal. Because of the fact he didn't notify
- 5 them, he knowingly filed that motion without talking to
- 6 Mr. Familian.
- 7 As to Count Three, the conflict of interest,
- 8 Mr. Padgett did knowingly offer to pay the amount of the
- 9 judgment against Mr. Ritchie as evidenced by this
- 10 correspondence between the two.
- 11 As to Count Four, Mr. Padgett knowingly
- 12 withdrew the funds from Mr. Familian's judgment, even
- 13 though there was a dispute that was occurring, so he
- 14 should have kept that. He should have only withdrawn
- 15 approximately \$70,000, because that's the amount that
- 16 was not in dispute. And so, for those reasons, he did
- 17 knowingly withdraw those funds when he should have kept
- 18 them separate.
- 19 As to Count Five, Candor Toward the Tribunal,
- 20 Mr. Padgett did knowingly file an ex parte motion and an
- 21 order disbursing the funds despite the fact that
- 22 Mr. Familian advised against it. As to Count Six -- so
- 23 for Count Five, Mr. Padgett did knowingly file those
- 24 motions.
- As to Count Six, the Bar Admission &

- 1 Disciplinary Matters, as I stated, he's not supposed to
- 2 make a false statement of material fact. When State Bar
- 3 asked Mr. Padgett about what's going on with
- 4 Mr. Ritchie's case, he did state that he did not advance
- 5 funds despite the fact that we have evidence
- 6 contradicting that, so Mr. Padgett did knowingly make a
- 7 false statement of material fact.
- 8 Lastly, as to Count Seven, the Misconduct,
- 9 Mr. Padgett knowingly engaged in acts involving
- 10 dishonesty, fraud, deceit or misrepresentation in the
- 11 Ritchie case by offering to pay by misrepresenting
- 12 material facts to the State Bar as well as engaging in
- 13 conduct that is prejudicial to the administration of
- 14 justice by submitting the ex parte motion and order in
- 15 the Familian case, and so that satisfies the second
- 16 factor that the ABA wants us to look at.
- 17 As to the third factor, the ABA wants us to
- 18 look at what injury occurred. Now, with all seven of
- 19 these Counts, ultimately, Mr. -- in the first case,
- 20 OBC19-0604, in Mr. Familian's case, his appeal didn't go
- 21 anywhere. He -- to the best of our knowledge, he's
- 22 still yet to receive any funds from the \$150- almost
- 23 \$152,000 that was awarded to him and that Mr. Padgett
- 24 withdrew, and so there was absolutely injury in
- 25 Mr. Familian's case.

1 As to Mr. Ritchie's case in OBC19-0798, there

- 2 was injury. Mr. Ritchie did file an appeal in his
- 3 breach of contract matter, because of relying on
- 4 Mr. Padgett's offer to pay for the judgment, he really
- 5 wasn't doing anything. He wasn't able to secure
- 6 appellate counsel, and that appeal went nowhere as well,
- 7 and so, for those reasons, there was injury to
- 8 Mr. Ritchie.
- 9 And, lastly, the ABA wants us to look at the
- 10 stipulat -- the aggravating, any aggravating or
- 11 mitigating factors for Mr. Padgett during these
- 12 allegations. And where we find these aggravating and
- 13 mitigating factors is found in Supreme Court Rule 102.5,
- 14 and so as to the aggravating factors, there are quite a
- 15 few. I listed seven on mine.
- So the first one would be (b), for -- I
- 17 believe it's 102.5(1)(b), yes. And so, (b), an
- 18 aggravating factor is a dishonest or selfish motive.
- 19 Based on his conduct of withdrawing funds that were in
- 20 dispute with -- withdrawing money that's in dispute for
- 21 filing ex parte motions or attempting to later receive
- 22 an additional \$14,000 from that judgment for
- 23 Mr. Familian's case, he did have a dishonest and selfish
- 24 motive as to receiving more money.
- 25 And just by way of reference, as to that, that

l attempt, so the motion for disbursement that Mr. Padgett

- 2 filed, it was filed on June 8th, 2018. The Order for
- 3 that motion was filed four days later. On June 12th,
- 4 2018, and not until July 17th of 2019, that is when --
- 5 you know, over a year later -- Mr. Padgett did file a
- 6 proposed order attempting to receive an additional
- 7 approximately \$14,000 from the award to Mr. Familian.
- 8 Another factor that I listed as an aggravating
- 9 factor is under Supreme Court Rule 102.5(1)(c), and that
- 10 factor is a pattern of misconduct. If you look at the
- 11 timeline of these allegations as well as when he filed,
- 12 when he tried to obtain another \$14,000, those are kind
- 13 of spread out, and so there is a pattern of misconduct
- 14 with Mr. Padgett.
- 15 Another factor is 102.5(1)(d), which is
- 16 multiple offenses. As you can see, this wasn't just a
- 17 one-time thing. This was ongoing. There were multiple
- 18 different offenses that occurred. Another factor was
- 19 102.5(1)(e), and that factor states bad faith
- 20 obstruction of a disciplinary proceeding by failing to
- 21 comply with rules or orders.
- 22 As I stated earlier, I did speak to
- 23 Mr. Padgett. I informed him of when his answer
- 24 deadline. We stipulated to an agreement for a new
- 25 deadline. I informed him of the notice, that I would be

1 filing it, yet he still didn't file a verified answer or

- 2 a response.
- 3 By the time the Scheduling Order was in place
- 4 detailing all these events, Mr. Padgett did not comply
- 5 with the Scheduling Order whatsoever. There was no
- 6 initial disclosure filed. There was no final disclosure
- 7 filed, no answer filed. In addition, I believe it was
- 8 either the Initial Case Conference or the prehearing
- 9 conference that Mr. Padgett was to attend, and he did
- 10 not call in.
- Another factor listed was S.C.R. 102.5(1)(g).
- 12 That factor is the refusal to acknowledge the wrongful
- 13 nature of the conduct. That's easily demonstrated in
- 14 the Familian case where, despite filing the ex parte
- 15 motion and order, Mr. Familian and his appellate counsel
- 16 told Mr. Padgett not to touch the remaining funds that
- 17 are in dispute. Despite that, more than a year later,
- 18 he attempted to obtain an additional approximately
- 19 \$14,000.
- 20 And as to the Ritchie case, you know, he told
- 21 the State Bar that he's not supposed to be advancing
- 22 fees or costs; however, in correspondence between
- 23 Mr. Padgett and Mr. Ritchie, it does demonstrate that he
- 24 did have the intent and did let Mr. Ritchie know that he
- 25 would pay for that amount. And so, for those reasons,

1 there is, I think, a clear refusal to acknowledge the

- 2 wrongful nature of his conduct.
- 3 Another factor for aggravating factors is
- 4 S.C.R. 102.5(1)(i), and that factor is the substantial
- 5 experience in the practice of law. Mr. Padgett was
- 6 barred in Nevada on December 28th, 2000, and so he's
- 7 been in practice for almost 20 years, 19 and a half
- 8 years, so he does have -- he's not a new attorney. He
- 9 should have known better after practicing for 19 and a
- 10 half years.
- 11 And, lastly S.C.R. 102.5(1)(j), that factor
- 12 states an indifference to making restitution. As I
- 13 stated, to the best of my knowledge, to the best of my
- 14 investigator's knowledge, Mr. Familian has not received
- 15 any of the profits from the approximately \$152,000 that
- 16 was in dispute.
- 17 As well as Mr. Ritchie's case, when he was
- 18 stating, he told Mr. Ritchie that he was going to pay --
- 19 pay the judgment, Mr. Ritchie relied on that promise,
- 20 and, as a result, Mr. Ritchie did not obtain new
- 21 appellate counsel. His appeal didn't go anywhere.
- 22 And I think that those facts in conjunction
- 23 with one another demonstrate Mr. Padgett's indifference
- 24 to making restitution, especially in Mr. Familian's
- 25 case. And so, for those reasons -- and that's the last

- 1 factor that the ABA would like us to look at.
- Now, as far as what my recommendation is,
- 3 based on these facts, the ABA's handbook gives us a
- 4 quideline and gives us a baseline sanction level. It's
- 5 very akin to practicing in federal court in criminal
- 6 cases where everything's scored out, where you do A, B,
- 7 and C, and you get this, you know, this is where you're
- 8 at. So, similarly, we have something like that.
- 9 And over, in this case, we are looking at ABA
- 10 Standard 4.12, and that standard states that suspension
- 11 is generally appropriate when a lawyer knows or should
- 12 know that he is dealing improperly with client property
- 13 and causes injury or potential injury to a client.
- Now, this is based off, really, the Count Four
- 15 of the allegation of RPC 1.15. That's where ABA
- 16 Standard 4.12 comes into play. As it's stated,
- 17 "Suspension is generally appropriate when a lawyer knows
- 18 that he's dealing improperly with client property and
- 19 causes injury."
- 20 As I stated earlier -- and I'm going to use
- 21 Mr. Familian's case as an example, OBC19-0604 --
- 22 Mr. Padgett knew that he was dealing improperly with
- 23 Mr. Familian's funds. That's demonstrated by the fact
- 24 that Mr. Familian told him that he could withdraw
- 25 approximately \$70,000 from that but to keep the

- 1 remaining proceeds with Clark County until the dispute
- 2 is resolved. He did not do that.
- 3 Mr. Padgett still withdrew the entire amount,
- 4 and not only that, over a year later, after he filed the
- 5 motion and the order for disbursement, he attempted to
- 6 do so again and obtain an additional approximately
- 7 \$14,000 almost a year -- more than a year later, a year
- 8 and a month later.
- 9 And so that conduct and those acts clearly
- 10 demonstrate that Mr. Padgett knew that he was dealing
- 11 improperly with Mr. Familian's property. And, as I
- 12 stated, Mr. Familian has not received any of those
- 13 funds.
- I would dispute that his appeal didn't go
- 15 anywhere, so there was clearly, clearly injury to
- 16 Mr. Familian. And so the baseline for that, I think
- 17 it's clear-cut that a suspension is warranted here.
- 18 Now, the question is how long of a suspension. Now, as
- 19 I said, we are also to look at the aggravating and
- 20 mitigating factors.
- 21 When going through the aggravating and
- 22 mitigating factors, I listed seven different aggravating
- 23 factors, again, that's dishonest -- No. 1, dishonest or
- 24 selfish motive; No. 2, a pattern of misconduct; No. 3,
- 25 multiple offenses; No. 4, bad faith obstruction of the

1 disciplinary proceeding by failing to comply with the

- 2 rules or orders, No. 5, refusal to acknowledge the
- 3 wrongful nature of his conduct; No. 6, substantial
- 4 experience in the practice of law; and, No. 7, an
- 5 indifference to making restitution.
- Now, when I looked at the mitigating factors,
- 7 I went through all of them. I did not believe that
- 8 there were any mitigating factors that applied to this
- 9 case today, so the only thing you're looking at is these
- 10 seven aggravating factors that I listed as well as the
- 11 ABA suspension baseline.
- 12 When you take the baseline sanction of
- 13 suspension coupled with the seven aggravating factors
- 14 that I listed, the State Bar would be seeking a
- 15 suspension of Mr. Padgett for a period of five years.
- 16 In addition to that, we are, pursuant Supreme
- 17 Court Rule 120, which is costs, Mr. Padgett shall pay a
- 18 fee of \$2,500 for the proceedings for the -- assuming a
- 19 suspension is decided upon, the fee would be \$2,500 and
- 20 anything of the costs for these disciplinary
- 21 proceedings.
- 22 So not only the \$2,500 as mandated by
- 23 S.C.R. 120 for the suspension, but all the hard costs
- 24 that the State Bar incurred for putting on these -- with
- 25 this case; and, with that, the State Bar rests. And if

- 1 the Panel has any questions for me, I'll be happy to
- 2 answer them.
- 3 CHAIR OSWALT: This is Dana Oswalt. I don't
- 4 have any questions at this time.
- 5 MR. NAQVI: This is Farhan Naqvi. I was
- 6 wondering if Mr. Padgett has any prior history of
- 7 discipline with the State Bar.
- 8 MR. GOSIOCO: Currently, Mr. Padgett -- when
- 9 we filed this case, Mr. Padgett did not have any
- 10 disciplinary record. However, I will state that
- 11 tomorrow, assuming if Mr. Padgett handles -- if he's
- 12 back in the same way as he did this case, I will be
- 13 filing another Notice of Intent to proceed on a default
- 14 basis on a different case of his tomorrow.
- MR. NAQVI: Thank you.
- 16 CHAIR OSWALT: How many open complaints does
- 17 Mr. Padgett have with the State Bar, aside from the two
- 18 that we're dealing with during this hearing?
- 19 MR. GOSIOCO: He has one other case, and
- 20 that's going to be handled by the Northern Board,
- 21 because all the facts in the grievance are listed there,
- 22 so we filed it there. But he does have one, we did file
- 23 a complaint. I can't remember the date offhand, but I
- 24 do know that today is the deadline for him to file a
- 25 verified answer or response.

1	CHAIR OSWALT: Okay. So he had in addition
2	to these cases, he has one down south and one up north?
3	MR. GOSIOCO: So these two are the ones in the
4	south, but the case I'm referring to where he has an
5	answer due today is up north.
6	CHAIR OSWALT: Okay.
7	MR. NAQVI: This is Farhan Naqvi again. Did
8	Mr. Padgett, when you spoke to him over the phone,
9	advise you of the circumstances for his failure to
10	timely file whatever he needed to and why he was
11	requesting an extension? And did you have a
12	conversation with him after the fact when he failed to
13	meet the extension that you granted him regarding the
14	reasons?
15	MR. GOSIOCO: Well, based on my recollection
16	and based on the notes I put whenever I speak to
17	somebody, I always make a note of it, including the
18	subject matter that was discussed. The only thing I can
19	remember him speaking of was that he was busy, that he
20	had I can look at I know he mentioned that he had
21	trials that were coming up and several motions that were
22	due.
23	And from my recollection, like I stated, that
24	was the only reasoning he offered for not filing an
25	answer or a response. Now, as to your second question

1 whether I contacted him after, I did attempt to contact

- 2 him. Since those conversations on the phone, I was not
- 3 able to contact Mr. Padgett.
- 4 MR. NAQVI: One other question, when you
- 5 referenced the e-mail that he sent saying something to
- 6 the effect of "I wouldn't advance a client money to pay
- 7 some sort of a judgment," which I believe you indicated
- 8 was contrary to some representations that are part of
- 9 the file, what are you referring to specifically?
- 10 MR. GOSIOCO: So, specifically, this was the
- 11 case in Mr. Ritchie's -- this was Mr. Ritchie's case,
- 12 OBC19-0798, the issue there was we were trying to
- 13 determine whether or not he did tell Mr. Ritchie that he
- 14 was going to advance funds, that he would be paying that
- 15 judgment for Mr. Ritchie.
- 16 Now, when the complaint came in, and we did
- 17 speak -- our investigators did speak to Mr. Padgett.
- 18 Now, when they spoke to Mr. Padgett and they asked
- 19 whether or not that was true, whether or not Mr. Padgett
- 20 did in fact offer Mr. Ritchie to pay for the settlement
- 21 -- for the award, he stated that, "No -- and let me see
- 22 if I can exactly what he said.
- When he spoke to the -- when he was questioned
- 24 about that, he did state that "I'm not permitted to
- 25 advance funds to a client nor would I have agreed to do

- 1 so in Mr. Ritchie's case." We do have an exhibit that
- 2 was included, which was Exhibit -- it's in Exhibit 1, I
- 3 believe --
- 4 CHAIR OSWALT: Are you referring to the text
- 5 messages?
- 6 MR. GOSIOCO: Yes.
- 7 CHAIR OSWALT: So I have them saved as
- 8 Exhibit 24, but since I don't have the first two, I
- 9 believe it's Exhibit 26 in your packet.
- 10 MR. GOSIOCO: Yes, I believe that's correct.
- 11 Let me see.
- 12 CHAIR OSWALT: And page 4 of 9 of that one is
- 13 where he says he will pay it.
- 14 MR. GOSIOCO: Yes. And so that's specifically
- 15 the statement I was referring to.
- 16 MR. NAQVI: Okay. Perfect. Thank you for
- 17 referring me to that.
- MR. GOSIOCO: Does the Panel have any other
- 19 questions for me?
- 20 CHAIR OSWALT: This is Dana Oswalt. I do not.
- 21 MR. NAQVI: This is Farhan Naqvi. I do not.
- MR. GOSIOCO: Okay. Seeing that there are no
- 23 questions, the State Bar respectfully rests.
- 24 CHAIR OSWALT: Okay. Since Respondent did not
- 25 appear, I think we are ready to deliberate. I believe

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someone was going to set up a breakout room for us to go
 2
    to?
 3
              MR. GOSTOCO: Yes. I believe Sonia will be
 4
    taking care of that right now.
 5
              CHAIR OSWALT: Okay.
 6
              MR. NAOVI:
                          Thank you.
 7
                   (Recess taken.)
 8
              CHAIR OSWALT: Okay. So we are back on the
    record for Case Number OBC19-0604 and OBC19-0798.
 9
10
              The Screening Pan -- or the Screening Panel --
11
    the Hearing Panel has deliberated, and we did agree with
12
    the Bar that there were Rule violations of Rule 1.2,
    1.4, 1.8, 1.15, 3.3, 8.1, and 8.4 as alleged in the
13
14
    Complaint. We also agreed with the Bar, with the
15
    exception of the violation of 1.2, and we felt that was
16
    an intentional violation.
17
              The remainder of the Counts were in the
18
    knowing mental state, so that would be for Rule 1.4,
    1.8, 1.15, 3.3, 8.1, and 8.4. We also did make a
19
20
    finding that actual injuries were incurred or sustained
21
    by both Familian and the Ritchie, so in both of the
22
    complaints that we're dealing with today.
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aggravation that there was 102.5(1)(b), a dishonest or

-- or factors, we did agree with the Bar as far as

As far as aggravating and mitigating standards

23

24

25

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1 selfish motive; also under that same Rule, (c), with a
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- 2 pattern of misconduct; (d), multiple offenses; (e), bad
- 3 faith in the disciplinary proceedings; (g), the refusal
- 4 to acknowledge the wrongful nature of the acts; (i),
- 5 substantial experience in the practice of law; and (j),
- 6 indifference to making restitution.
- 7 As far as mitigating factors, we did find that
- 8 there was an absence of prior discipline. We did under
- 9 -- we do understand that there are open complaints, but,
- 10 as of now, we haven't seen any that have been
- 11 adjudicated and resulted in actual discipline to the
- 12 Respondent, and so we added that as a mitigation -- or a
- 13 mitigating factor.
- And we agree that a five-year suspension in
- 15 light of the information that we do have is appropriate,
- 16 that he should be responsible for the \$2,500 under
- 17 S.C.R. 120 as well as the actual costs of the
- 18 proceedings.
- 19 MR. GOSIOCO: Thank you. (Inaudible) with the
- 20 five-year suspension? I know per S.C.R. 116, if an
- 21 attorney is suspended for consecutive five years or more
- 22 that they're required to take retake the bar exam. Was
- 23 that deliberated as well?
- 24 CHAIR OSWALT: So it was my understanding that
- 25 it was anything greater than a five-year suspension

1 results in the requirement to take the bar again. So,

- 2 no, we did not discuss that, but I was thinking we would
- 3 have needed to suspend him an additional day. Am I
- 4 wrong about that?
- 5 MR. GOSIOCO: Let me just double-check. So I
- 6 have under Supreme Court Rule 116(5), and that's
- 7 entitled "Decision on Reinstatement and Conditions,"
- 8 there is a sentence that says, "If an attorney has been"
- 9 -- okay, yeah, five years or more -- I apolo -- "If an
- 10 attorney has been continuously suspended for five years
- 11 or more, " the time -- okay. Yes.
- 12 CHAIR OSWALT: So, no, we didn't specifically
- 13 discuss that, but if that's what the Rule said, and we
- 14 did determine that a five-year suspension was
- 15 appropriate, then that would -- then that would be
- 16 included in one of the terms for his reinstatement.
- 17 Does anyone from the Panel have a problem about that or
- 18 do you want to go back and discuss the --
- 19 MR. OSSOWSKI: I'm okay with it.
- MR. NAOVI: Same.
- 21 CHAIR OSWALT: Okay. So I think we're good
- 22 with that as well.
- MR. GOSIOCO: Okay. So I believe at that
- 24 point, then, the suspension should be -- it should be
- 25 five years and a day. I don't know if you guys want to

```
deliberate that as well?
 2
                             Well, no, it actually does say
              CHAIR OSWALT:
    if it was five years or more.
 4
              MR. GOSIOCO:
                            Okay.
 5
              CHAIR OSWALT: And so I think five years is
 6
    fine.
 7
              MR. GOSIOCO:
                            Okay.
                                   That sounds good to me.
 8
              CHAIR OSWALT: Okay. Does anyone else have
 9
    any questions?
10
                          I don't have (inaudible).
              MR. NAOVI:
11
              CHAIR OSWALT: You know, I think that
12
    concludes the hearing then at this point.
              MR. GOSIOCO: Perfect. Well, thank you guys
13
14
    so much for being here. I know this isn't what you guys
15
    might want to do on a Monday morning at 9:00, but thank
16
    you guys so much for your help and your participation.
17
    I truly appreciate it.
18
              CHAIR OSWALT:
                             No problem. Thank you. Have a
19
    good day, everyone.
20
              MR. OSSOWSKI: Thank you.
21
              MS. DEL RIO: And, Carla, we will need the
22
    transcript.
23
                   (Reporter's Transcript of Proceedings was
24
                   recessed at 10:40 a.m.)
25
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REPORTER'S CERTIFICATE
 1
    STATE OF NEVADA
                        )
                           SS
   COUNTY OF CLARK
 3
         I, Carla N. Bywaters, a duly certified court
 4
    reporter licensed in and for the State of Nevada, do
 5
    hereby certify:
 6
         That I reported the taking of the foregoing
    proceedings at the time and place aforesaid;
 7
         That I thereafter transcribed my shorthand notes
    into typewriting and that the typewritten transcript of
    said proceedings is a complete, true and accurate record
    of testimony provided at said time to the best of my
    ability.
10
         I further certify that I am not a relative,
    employee or independent contractor of counsel of any of
11
    the parties involved in said action; nor a person
12
    financially interested in the action; nor do I have any
    other relationship with any of the parties or with
13
    counsel of any of the parties involved in the action
    that may reasonably cause my impartiality to be
    questioned.
14
15
         IN WITNESS WHEREOF, I have hereunto set my hand in
    the County of Clark, State of Nevada, this 23rd day of
    June 2020.
16
17
18
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21
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25
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\$116,508	17:19,24	29:11	2000	25
10:20	(b)	102.5(1)(i)	30:6	13:4
\$129,999.92	16:17 27:16,	30:4	2012	25th
15:5	17	102.5(1)(j)	10:13,16	10:13
\$13,845.45	(c)	30:11	2013	26
13:21	18:3	11th	7:2	37:9
\$14,000		10:16	2015	26th
27:22 28:7,12	1	12	14:13	8:9 12:17
29:19 32:7		15:2	2016	14:7
\$150-	0.45 47 00 00	120	12:19	27
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\$151,000	32:23 37:2		10:24 11:6	27th
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\$151,599.83	17:2 21:5,22,	28:3	2018	28
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\$152,000	38:13,19	7:5	12:16,18,22	28th
21:20 26:23	1.2		13:4,13,19	30:6
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\$2,500	18 38:12,15		28:2,4	12:16 13:19
33:18,19,22	1.4	<b>16th</b> 7:8 12:22	2019	15:4
\$400,000	16:3,7 19:21		13:20 14:7	29th
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\$69,945.73	38:13,18	7:10 28:4	2020	
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	16:21 20:16	13:3	8:1,2,3,5,6,7,	
<b>\$70,000</b> 13:6 21:19	21:3 38:13,19	19	10,12,13 10:7	3
25:15 31:25	102.5	Fixet Local Deposition-Calendar@firstlegal.com	22	8:23 9:15
	27:13	19th	11:24 13:13	18:19 32:24
	102.5(1)(b)	8:2 13:20	22nd	3.3
	27:17 38:25		8:13	17:9 22:3,16
(1)	102.5(1)(c)	2		38:13,19
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(2)	102.5(1)(d)	8:15,17 9:1,2		8:25 9:7
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(3)	102.5(1)(e)	32:24		7:12,14,18,25
16:14	28:19	20	24th	33
(a)	102.5(1)(g)	11:15 30:7	7:20 8:3,5,9	8:21 9:3,8,10, 12

First Legal Deposition-Calendar@firstlegal.com L.A. 855.348.4997

35		abide	administrativ	agreed
8:23 9:15	8	16:2 19:7,18	е	15:19 36:25
36	8	absolutely	23:17	38:14
9:18,22	6:2	6:13,22 26:24	Admission	agreeing
<b>3rd</b> 8:6 10:24	<b>8.1</b> 17:16 20:22	accomplish 24:18	17:16 22:18 25:25	14:16 agreement
4	22:17 23:7	accomplished 16:14 20:1	admit 8:15,20,23	14:11 28:24 akin
	38:13,19 <b>8.4</b>	accountant	9:18	31:5
<b>4</b> 18:21 32:25	17:22 23:9,18	24:24	admitted 8:17 9:11,15,	allegation 22:2 23:8
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5	<b>9:09</b> 6:3	acts 18:2 23:19	advancing 20:25 29:21	38:13 alleging
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6	8:7	actual 38:20	<b>advise</b> 14:20 35:9	<b>Allocation</b> 15:24 19:3
<b>6</b> 33:3	A	addition 29:7 33:16	advised	allowed
67	A-12-668136- C	35:1 First Legal Deposition-Calendar@firstlegal.com	25:22 Affidavit	7:12 21:2
8:22 <b>69,945.73</b>	10:17	additional 10:25 13:21	9:12,18	amended 7:3 8:7 10:2,7
13:19	<b>A.M.</b> 6:3	27:22 28:6 29:18 32:6	<b>aggravating</b> 18:22 27:10,	24:11 amount
7	<b>ABA</b> 18:13,14	Additionally	12,14,18 28:8 30:3 32:19,	11:4 13:1 20:22,25
<b>7</b> 33:4	24:5,9,14 26:16,17 27:9	8:19 23:23 adequately	21,22 33:10, 13 38:23	21:14 25:8,15 29:25 32:3
70	31:1,9,15 33:11	20:7 administratio	aggravation 38:25	Annotated
8:22 <b>7th</b>	ABA's	n 18:7 23:17,24	agree	18:13 apologize
7:4 10:7	31:3	26:13	14:21 38:11, 24	15:1

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11:3 12:8	33:18 34:11	awareness	12:10,14	6:6,16,19,24
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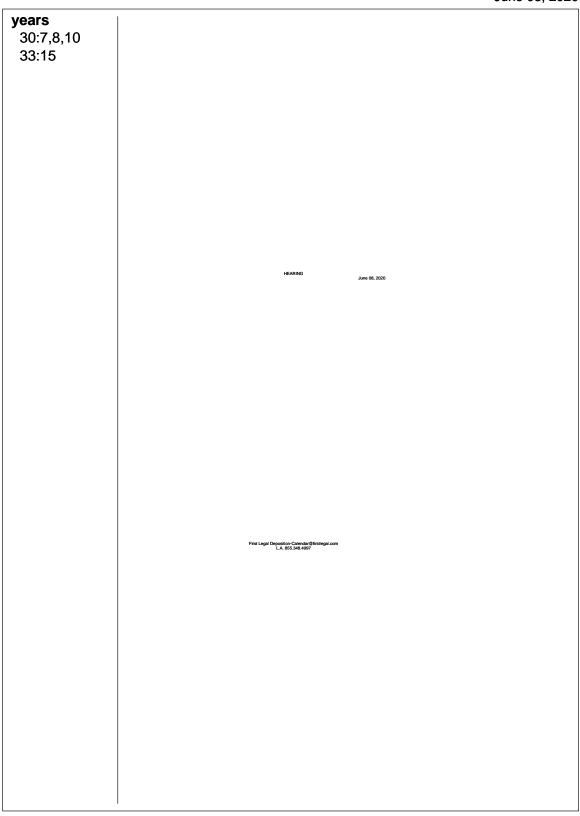
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First Legal Deposition-Calendar@firstlegal.com L.A. 855.348.4997

## STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD

# BRIAN PADGETT, ESQ. Nevada Bar No. 7474

# FORMAL HEARING Grievance File Nos.: OBC19-0604 & OBC19-0798 Monday, June 8, 2020, at 9 a.m.

## **INDEX OF DOCUMENTS**

DOCUMENT	PAGE NOS.
Complaint and Affidavit of Mailing Filed December 23, 2019	SBN 001-013
First Amended Complaint and Affidavit of Mailing Filed January 7, 2020.	SBN 014-026
Notice of Intent to Proceed on a Default Basis Filed January 31, 2020	SBN 027-040
Order Appointing Hearing Panel Chair Filed March 4, 2020	SBN 041-042
Scheduling Order Filed March 19, 2020.	SBN 043-046
Entry of Default Filed March 24, 2020.	SBN 047-050
State Bar's Initial Disclosure of Witnesses and Documents Filed March 24, 2020	SBN 051-057
Order Appointing Formal Hearing Panel Filed April 3, 2020	SBN 058-060
Notice of Amended Formal Hearing Date Filed April 9, 2020	SBN 061-063
State Bar's Final Disclosure of Witnesses and Documents Filed May 12, 2020	SBN 064-070
Notice of Formal Hearing Filed May 22, 2020	SBN 071-072

SBN Exhibit 1

## PANEL

Dana Oswalt, Esq. Chair Farhan Naqvi, Esq. Peter Ossowski, LayMember

Gerard Gosioco, Esq. Assistant Bar Counsel Brian Padgett, Esq. Respondent

Sonia Del Rio Hearing Paralegal

SBN Exhibit 1

practice of law located in Clark County, Nevada, has engaged in acts of misconduct in violation of the Nevada Rules of Professional Conduct ("RPC"), warranting the imposition of professional discipline as set out herein.

### OBC 19-0604/Bruce Familian

- 2. On or about July 25, 2012, Bruce Familian ("Familian") retained Respondent to represent DKB, LLC ("DKB") in an inverse condemnation case against Clark County.
- On September 11, 2012, Respondent filed a Complaint in Inverse Condemnation, initiating case No. A-12-668136-C in the Eight Judicial Circuit Court (the "Inverse Condemnation Case").
- The Inverse Condemnation Case went to trial and DKB was awarded \$116,508 by the jury.
- 5. Following trial, several post-judgment motions were filed regarding attorney's fees, costs, and prejudgment interest on the award. An Order granting the prejudgment interest was filed on November 3, 2017, but the Court requested additional briefing regarding fees and costs.
- 6. Familian retained attorneys Dan Polsenberg ("Polsenberg") and Joel Henriod ("Henroid") of Lewis & Roca ("L&R") to file an appeal of the Inverse Condemnation Case (the "Appeal") as he was not satisfied with the amount awarded by the jury.
- L&R filed a Notice of Appearance in the Inverse Condemnation Case on June 12,
   2017.
- On or about November 8, 2017, Clark County deposited \$151,599.83 with the
   District Court, representing the jury verdict plus interest.
- On June 8, 2018, Respondent filed a Motion on Order Shortening Time to Direct
   Disbursement of Funds on Deposit (the "Motion for Disbursement").

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- 10. On June 12, 2018, an Order granting the Motion for Disbursement was filed.
- 11. L&R were not served with the Motion for Disbursement.
- 12. On or about June 20, 2018, Henroid discovered that the Motion for Disbursement and the Order granting same had been filed.
- 13. Henroid contacted Respondent's office and expressed concern that they had withdrawn the funds without notifying Familian or L&R, stated that he believed withdrawing the funds might jeopardize Familian's case, and notified Respondent that Familian did not authorize the withdrawal.
- 14. On June 22, 2018, Familian emailed Respondent asking why the Motion for Disbursement was filed without Familian's knowledge and why it had been done on shortened time. The email requested the status of the funds and an accounting explaining what happened to any funds received by Respondent.
- 15. Respondent replied that he did not yet have the check in hand, but that in his opinion retrieving the funds would not jeopardize Familian's rights on appeal. Respondent stated that he would send Familian a copy of the outstanding bill which Familian could pay out of pocket or from the released funds.
- 16. Familian instructed Respondent to stop the process of withdrawing the funds and requested the current bill, stating that he had not received one in over a year.
- 17. On June 29, 2018, Respondent's office emailed Familian a copy of an invoice dated June 26, 2018 for \$69,945.73 for services from November 2016 through may 2017, indicating that Familian had yet to be billed for post-trial work.
- On October 16, 2018, the Court filed its Decision and Order awarding DKB over
   \$400,000 in attorney's fees and costs.

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- 19. The same day, Respondent filed a Notice of Filing of Attorney's Lien. The Attorney's Lien Notice did not include an amount.
- Respondent never filed a Motion to Enforce the Attorney's Lien, as required by NRS 18.015.
- 21. On October 25, 2018, Familian emailed Respondent and stated that he had no objection if Respondent took the approximately \$70,000 he was owed from the attorney fee award proceeds, but specifically stated that the funds on deposit with the court for the judgment and interest should not be touched during the appeal.
- 22. However, Familian had already received \$151,599.83 of the judgment funds from the Court on October 22, 2018.
- 23. As feared by Henriod, Clark County made the argument that DKB had forfeited its right to interest on the judgment from the date that the Court granted the Motion for Disbursal, though the Court ultimately rejected that argument.
- 24. Respondent never provided with Familian a billing invoice after the June 29, 2018 bill for \$69,945.73.
- 25. On July 19, 2019, Respondent attempted to obtain an additional \$13,845.45 from funds that Clark County had deposited with the District Court by submitting a proposed order directly to the court without copying any other parties or filing a motion. The court returned the proposed order to Respondent and courtesy copies to Polsenberg.

#### OBC19-0798/Ian Ritchie

26. Ian Ritchie ("Ritchie") was hired as the head of security for CWNevada ("CWN"), a marijuana dispensary of which Respondent is the CEO, from approximately 2017 to March 26, 2019.

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**...**25

(1) Promptly inform the client of any decision or circumstance with respect to which t	he
client's informed consent is required by these Rules;	

- (2) Reasonably consult with the client about the means by which the client's objectives are to be accomplished;
- (3) Keep the client reasonably informed about the status of the matter... act with reasonable diligence and promptness in representing a client.
  - (b) A lawyer shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.
- 49. Respondent failed to adequately communicate with Familian when he submitted motions and orders for disbursement to the court without informing Familian.
  - 50. Respondent knew or should have known of his duty to communicate.
  - 51. As a result of Respondent's misconduct, Familian suffered actual or potential harm.

#### **Count Three**

#### RPC 1.8 (Conflict of Interest; Current Clients; Specific Rules)

- 52. RPC 1.8 states, in relevant part:
- (e) a lawyer shall not provide financial assistance to aclient in connection with pending or contemplated litigation...
  - 53. Respondent offered to pay the actual amount of the judgment against Ritchie.
- 54. Respondent knew or should have known that he was prohibited from advancing the amount of the judgment to Ritchie.
  - 55. As a result of Respondent's misconduct, Ritchie suffered actual or potential harm.
- 56. In light of the forgoing, including without limitation paragraphs 1 through 55, Respondent has violated RPC 1.8.

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### **Count Seven**

### RPC 8.4 (Misconduct)

74. RPC 8.4 states, in relevant part:

It is professional misconduct for a lawyer to:

(a) Violate or attempt to violate the Rules of Professional Conduct, knowingly assist or induce another to do so, or do so through the acts of another;

•••

- (c) Engage in conduct involving dishonesty, fraud, deceit or misrepresentation;
- (d) Engage in conduct that is prejudicial to the administration of justice;...
- 75. Respondent violated, or attempted to violate the rules of professional conduct as described above.
- 76. Respondent engaged in acts involving dishonestly, fraud, deceit or misrepresentation both by deceitfully offering to pay Ritchie in the breach of contract matter and by misrepresenting material facts to the State Bar.
- 77. Respondent engaged in conduct that is prejudicial to the administration of justice by submitting ex-parte motions and proposed orders to the court in the Familian matter against his client's wishes and without proper notice, as well as without providing all relevant facts to the court.
- 78. Respondent knew or should have known of his responsibility not to commit professional misconduct.
- 79. As a result of Respondent's misconduct, the legal profession, Familian, and Ritchie suffered actual or potential harm.

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676-	FILED
1	Case Nos.: OBC19-0604; OBC19-0798
2	DEC 2 3 2019
3	STATE BAR OF NEVADA BY: SMAL
4	OFFICE OF BAR COUNSEL
5	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD
6	STATE BAR OF NEVADA, )
7	Complainant,
8	vs. ) AFFIDAVIT OF MAILING
9	BRIAN PADGETT, ESQ., ) Nevada Bar No. 7474
10	j)
11	
12	STATE OF NEVADA )
13	COUNTY OF CLARK )
14	Kristi Faust, under penalty of perjury, being first and duly sworn, deposes and says as
15	follows:
16	1. That Affiant is employed with the State Bar of Nevada and, in such capacity, Affiant
17	is Custodian of Records for the Discipline Department of the State Bar of Nevada.
18	2. That Affiant states that the enclosed documents are true and correct copies of the
19	COMPLAINT, FIRST DESIGNATION OF HEARING PANEL MEMBERS,
20	and STATE BAR OF NEVADA'S PEREMPTORY CHALLENGES in the matter
21	of the State Bar of Nevada vs. Brian Padgett, Esq., Case No. OBC19-0604; OBC19-
- 22	0798.
23	//
24	
25	Page 1 of 2

1	//
2	3. That pursuant to Supreme Court Rule 109, the Complaint, First Designation of
3	Hearing Panel Members, and State Bar of Nevada's Peremptory Challenges were
4	served on the following by placing copies in an envelope which was then sealed and
5	postage fully prepaid for regular and certified mail, and deposited in the United States
6	mail at Las Vegas, Nevada to:
7	Brian Padgett, Esq. 611 S. 6 <sup>th</sup> Street
8	Las Vegas, NV 89101
9	CERTIFIED MAIL RECEIPT 7019 2280 0001 8733 2241
10	Dated this <u>23</u> day of December, 2019.
11	X2- S
12	Kristi Faust, an employee of the State Bar of Nevada
13	
14	CALIDOCRATICA AND CANODALAS LACA
15	SUBSCRIBED AND SWORN to before me on this day of December, 2019.  ANETRA JONES NOTARY PUBLIC STATE OF NEVADA MY COMMISSION EXPIRES 9-21-2021 CERTIFICATE NO. 17-4007-1
16	Well'a for
17	NOTARY PUBLIC
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1	Case Nos.: OBC19-0604; OBC19-0798	
2	JAN 0 7 2020	
3	STATE BAR OF NEVADA BY: SMM-	
4	OFFICE OF BAR COUNSEL	
5	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD	
6	STATE BAR OF NEVADA,	
7 8	Complainant, ) vs.	
9	BRIAN PADGETT, ESQ., Nevada Bar No. 7474 )  FIRST AMENDED COMPLAINT )	
10	j	
11	Respondent.	
12	TO: Brian Padgett, Esq. 611 S. 6 <sup>th</sup> Street	
13	Las Vegas, NV 89101	
14	PLEASE TAKE NOTICE that pursuant to Supreme Court Rule ("SCR") 105(2) a	
15	VERIFIED RESPONSE OR ANSWER to this Complaint must be filed with the Office of Bar	
16	Counsel, State Bar of Nevada, 3100 W. Charleston, Blvd, Suite 100, Las Vegas, Nevada, 89102,	
17	within twenty (20) days of service of this Complaint. The procedure regarding service is	
18	addressed in Supreme Court Rule 109.	
19	GENERAL ALLEGATIONS	
20	1. Complainant, State Bar of Nevada ("State Bar") alleges that Respondent, Brian	
21	Padgett, Esq. ("Respondent"), Nevada Bar No. 7474, who is currently an active member of the	
22	State Bar of Nevada having been licensed to practice law in the State of Nevada since December	
23	28, 2000, and at all times pertinent to this Complaint having a principal place of business for the	
24		
25	Page 1 of 11	
- 1	I .	

practice of law located in Clark County, Nevada, has engaged in acts of misconduct in violation of the Nevada Rules of Professional Conduct ("RPC"), warranting the imposition of professional discipline as set out herein.

#### OBC 19-0604/Bruce Familian

- On or about July 25, 2012, Bruce Familian ("Familian") retained Respondent to represent DKB, LLC ("DKB") in an inverse condemnation case against Clark County.
- On September 11, 2012, Respondent filed a Complaint in Inverse Condemnation, initiating case No. A-12-668136-C in the Eight Judicial Circuit Court (the "Inverse Condemnation Case").
- The Inverse Condemnation Case went to trial and DKB was awarded \$116,508 by the jury.
- 5. Following trial, several post-judgment motions were filed regarding attorney's fees, costs, and prejudgment interest on the award. An Order granting the prejudgment interest was filed on November 3, 2017, but the Court requested additional briefing regarding fees and costs.
- 6. Familian retained attorneys Dan Polsenberg ("Polsenberg") and Joel Henriod ("Henroid") of Lewis & Roca ("L&R") to file an appeal of the Inverse Condemnation Case (the "Appeal") as he was not satisfied with the amount awarded by the jury.
- L&R filed a Notice of Appearance in the Inverse Condemnation Case on June 12,
   2017.
- On or about November 8, 2017, Clark County deposited \$151,599.83 with the
   District Court, representing the jury verdict plus interest.
- On June 8, 2018, Respondent filed a Motion on Order Shortening Time to Direct
   Disbursement of Funds on Deposit (the "Motion for Disbursement").

Page 2 of 11

- 10. On June 12, 2018, an Order granting the Motion for Disbursement was filed.
- 11. L&R were not served with the Motion for Disbursement.
- 12. On or about June 20, 2018, Henroid discovered that the Motion for Disbursement and the Order granting same had been filed.
- 13. Henroid contacted Respondent's office and expressed concern that they had withdrawn the funds without notifying Familian or L&R, stated that he believed withdrawing the funds might jeopardize Familian's case, and notified Respondent that Familian did not authorize the withdrawal.
- 14. On June 22, 2018, Familian emailed Respondent asking why the Motion for Disbursement was filed without Familian's knowledge and why it had been done on shortened time. The email requested the status of the funds and an accounting explaining what happened to any funds received by Respondent.
- 15. Respondent replied that he did not yet have the check in hand, but that in his opinion retrieving the funds would not jeopardize Familian's rights on appeal. Respondent stated that he would send Familian a copy of the outstanding bill which Familian could pay out of pocket or from the released funds.
- 16. Familian instructed Respondent to stop the process of withdrawing the funds and requested the current bill, stating that he had not received one in over a year.
- 17. On June 29, 2018, Respondent's office emailed Familian a copy of an invoice dated June 26, 2018 for \$69,945.73 for services from November 2016 through may 2017, indicating that Familian had yet to be billed for post-trial work.
- On October 16, 2018, the Court filed its Decision and Order awarding DKB over
   \$400,000 in attorney's fees and costs.

Page 3 of 11

1	80. In light of the foregoing, including without limitation paragraphs 1 through 79,
2	Respondent has violated RPC 8.4.
3	WHEREFORE, Complainant prays as follows:
4	1. That a hearing be held pursuant to Nevada Supreme Court Rule 105;
5	2. That Respondent be assessed the costs of the disciplinary proceeding pursuant to
6	SCR 120(1); and,
7	3. That pursuant to SCR 102, such disciplinary action be taken by the Southern
8	Nevada Disciplinary Board against Respondent as may be deemed appropriate under the
9	circumstances.
10	
11	DATED this day of January, 2020.
12	STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel
13	By: 22
14	Matthew R. Carlyon, Assistant Bar Counsel
15	Nevada Bar No. 12712 3100 W. Charleston Blvd, Ste. 100
16	Las Vegas, Nevada 89102
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1	Case Nos.: OBC19-0604; OBC19-0798 FILED			
2	JAN 0 7 2020			
3	STATE BAR OF NEVADA			
5	OFFICE OF BAR COUNSEL			
	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD			
6 7	STATE BAR OF NEVADA,			
8	Complainant, ) vs. )			
9	BRIAN PADGETT, ESQ.,  AFFIDAVIT OF MAILING			
10	Nevada Bar No. 7474			
11	Respondent. )			
12	STATE OF NEVADA )			
13	COUNTY OF CLARK )			
14	Kristi Faust, under penalty of perjury, being first and duly sworn, deposes and says as			
15	follows:			
16	That Affiant is employed with the State Bar of Nevada and, in such capacity, Affiant			
17	is Custodian of Records for the Discipline Department of the State Bar of Nevada.			
18	2. That Affiant states that the enclosed documents are true and correct copies of the			
19	AMENDED <b>COMPLAINT</b> in the matter of the State Bar of Nevada vs. Brian			
20	Padgett, Esq., Case No. OBC19-0604; OBC19-0798.			
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- 1						
1	3. That pursuant to Supreme Court Rule 109, the Amended Complaint were served on					
2	the following by placing copies in an envelope which was then sealed and postage					
3	fully prepaid for regular and certified mail, and deposited in the United States mail at					
4	Las Vegas, Nevada to:					
5	Brian Padgett, Esq.					
6	611 S. 6 <sup>th</sup> Street Las Vegas, NV 89101					
7	CERTIFIED MAIL RECEIPT 7018 3090 0000 3915 2420					
8	Dated this day of January, 2020.					
9	-6					
10	Kristi Faust, an employee					
11	of the State Bar of Nevada					
12	CLIDGODIDED AND OWODAL A L					
13	SUBSCRIBED AND SWORN to before me on thisday of January, 2020.					
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15	NOTARY PUBLIC					
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1 2 3 4 5	Case Nos.: OBC19-0604; OBC19-0798  JAN 3 1 2020  STATE BAR OF NEVADA  BY: OFFICE OF BAR COUNSEL
6	STATE BAR OF NEVADA
7	SOUTHERN NEVADA DISCIPLINARY BOARD
8	STATE BAR OF NEVADA,
9	Complainant, ) vs.
10	BRIAN PADGETT, ESQ.,  ) NOTICE OF INTENT TO PROCEED ON A DEFAULT BASIS
11	Nevada Bar No. 7474
12	Respondent. )
13 14 15	TO: Brian Padgett, Esq. 611 S. 6 <sup>th</sup> Street Las Vegas, NV 89101
16	PLEASE TAKE NOTICE THAT unless the State Bar receives a responsive pleading in the
17	above-captioned matter by February 24, 2020, it will proceed on a default basis and the charges
18	against you shall be deemed admitted. Supreme Court Rule 105 (2) states in relevant part:
19	A copy of the complaint shall be served on the attorney and it shall direct that a verified response or answer be served on bar counsel within 20 days of service.
20	In the event the attorney fails to plead, the charges shall be deemed admitted; provided, however, that an attorney who fails to respond within the
21	time provided may thereafter obtain permission of the appropriate disciplinary board chair to do so, if failure to file is attributable to mistake, inadvertence,
22	surprise, or excusable neglect. (Emphasis added.)
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1	Another copy of the Complaint previously served upon you accompanies this Notice.
2	
3	Dated this _31 day of January, 2020.
4	STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel
5	
6	Ву:
7	Gerardiosioco, Assistant Bar Counsel
8	3100/W. Charleston Blvd, Ste. 100 Las Vegas, Nevada 89102
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**FILED** 1 Case Nos.: OBC19-0604; OBC19-0798 DEC 23 2019 2 STATE BAR OF NEVADA Somm. 3 4 5 STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD б STATE BAR OF NEVADA, 7 Complainant, 8 VS. **COMPLAINT** × 9 BRIAN PADGETT, ESQ., Nevada Bar No. 7474 10 Respondent. 11 12 TO: Brian Padgett, Esq. 611 S. 6th Street <sub>3</sub> 13 Las Vegas, NV 89101 14 PLEASE TAKE NOTICE that pursuant to Supreme Court Rule ("SCR") 105(2) a VERIFIED RESPONSE OR ANSWER to this Complaint must be filed with the Office of Bar 16 Counsel, State Bar of Nevada, 3100 W. Charleston, Blvd, Suite 100, Las Vegas, Nevada, 89102, 17 within twenty (20) days of service of this Complaint. The procedure regarding service is 18 addressed in Supreme Court Rule 109. 19 GENERAL ALLEGATIONS 20 1. Complainant, State Bar of Nevada ("State Bar") alleges that Respondent, Brian 21 Padgett, Esq. ("Respondent"), Nevada Bar No. 7474, who is currently an active member of the -22 State Bar of Nevada having been licensed to practice law in the State of Nevada since December 23 28, 2000, and at all times pertinent to this Complaint having a principal place of business for the 24 Page 1 of 11 25

practice of law located in Clark County, Nevada, has engaged in acts of misconduct in violation of the Nevada Rules of Professional Conduct ("RPC"), warranting the imposition of professional discipline as set out herein.

#### **OBC 19-0604/Bruce Familian**

- On or about July 25, 2012, Bruce Familian ("Familian") retained Respondent to represent DKB, LLC ("DKB") in an inverse condemnation case against Clark County.
- On September 11, 2012, Respondent filed a Complaint in Inverse Condemnation, initiating case No. A-12-668136-C in the Eight Judicial Circuit Court (the "Inverse Condemnation Case").
- The Inverse Condemnation Case went to trial and DKB was awarded \$116,508 by the jury.
- 5. Following trial, several post-judgment motions were filed regarding attorney's fees, costs, and prejudgment interest on the award. An Order granting the prejudgment interest was filed on November 3, 2017, but the Court requested additional briefing regarding fees and costs.
- 6. Familian retained attorneys Dan Polsenberg ("Polsenberg") and Joel Henriod ("Henroid") of Lewis & Roca ("L&R") to file an appeal of the Inverse Condemnation Case (the "Appeal") as he was not satisfied with the amount awarded by the jury.
  - 7. L&R filed a Notice of Appearance in the Inverse Condemnation Case on June 12,
- On or about November 8, 2017, Clark County deposited \$151,599.83 with the
   District Court, representing the jury verdict plus interest.
- On June 8, 2018, Respondent filed a Motion on Order Shortening Time to Direct
   Disbursement of Funds on Deposit (the "Motion for Disbursement").

Page 2 of 11

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24 7 25 10. On June 12, 2018, an Order granting the Motion for Disbursement was filed.

- 11. L&R were not served with the Motion for Disbursement.
- 12. On or about June 20, 2018, Henroid discovered that the Motion for Disbursement and the Order granting same had been filed.
- 13. Henroid contacted Respondent's office and expressed concern that they had withdrawn the funds without notifying Familian or L&R, stated that he believed withdrawing the funds might jeopardize Familian's case, and notified Respondent that Familian did not authorize the withdrawal.
- 14. On June 22, 2018, Familian emailed Respondent asking why the Motion for Disbursement was filed without Familian's knowledge and why it had been done on shortened time. The email requested the status of the funds and an accounting explaining what happened to any funds received by Respondent.
- 15. Respondent replied that he did not yet have the check in hand, but that in his opinion retrieving the funds would not jeopardize Familian's rights on appeal. Respondent stated that he would send Familian a copy of the outstanding bill which Familian could pay out of pocket or from the released funds.
- 16. Familian instructed Respondent to stop the process of withdrawing the funds and requested the current bill, stating that he had not received one in over a year.
- 17. On June 29, 2018, Respondent's office emailed Familian a copy of an invoice dated June 26, 2018 for \$69,945.73 for services from November 2016 through may 2017, indicating that Familian had yet to be billed for post-trial work.
- On October 16, 2018, the Court filed its Decision and Order awarding DKB over
   \$400,000 in attorney's fees and costs.

Page 3 of 11

19.	The same	day,	Respondent	filed a	Notice	of Filing	of	Attorney's	Lien.	The
Attorney's Lie	n Notice di	d not	include an ar	nount.						

- Respondent never filed a Motion to Enforce the Attorney's Lien, as required by NRS 18.015.
- 21. On October 25, 2018, Familian emailed Respondent and stated that he had no objection if Respondent took the approximately \$70,000 he was owed from the attorney fee award proceeds, but specifically stated that the funds on deposit with the court for the judgment and interest should not be touched during the appeal.
- 22. However, Familian had already received \$151,599.83 of the judgment funds from the Court on October 22, 2018.
- 23. As feared by Henriod, Clark County made the argument that DKB had forfeited its right to interest on the judgment from the date that the Court granted the Motion for Disbursal, though the Court ultimately rejected that argument.
- 24. Respondent never provided with Familian a billing invoice after the June 29, 2018 bill for \$69,945.73.
- 25. On July 19, 2019, Respondent attempted to obtain an additional \$13,845.45 from funds that Clark County had deposited with the District Court by submitting a proposed order directly to the court without copying any other parties or filing a motion. The court returned the proposed order to Respondent and courtesy copies to Polsenberg.

#### OBC19-0798/Ian Ritchie

26. Ian Ritchie ("Ritchie") was hired as the head of security for CWNevada ("CWN"), a marijuana dispensary of which Respondent is the CEO, from approximately 2017 to March 26, 2019.

Page 4 of 11

80. In light of the foregoing, including without limitation paragraphs 1 through 79, Familian has violated RPC 8.4.

WHEREFORE, Complainant prays as follows:

- 1. That a hearing be held pursuant to Nevada Supreme Court Rule 105;
- That Respondent be assessed the costs of the disciplinary proceeding pursuant to SCR 120(1); and,
- That pursuant to SCR 102, such disciplinary action be taken by the Southern Nevada Disciplinary Board against Respondent as may be deemed appropriate under the circumstances.

DATED this 23 day of December, 2019.

By:

STATE BAR OF NEVADA

Daniel M. Hooge, Bar Counsel

Matthew R. Carlyon, Assistant Bar Counsel

-# 1062a

Nevada Bar No. 12712

3100 W. Charleston Blvd, Ste. 100

Las Vegas, Nevada 89102

Page 11 of 11

1 2 3 4	Case Nos.: OBC19-0604; OBC19-0798  MAR Q 4 2020  STATE BAR OF NEVADA BY: Jelich OFFICE OF BAR COUNSEL
5	STATE BAR OF NEVADA
6	SOUTHERN NEVADA DISCIPLINARY BOARD
7	
8	STATE BAR OF NEVADA,
9	Complainant,  )  ORDER APPOINTING HEARING PANEL CHAIR
10	ys. )
11	BRIAN PADGETT, ESQ. ) NV BAR No. 7474 )
12	Respondent.
13	IT IS HEREBY ORDERED that the following member of the Southern Nevada
14	Disciplinary Board has been designated as the Hearing Panel Chair.
15	
16	1. Dana Oswalt, Esq., Chair
17	20.1
18	DATED thisday of March, 2020.
19	
20	STATE BAR OF NEVADA
21	N. Mac VI
22	By: Left 02172
23	Kenneth E. Hogan, Esq./ Nevada Bar No. 10083/
24	Chair, Southern Nevada Disciplinary Board
25	

## CERTIFICATE OF SERVICE

The undersigned hereby certifies a true and correct copy of the foregoing **ORDER APPOINTING HEARING PANEL CHAIR** was deposited in the United States Mail at Las Vegas, Nevada, postage fully pre-paid thereon for first-class regular mail addressed to:

Brian Padgett, Esq. 611 S. 6th Street Las Vegas, NV 89101

#### and via email to:

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com
- 3. Gerard Gosioco, Esq. (Bar Counsel): <a href="mailto:gerardg@nvbar.org">gerardg@nvbar.org</a>
  DATED this \_\_\_\_\_\_day of March, 2020.

By: Kristi Faust, an employee of the State Bar of Nevada.

- 3. On or before April 2, 2020, at 5:00 p.m., Respondent's initial disclosures shall be served on all parties. The documents provided by the Respondent shall be bates stamped with alphabetical exhibit designations. See DRP 17 (a).
- On or before April 13, 2020, at 5:00 p.m., the parties shall file and serve any

  Motions.
- 5. On or before April 23, 2020, at 5:00 p.m., all oppositions to the Motions, if any, shall be filed and served on the parties.
- 6. On or before April 28, 2029, at 5:00 p.m., all replies to any opposition, if any, shall be filed and served on the parties.
- 7. On or before May 12, 2020, at 5:00 p.m., the parties shall serve a Final Designation of witnesses expected to testify and exhibits expected to be presented at the Formal Hearing in this matter, pursuant to SCR 105(2)(d), DRP 17(a) and DRP 21.
- 8. All documents disclosed shall be bates stamped, the State Bar will use numerical exhibit designations and Respondent will use alphabetical exhibit designations, pursuant to DRP 17.
- 9. On May 26, 2020, at 2:00 p.m., the parties shall meet telephonically with Dana P. Oswalt, Esq. for the Pre-hearing Conference. Any pending issues, including pending Motions, will be addressed at the Pre-hearing Conference. The parties shall use the State Bar conference bridge (877) 594-8353 and the passcode is 16816576#.

Pursuant to DRP 23, at the Pre-hearing conference (i) the parties shall discuss all matters needing attention prior to the hearing date, (ii) the Chair may rule on any motions or disputes including motions to exclude evidence, witnesses, or other pretrial evidentiary matter, and (iii) the parties shall discuss and determine stipulated exhibits proffered by either the State Bar or Respondent as well as a stipulated statement of facts, if any.

1	
1	10. The parties stipulate to waive SCR 105(2)(d) to allow for the formal appointment of
2	the remaining hearing panel members on a date that is greater than 45 days prior to the scheduled
3	hearing.
4	Based on the parties' verbal agreement to the foregoing during the telephonic Initial
5	Conference and good cause appearing, IT IS SO ORDERED.
6	Dated this Agy of March, 2020.
7	SOUTHERN NEVADA DISCIPLINARY BOARD
8	Ву:
9	Dana P. Oswalt, Esq. Hearing Panel Chair
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The undersigned hereby certifies a true and correct copy of the foregoing **Scheduling**Order was sent via electronic mail to:

- 1. Dana P. Oswalt, Esq. (Hearing Panel Chair): dana@bensonbingham.com
- 2. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com
- 3. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org

DATED this 19 day of March, 2020.

Sonia Del Rio, an employee of the State Bar of Nevada

FILED
MAR 24 2020

Case No.: OBC19-0604; OBC19-0798

MAR 2 4 2020
STATE BAR OF NEVADA
BY: D- Telux
OFFICE OF BAR COUNSEL

### STATE BAR OF NEVADA

#### SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,	)	
HENCELON CONTRACTOR CONTRACTOR SERVICES AND CONTRACTOR	)	
Complainant,	)	
vs.	)	
	)	ENTRY OF DEFAULT
BRIAN C. PADGETT, ESQ.,	)	
Nevada Bar No. 7474,	)	
	)	
Respondent.	)	

TO: Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101

#### PROCEDURAL HISTORY

The State Bar of Nevada filed and served its Complaint and First Designation of Hearing Panel Members, in accordance with Supreme Court Rule 109, upon BRIAN C. PADGETT, Esq. (hereinafter "Respondent"), on or about December 23, 2019. A First Amended Complaint was filed on or about January 7, 2020. The First Amended Complaint was delivered to the Respondent's SCR 79 address on or about January 7, 2020.

A Notice of Intent to Proceed on a Default Basis (hereinafter "Notice") was filed and served via certified mail on or about January 31, 2020. The State Bar received a return receipt postcard showing the Notice was delivered on or about January 14, 2020. The Notice was also served via (1) Certified Return Receipt U.S. Mail at the SCR 79 address.

Although Respondent was supposed to provide a response to the State Bar's First Amended Complaint by February 24, 2020. Respondent did not provide his "response" to the State Bar until

-1-

February 26, 2020. Rather than admit, deny, or respond to any of the State Bar's allegations, 1 Respondent goes on a tangent about how he is the owner of a cannabis firm, and that there is a 2 conspiracy to takeover his cannabis firm, as well as damage his "standing in the practice of law." 3 Respondent fails to provide one substantive response to the State Bar's allegations. On or about March 18, 2020, an Initial Case Conference ("ICC") was held. Respondent was 5 not present during the ICC. 6 ORDER 7 IT APPEARING that the Respondent, BRIAN C. PADGETT, Esq., is in default for failure 8 to plead or otherwise defend as required by law, DEFAULT is hereby entered against Respondent. 9 The allegations set forth in the First Amended Complaint filed on or about January 7, 2020, 10 are deemed admitted. 11 The Formal Hearing regarding the appropriate sanction to issue in this matter shall be 12 conducted on the 8th of June 2020, starting at 9:00 a.m., at the State Bar of Nevada's office located 13 at 3100 W. Charleston Blvd., Ste. 100, Las Vegas, NV 89102. 14 IT IS SO ORDERED. 15 Dated this 24 of March, 2020. 16 Dana P. Oswalt Dana P. Oswalt (Mar 24, 2020) 17 Dana Oswalt, Esq., Hearing Panel Chair 18 Southern Nevada Disciplinary Board 19 Submitted by: STATE BAR OF NEVADA 20 DANIEL M. HOOGE, BAR COUNSEL 21 22 Gerard Gosioco, Esq. 23 Assistant Bar Counsel 3100 W. Charleston Blvd., Ste. 100 24 Las Vegas, NV 89102 25

# **Entry of Default**

Final Audit Report

2020-03-24

Crealed:

2020-03-24

By:

Sonia Del Rio (soniad@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAAXhSKR1yHyN7cb7L6f6pGaTdTfH9IYkDH

# "Entry of Default" History

- Document created by Sonia Del Rio (soniad@nvbar.org) 2020-03-24 7:11:11 PM GMT- IP address: 24.253.47.29
- Document emailed to /s/ Gerard Gosloco (gerardg@nvbar.org) for signature 2020-03-24 7:11:31 PM GMT
- Email viewed by /s/ Gerard Gosloco (gerardg@nvbar.org) 2020-03-24 7:12:09 PM GMT- IP address; 70.173.56.155
- Document e-signed by /s/ Gerard Gosioco (gerardg@nvbar.org)
  Signature Date: 2020-03-24 7:12:36 PM GMT Time Source: server- IP address: 70.173.56.155
- Document emailed to Dana P. Oswalt (dana@bensonbingham.com) for signature 2020-03-24 7:12:38 PM GMT
- Email viewed by Dana P. Oswalt (dana@bensonbingham.com) 2020-03-24 7:14:30 PM GMT- IP address: 184.184.230.228
- Co Document e-signed by Dana P. Oswalt (dana@bensonbingham.com)

  Signature Date; 2020-03-24 7:15:52 PM GMT Time Source: server- IP address: 184.184.230.226
- Signed document emailed to Sonia Del Rio (soniad@nvbar.org), /s/ Gerard Gosioco (gerardg@nvbar.org) and Dana P. Oswalt (dana@bensonbingham.com)

  2020-03-24 7:15:52 PM GMT

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920							
1	CERTIFICATE OF SERVICE						
2	The undersigned hereby certifies a true and correct copy of the foregoing ENTRY OF						
3	DEFAULT was deposited via U.S. Mail to:						
4	Brian C. Padgett, Esq.						
5	611 S. 6th St. Las Vegas, NV 89101						
6							
7	And via email to:						
8	1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com						
9	2. Brian C. Padgett, Esq. (Respondent): <u>brian@briancpadgett.com</u>						
10	3. Gerard Gosioco, Esq. (Assistant Bar Counsel): <a href="mailto:gerardg@nvbar.org">gerardg@nvbar.org</a>						
11	DATED this 24 day of March, 2020.						
12							
13	By: Smr.						
14	Sonia Del Rio, an employee of the State Bar of Nevada.						
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Case No: OBC19-0604; OBC19-0798

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#### STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD

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) STATE BAR'S INITIAL DISCLOSURE
OF WITNESSES AND DOCUMENTS
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PLEASE TAKE NOTICE that the following is a list of witnesses and a summary of evidence which may be offered against Respondent at the time of the Formal Hearing, in the aboveentitled complaint.

#### **Documentary Evidence**

Any and all documentation contained in the State Bar of Nevada's files including but not limited to, correspondence, emails, memorandums, text messages, notes, payments, invoices, bank records, receipts, billing entries and pleadings regarding grievance file numbers OBC19-0604 and OBC19-0798.

Any and all documentation contained in records of the State Bar of Nevada regarding Respondent's licensure, compliance with reporting requirements, and disciplinary history.

The State Bar reserves the right to supplement this list as necessary.

-1-

Exhibit#	Document	Bates Stamped
1.	Formal Hearing Packet	will be produced prior
2.	Affidavit of Prior Discipline	will be produced at t time of hearing
3.	Engagement Letter Dated July 26, 2012	SBN Exhibit 3 001-006
4.	Lewis & Roca's Notice of Appearance File June 12, 2017	SBN Exhibit 4 001-002
5.	Declaration of Joel Henroid	SBN Exhibit 5 001-011
6.	Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit Filed June 8, 2018	SBN Exhibit 6 001-019
7.	Order Granting Immediate Disbursement of Proceeds Filed June 18, 2018	SBN Exhibit 7 001-002
8.	Email from Lewis & Roca to Respondent Dated June 20, 2018	SBN Exhibit 8 001
9.	Email between Respondent and Familian Dated June 22, 2018	SBN Exhibit 9 001-002
10.	Email to Familian attaching June 26, 2018 invoice Dated June 29, 2018	SBN Exhibit 10 001-017
11.	Decision and Order, Case No. A-12-668136-C Filed October 16, 2018	SBN Exhibit 11 001-021
12.	Notice of Attorney's Lien Filed October 16, 2018	SBN Exhibit 12 001-003
13.	Email from Familian to Respondent Filed October 25, 2018	SBN Exhibit 13 001
14.	Check for Judgement Proceeds Dated October 22, 2018	SBN Exhibit 14 001
15.	Declaration of Abraham Smith	SBN Exhibit 15 001-003
16.	Respondent's Accounting of DKB Funds	SBN Exhibit 16 001
17.	NRS18.015	SBN Exhibit 17 001
18.	Leventhal v. Black & Lobello	SBN Exhibit 18 001-005
19.	Respondent's invoices to DKB/Familian	SBN Exhibit 19 001-086
20.	Motion for Attorney's Fees Filed February 2, 2017	SBN Exhibit 20 001-103
21.	Respondent's July 19, 2019, attempt to collect additional funds	SBN Exhibit 21 001-004
22.	Motion to Enforce Attorney's Lien filed in Case No. A-16-731822-C on February 26, 2019	SBN Exhibit 22 001-126

23.	Notice of Appearance in Case No. A-17-751033-C Filed March 12, 2018	SBN Exhibit 23 001-002
24.	Notice of Entry of Order Filed July 5, 2018	SBN Exhibit 24 001-007
25.	Docket- Nevada Supreme Case No. 76584	SBN Exhibit 25 001-004
26.	Text Messages between Respondent and Ritchie	SBN Exhibit 26 001-009
27.	Minutes from February 19, 2019 Hearing	SBN Exhibit 27 001
28.	Notice of Withdrawal Filed March 19, 2019	SBN Exhibit 28 001-002
29.	Motion to Withdraw Filed March 25, 2019	SBN Exhibit 29 001-005
30.	Motion to Withdraw Filed April 1, 2019	SBN Exhibit 30 001-005
31.	Order Granting Motion to Withdraw Filed April 18, 2019	SBN Exhibit 31 001-002
32.	Affidavit Claiming Exemption from Execution Dated March 20, 2019	SBN Exhibit 32 001-010
33.	Diana Ritchie's Letter of Resignation Dated November 27, 2018	SBN Exhibit 33 001-002

The State Bar incorporates by reference all documents identified by Respondent in these matters.

#### B. Witnesses and Brief Statement of Facts

1. Respondent, Brian C. Padgett, Esq., will be called and would be expected to testify regarding his conduct and communications surrounding the events related to, and any and all documents pertinent to, each of the charged violations of the Rules of Professional Conduct, including but not limited to facts pertaining to the breach of his professional responsibilities as an attorney, his mental state pursuant to ABA Standards, the harm resulting from his conduct, and any aggravating and mitigating factors pursuant to Supreme Court Rule 102.5. Respondent is expected to provide testimony regarding the facts and circumstances regarding OBC19-0604 and OBC19-0798.

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- 2. Louise Watson, an investigator with the State Bar of Nevada Office of Bar Counsel, is expected to provide testimony regarding her investigation of OBC19-0604 and OBC19-0798, including but not limited to, information and documents provided by Respondent and Grievant(s), communications with Respondent and Grievant(s), and Respondent's disciplinary history.
- 3. Bruce Familian is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 4. Joel Henriod, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- Daniel Polsenberg, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 6. Abraham Smith, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 7. Ian Ritchie is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0798, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.

-4-

1	Diana Ritchie is expected to offer testimony regarding the facts and circumstances
2	Regarding Case No. OBC19-0798, including but not limited to, the facts and circumstances
3	surrounding the allegations contained in said grievance.
4	Dated this 24 day of March, 2020.
5	Dated this day of March, 2020.
6	STATE BAR OF NEVADA
7	DANIEL M. HOOGE, BAR COUNSEL
8	
	/S/ Gerard Gosioco (Mar 24, 2020)
9	Gerard Gosioco, Assistant Bar Counsel Nevada Bar No. 14371
10	3100 West Charleston Boulevard, Suite 100
11	Las Vegas, Nevada 89102
12	(702) 382-2200
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### **CERTIFICATE OF SERVICE** The undersigned hereby certifies a true and correct copy of the foregoing STATE BAR'S INITIAL DISCLOSURE OF WITNESSES DOCUMENTS was deposited via U.S. Mail to: Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101 And via email to: 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com 2. Brian C. Padgett, Esq. (Respondent): brian@briancpadgett.com 3. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org DATED this 24 day of March, 2020. Sonia Del Rio Sonia Del Rio, an employee of the State Bar of Nevada.

## **SBN Initial Disclosures**

Final Audit Report 2020-03-24

Created: 2020-03-24

By: Sonia Del Rio (soniad@nvbar.org)

Status: Signed

Transaction ID: CBJCHBCAABAAQK2M4lxaf3o2LMoQURrg3xbJ-iuLprtiJ

### "SBN Initial Disclosures" History

- Document created by Sonia Del Rio (soniad@nvbar.org) 2020-03-24 5:28:27 PM GMT- IP address: 24.253.47.29
- Document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) for signature 2020-03-24 5:29:19 PM GMT
- Email viewed by /s/ Gerard Gosioco (gerardg@nvbar.org) 2020-03-24 5:30:09 PM GMT- IP address: 70.173.56.155
- Document e-signed by /s/ Gerard Gosioco (gerardg@nvbar.org)
  Signature Date: 2020-03-24 5:30:53 PM GMT Time Source: server- IP address: 70.173.56.155
- Document emailed to Sonia Del Rio (soniad@nvbar.org) for signature 2020-03-24 5:30:54 PM GMT
- Email viewed by Sonia Del Rio (soniad@nvbar.org) 2020-03-24 5:31:39 PM GMT- IP address: 24.253.47.29
- Ocument e-signed by Sonia Del Rio (soniad@nvbar.org)
  Signature Date: 2020-03-24 5:31:58 PM GMT Time Source: server- IP address: 24.253.47.29
- Signed document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) and Sonia Del Rio (soniad@nvbar.org) 2020-03-24 5:31:58 PM GMT



Nevada Bar No. 10083

Chair, Southern Nevada Disciplinary Board

24

25

## Hearing Panel Ord\_Padgett

**Final Audit Report** 

2020-04-01

Created:

2020-04-01

Ву:

Cathi Britz (cathib@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAA3IncUod\_gbQHiBn7MjpqKyLlYiAd9rBs

## "Hearing Panel Ord\_Padgett" History

- Document created by Cathi Britz (cathib@nvbar.org) 2020-04-01 4:35:25 PM GMT- IP address: 71.38.7.111
- Document emailed to Kenneth E Hogan (ken@h2legal.com) for signature 2020-04-01 4:38:17 PM GMT
- Email viewed by Kenneth E Hogan (ken@h2legal.com) 2020-04-01 5:06:27 PM GMT- IP address: 184.53.16.166
- Ø₀ Document e-signed by Kenneth E Hogan (ken@h2legal.com)
  Signature Date: 2020-04-01 5:06:57 PM GMT Time Source: server- IP address: 184.53.16.166
- Signed document emailed to Cathi Britz (cathib@nvbar.org) and Kenneth E Hogan (ken@h2legal.com) 2020-04-01 5:06:57 PM GMT



### CERTIFICATE OF SERVICE

The undersigned hereby certifies a true and correct copy of the foregoing **ORDER APPOINTING HEARING PANEL** was served *via email to:* 

- 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com
- 2. Farhan Naqvi, Esq. (Panel Member): Naqvi@naqvilaw.com
- 3. Peter Ossowski (Laymember): p e ossowski@yahoo.com
- 4. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com
- 5. Gerard Gosioco, Esq. (Bar Counsel): <a href="mailto:gerardg@nvbar.org">gerardg@nvbar.org</a>
  DATED this <a href="mailto:global-right">31d</a> day of April, 2020.

Kristi Faust, an employee of

1	Case No.: OBC19-0604; OBC19-0798
2	APR 0 9 2020
3	STATE BAR OF NEVADA
4	OFFICE OF BAR COUNSEL
5	
6	STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD
7	STATE BAR OF NEVADA, )
8	Complainant, ) <u>NOTICE OF AMENDED</u>
9	vs. ) <u>FORMAL HEARING DATE</u> )
10	BRIAN C. PADGETT, ESQ., ) Nevada Bar No. 7474, )
11	Respondent.
12	TO: Brian C. Padgett, Esq.
13	611 S. 6th St. Las Vegas, NV 89101
14	PLEASE TAKE NOTICE that the formal hearing in the above-entitled action
15	previously scheduled for June 1, 2020, has been re-scheduled for one day on Monday, June 8,
16	2020, at the hour of 9:00 a.m., The hearing will be conducted at the State Bar of Nevada
17	located at 3100 W. Charleston Blvd., Suite 100, Las Vegas, NV 89102, (702) 382-2200.
18	Please be further advised that you are entitled to be represented by counsel, to cross-
19	examine witnesses, and to present evidence.
20	DATED this 9 day of April, 2020.
21	STATE BAR OF NEVADA
22	Daniel M. Hooge, Bar Counsel
23	By: Ist Gerard Gosloco (Apre), 2020)  Gerard Gosloco (Apre), 2020)
24	Gerard Gosioco, Assistant Bar Counsel 3100 W. Charleston Blvd., Suite 100 Las Vegas, NV 89104
25	(702) 382-2200
	-1-

### l CERTIFICATE OF SERVICE 2 The undersigned hereby certifies a true and correct copy of the foregoing NOTICE OF 3 AMENDED FORMAL HEARING DATE was personally served to: 4 Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101 5 and via email to: 6 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com 7 2. Farhan Naqvi, Esq. (Panel Member): Naqvi@naqvilaw.com 3. Peter Ossowski (Laymember): p e ossowski@vahoo.com 8 4. Brian Padgett, Esq. (Respondent): brian@briancpadgett.com 5. Gerard Gosioco, Esq. (Bar Counsel): gerardg@nvbar.org 9 DATED this 9 day of April, 2020. 10 11 12 the State Bar of Nevada. 13 14 15 16 17 18 19 20 21 22 23 24 25 -2-

## 2020.04.08 Padget--Notice of Formal Hearing

Final Audit Report

2020-04-09

Created:

2020-04-09

By:

Kristi Faust (kristif@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAAHHOw7uDvKk0DNZBSQcrC-6SzlyXaQqzF

### "2020.04.08 Padget--Notice of Formal Hearing" History

- Document created by Kristi Faust (kristif@nvbar.org) 2020-04-09 4:28:11 PM GMT- IP address: 68.224.139.231
- Document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) for signature 2020-04-09 4:30:01 PM GMT
- Email viewed by /s/ Gerard Gosioco (gerardg@nvbar.org) 2020-04-09 4:30:47 PM GMT- IP address: 70.173.56.155
- Document e-signed by /s/ Gerard Gosioco (gerardg@nvbar.org)
  Signature Date: 2020-04-09 4:32:05 PM GMT Time Source: server- IP address: 70.173.56.155
- Document emailed to Kristi Faust (kristif@nvbar.org) for signature 2020-04-09 4:32:07 PM GMT
- Email viewed by Kristi Faust (kristif@nvbar.org) 2020-04-09 4:48:03 PM GMT- IP address: 68.224.139.231
- Occument e-signed by Kristi Faust (kristif@nvbar.org)

  Signeture Date: 2020-04-09 4:48:14 PM GMT Time Source: server- IP address: 68.224.139.231
- Signed document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) and Kristi Faust (kristif@nvbar.org) 2020-04-09 4:48:14 PM GMT





Case No: OBC19-0604; OBC19-0798

STATE BAR OF NEVADA

BY: B- Jelex

OFFICE OF BAR COUNSEL

## STATE BAR OF NEVADA SOUTHERN NEVADA DISCIPLINARY BOARD

STATE BAR OF NEVADA,	)
Complainant,	)
VS.	) STATE BAR'S FINAL DISCLOSURE
	OF WITNESSES AND DOCUMENTS
BRIAN C. PADGETT, ESQ.,	)
Nevada Bar No. 7474	
Respondent.	<u> </u>

PLEASE TAKE NOTICE that the following is a list of witnesses and a summary of evidence which may be offered against Respondent at the time of the Formal Hearing, in the above-entitled complaint.

### A. Documentary Evidence

Any and all documentation contained in the State Bar of Nevada's files including but not limited to, correspondence, emails, memorandums, text messages, notes, payments, invoices, bank records, receipts, billing entries and pleadings regarding grievance file numbers OBC19-0604 and OBC19-0798.

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5.	Declaration of Joel Henroid	SBN Exhibit 5 001-011
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17.	NRS18.015	SBN Exhibit 17 001
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21.	Respondent's July 19, 2019, attempt to collect additional funds	SBN Exhibit 21 001-004
22.	Motion to Enforce Attorney's Lien filed in Case No. A-16-731822-C on February 26, 2019	SBN Exhibit 22 001-126

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23.	Notice of Appearance in Case No. A-17-751033-C	SBN Exhibit 23
	Filed March 12, 2018	001-002
~4	Notice of Entry of Order	SBN Exhibit 24
24.	Filed July 5, 2018	001-007
	Docket- Nevada Supreme Case No. 76584	SBN Exhibit 25
25.		001-004
	Text Messages between Respondent and Ritchie	SBN Exhibit 26
26.		001-009
	Minutes from February 19, 2019 Hearing	SBN Exhibit 27
27.		001
	Notice of Withdrawal	SBN Exhibit 28
28.	Filed March 19, 2019	001-002
	Motion to Withdraw	SBN Exhibit 29
29.	Filed March 25, 2019	001-005
	Motion to Withdraw	SBN Exhibit 30
30.	Filed April 1, 2019	001-005
•	Order Granting Motion to Withdraw	SBN Exhibit 31
31.	Filed April 18, 2019	001-002
	Affidavit Claiming Exemption from Execution	SBN Exhibit 32
32.	Dated March 20, 2019	001-010
	Diana Ritchie's Letter of Resignation	SBN Exhibit 33
33.	Dated November 27, 2018	001-002

The State Bar incorporates by reference all documents identified by Respondent in these matters.

### B. Witnesses and Brief Statement of Facts

1. Respondent, Brian C. Padgett, Esq., will be called and would be expected to testify regarding his conduct and communications surrounding the events related to, and any and all documents pertinent to, each of the charged violations of the Rules of Professional Conduct, including but not limited to facts pertaining to the breach of his professional responsibilities as an attorney, his mental state pursuant to ABA Standards, the harm resulting from his conduct, and any aggravating and mitigating factors pursuant to Supreme Court Rule 102.5. Respondent is expected to provide testimony regarding the facts and circumstances regarding OBC19-0604 and OBC19-0798.

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- 2. Louise Watson, an investigator with the State Bar of Nevada Office of Bar Counsel, is expected to provide testimony regarding her investigation of OBC19-0604 and OBC19-0798, including but not limited to, information and documents provided by Respondent and Grievant(s), communications with Respondent and Grievant(s), and Respondent's disciplinary history.
- 3. Bruce Familian is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 4. Joel Henriod, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 5. Daniel Polsenberg, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 6. Abraham Smith, Esq., is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0604, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.
- 7. Ian Ritchie is expected to offer testimony regarding the facts and circumstances regarding Case No. OBC19-0798, including but not limited to, the facts and circumstances surrounding the allegations contained in said grievance.

-4-

1	8. Diana Ritchie is expected to offer testimony regarding the facts and circumstances
2	Regarding Case No. OBC19-0798, including but not limited to, the facts and circumstances
3	surrounding the allegations contained in said grievance.
4	Dated this 12 day of May, 2020.
5	Dated this day of May, 2020.
6	STATE BAR OF NEVADA
7	DANIEL M. HOOGE, BAR COUNSEL
8	Is/ Gerard Gosioco
9	/s/ Gerard Gosioco (May 12, 2020)  Gerard Gosioco, Assístant Bar Counsel
10	Nevada Bar No. 14371
11	3100 West Charleston Boulevard, Suite 100 Las Vegas, Nevada 89102
12	(702) 382-2200
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### **CERTIFICATE OF SERVICE** The undersigned hereby certifies a true and correct copy of the foregoing STATE BAR'S FINAL DISCLOSURE OF WITNESSES DOCUMENTS was deposited via U.S. Mail to: Brian C. Padgett, Esq. 611 S. 6th St. Las Vegas, NV 89101 And via email to: 1. Dana Oswalt, Esq. (Panel Chair): dana@bensonbingham.com 2. Brian C. Padgett, Esq. (Respondent): brian@briancpadgett.com 3. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org DATED this $\underline{^{12}}$ day of May, 2020. Sonia Del Rio Sonia Del Rio, an employee of the State Bar of Nevada.

## Padgett, Brian Final Disclosure (OBC19-0604; OBC19-0798)

Final Audit Report

2020-05-12

Created:

2020-05-12

By:

Sonia Del Rio (soniad@nvbar.org)

Status:

Signed

Transaction ID:

CBJCHBCAABAA\_vkSmDylMeY7GXoGNm8C\_gW3NvvfRrwd

## "Padgett, Brian Final Disclosure (OBC19-0604; OBC19-0798)" H istory

- Document created by Sonia Del Rio (soniad@nvbar.org) 2020-05-12 7:24:35 PM GMT- IP address: 24.253.55.206
- Document emailed to /s/ Gerard Gosioco (gerardg@nvbar.org) for signature 2020-05-12 7:25:14 PM GMT
- Email viewed by /s/ Gerard Gosioco (gerardg@nvbar.org) 2020-05-12 10:45:49 PM GMT- IP address: 70.173.56.155
- Document e-signed by /s/ Gerard Gosioco (gerardg@nvbar.org)

  Signature Date: 2020-05-12 10:46:13 PM GMT Time Source: server- IP address: 70,173.56,155
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- Email viewed by Sonia Del Rio (soniad@nvbar.org) 2020-05-12 10:48:54 PM GMT- IP address: 24.253.55.206
- Document e-signed by Sonia Del Rio (soniad@nvbar.org)

  Signature Date: 2020-05-12 10:49:54 PM GMT Time Source; server- IP address: 24,253,55,206
- Signed document emailed to Sonia Del Rio (soniad@nvbar.org) and /s/ Gerard Gosioco (gerardg@nvbar.org) 2020-05-12 10:49:54 PM GMT



	AE OF
1	Case No.: OBC19-0604; OBC19-0798
2	MAY 2 2 2020
3	STATEBAR OF NEVADA
4	BY: D - Jelux OFFICE OF BAR COUNSEL
5	STATE BAR OF NEVADA
6	SOUTHERN NEVADA DISCIPLINARY BOARD
7	STATE BAR OF NEVADA,
8	Complainant, ) NOTICE OF VS. PORMAL HEARING
9	BRIAN C. PADGETT, ESQ.,
10	Nevada Bar No. 7474,
11	Respondent.
12	PLEASE TAKE NOTICE that the formal hearing in the above-entitled action
13	scheduled for one day on Monday, June 8, 2020, at the hour of 9:00 a.m., The hearing will
14	be conducted virtually via ZOOM through the State Bar of Nevada. The State Bar of Nevada
15	will email an access link on June 5, 2020.
16	Please be further advised that you are entitled to be represented by counsel, to cross-
17	examine witnesses, and to present evidence.
18	DATED this 21 day of May, 2020.
19	STATE BAR OF NEVADA Daniel M. Hooge, Bar Counsel
20	Ist Garard Gosioso
21	By: /s/ Gerard Gosioco (May 21, 7020 15:08 PDT)  Gerard Gosioco, Assistant Bar Counsel
22	3100 W. Charleston Blvd., Suite 100 Las Vegas, NV 89104
23	(702) 382-2200
24	
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- 1	-1-

1	CERTIFICATE OF SERVICE
2	The undersigned hereby certifies a true and correct copy of the foregoing NOTICE OF
3	FORMAL HEARING was deposited in the United States Mail at Las Vegas, Nevada, postage
4	fully pre-paid thereon for first-class regular mail to:
5	Brian C. Padgett, Esq. 611 S. 6th St.
6	Las Vegas, NV 89101
7	and via email to:
8	Dana Oswalt, Esq. (Panel Chair): <a href="mailto:dana@bensonbingham.com">dana@bensonbingham.com</a> Farhan Naqvi, Esq. (Panel Member): <a href="mailto:Naqvi@naqvilaw.com">Naqvi@naqvilaw.com</a>
9	Peter Ossowski (Laymember): <u>p_e_ossowski@yahoo.com</u> Brian Padgett, Esq. (Respondent): <u>brian@briancpadgett.com</u>
10	5. Gerard Gosioco, Esq. (Assistant Bar Counsel): gerardg@nvbar.org
11	DATED this <u>22</u> day of May, 2020.
12	By: Som
13	Sonia Del Rio, an employee of the State Bar of Nevada.
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## DECLARATION OF SONIA DEL RIO

### CUSTODIAN OF RECORDS



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SONIA DEL RIO, under penalty of perjury, being first duly sworn, declares and says as follows:

- That Declarant is employed as a Hearing Paralegal for the Office of Bar Counsel of the State Bar of Nevada and in such capacity is the custodian of records for the State Bar of Nevada;
- 2. That Declarant has reviewed the State Bar of Nevada membership records regarding Respondent Brian C. Padgett, Nevada Bar number 7474, and has verified that he was first licensed to practice law in the State of Nevada on December 28, 2000.
- That Declarant has reviewed the State Bar of Nevada membership records and confirmed Respondent is active.
- 4. That Declarant has reviewed the State Bar of Nevada discipline records regarding Respondent and has verified that he has no prior discipline:

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

Executed on this \( \sqrt{\text{day of June, 2020.}} \)

Sonia Del Rio

Hearing Paralegal Office of Bar Counsel



July 26, 2012

### VIA E-MAIL: bruce@familian.org

DKB, LLC and DKB II, LLC Attn: Bruce I. Familian, Manager 4534 West Hacienda, Suite A Las Vegas, Nevada 89118

Re: APN 162-32-416-002 and APN 162-32-416-003 ("Property") - Retention of the Law Offices of Brian C. Padgett for Inverse Condemnation Suit Regarding Clark County Drainage Project Impact

Dear Mr. Familian:

This engagement letter is sent to confirm our discussions and engagement relative to retention of this firm by DKB, LLC and DKB II, LLC ("Client") with respect to the Property as it relates to the Clark County drainage project impacting the Property (the "Scope of Representation"). Bills will be rendered in accordance with this firm's statement of Policies Relating to Professional Fees and Services ("Policies") that is incorporated with this engagement letter (collectively, the "Engagement Letter").

With respect to any individuals that may work on this matter, the current billing rates are as follows: (1) Attorneys - \$395 per hour; and (2) Paralegals - \$140.00 per hour.

A \$5,000.00 retainer is required prior to commencement of work.

Please execute this Engagement Letter below and return a signed copy to our office along with the initial retainer check, to acknowledge that the property owners have engaged this firm within the Scope of Representation and accepts the terms contained in this Engagement Letter, including the Policies.

Thank you for contacting our firm, and we look forward to working with you.

Very truly yours,

Brian C. Padgett

### READ, APPROVED, AND ACCEPTED BY:

I have read this Engagement Letter, represent that I have authority to bind Client to such Engagement Letter, and hereby accept all terms of this Engagement Letter, including the Policies.

By: DKB, LC

Print Name: Droce Familia

Its: Manager

Date: 7 25 12

By: DKB II, ELC

Print Name: Roce Familia

Its: manager

Date: 12

## Law Offices of Brian C. Padgett Policies Relating to Professional Fees and Services

This statement of Policies Relating to Professional Fees and Services ("Policies") describes how the Law Offices of Brian C. Padgett bills for legal services rendered and expenses incurred in connection with client matters. We believe that we can better serve our clients if they are informed about our billing policies at the beginning of our representation.

In order to help us determine the value of services that we render on behalf of our clients, our attorneys and paralegals maintain written records of the actual time they spend working for each client in 1/6 hour increments. Billed time includes all time spent on the case and encompasses activities including, but not limited to, conferences, telephone calls, pretrial discovery of data, trial preparation, drafting of documents, correspondence and pleadings, negotiations, legal research, court time, and travel time. Those professionals rendering services are assigned an hourly rate based upon the type of work that they perform and their level of experience and skill. We periodically review our rates and make adjustments as necessary. Although our hourly rates are the most common component of our fees, they are not the only factor that we take into account in determining the value of our services. For example, consideration will be given to the type of services that we have been asked to perform, any special level of skill or expertise required, the size and scope of the matter, any special time constraints imposed, expedited matters, and the results of our efforts.

In addition to our fees for services, our clients are responsible for all out-of-pocket costs that we incur on their behalf. For example, charges for court reporting services, expenses associated with travel, long-distance telephone calls, photocopies, computerized research services, courier services, fax and other forms of communication, and any other out-of-pocket expenses will be billed to the client. While we may sometimes advance our funds to cover out-of-pocket expenses incurred on behalf of a client, we reserve the right to pass any such expenses on to our clients for payment directly to the person who provided the services. We will make every effort to include the out-of-pocket disbursements that we make on our clients' behalf in their next monthly statement. However, some disbursements, such as telephone charges, are not immediately available to us and, as a result, may not appear on a statement until sometime after the charges were actually incurred.

Our statements for services rendered and costs incurred are sent to our clients on a monthly basis. All statements are due and payable upon receipt. Any statements not paid in full within thirty (30) calendar days of the statement date will be assessed a late charge on the unpaid balance at the rate of one and one-half percent (1½%) for each month late and late charges are due on the first day of each subsequent thirty (30) calendar day period. Whether or not the client calls with an inquiry, any dispute as to the accuracy or validity of any billed charges, or requests for adjustment of any costs, expenses, or fees for legal services billed to the client, must be made in writing to the firm within ten (10) calendar days of the date of the statement containing that cost, expense, or fee for legal services. If the client does not do so within ten (10) calendar days of a billing statement, the statement will be conclusively presumed to be correct. In other words, if the client does not contact

us in writing within ten (10) calendar days of a billing statement, the client will have irrevocably agreed that the statement is accurate and correct. We reserve the right to withdraw from representation in the matter if timely payment is not received. The client will pay any fees and costs that are incurred by us to collect any fees, costs, or expenses from the client, including reasonable attorney fees.

We also have the right at our discretion to withdraw from a client's case if the client misrepresents or fails to disclose material facts to us, fails to follow our advice, fails to cooperate in the preparation of the case, or in the event we determine it is not in our mutual interests to continue the representation. A client may discharge us at any time for any reason. The client will be responsible for any fees and costs incurred prior to our withdrawal or discharge, and time and costs expended to turn over the files and other information to the client or to substitute counsel.

We expect a client to be truthful in all communications to us and to keep us informed of developments as they occur during the pendency of the case. In addition, we expect to be accurately informed of a client's address, telephone number, and other contact information at all times throughout our representation of the client.

The firm normally requires a \$5,000.00 refundable retainer fee before commencing work. At our discretion, this retainer will be credited against the time expended by us and against the costs incurred on the client's behalf. Alternatively, we may require, again at our discretion, a client to pay on a monthly basis for time expended by us on the client's representation and costs incurred on the client's behalf without using the retainer funds for that purpose, permitting us to maintain the retainer fee as security for payment of future fees and costs. In addition to any monthly replenishment of the initial retainer fee deposit, we may from time to time require additional deposits of retainer funds in anticipation of an evidentiary hearing, lengthy deposition, trial, or other large cost expenses, and fees for legal services likely to be incurred through the next billing cycle. A client's failure to deposit an additional requested retainer deposit by the specified date will be cause for us to withdraw from the representation. If the retainer is exhausted, we may require the client, at our discretion, to pay an additional retainer or provide other security to ensure payment of fees and costs. Any retainer deposit not used for costs, expenses, and fees for legal services will be refunded to the client at the conclusion of the representation. However, in the event we quote a "flat-fee" for services to be rendered to the client, no portion of that payment will be refunded, even if the accrued costs and fees are less than the amount of the quoted fee.

We are sometimes asked to estimate the legal fees and other costs that will be incurred in connection with a particular matter. While we are happy to do so when possible, it should be understood that any such estimate necessarily incorporates a number of assumptions, is our best estimate, and is not guaranteed to accurately reflect actual future fees and costs. There are almost always uncertainties involved in the handling of any legal matter, particularly when other parties are involved whose actions may significantly impact the work required to protect our client's interest. Accordingly, no such estimate is to be interpreted as a guarantee or maximum unless expressly so stated. The actual fees and costs may be more or less than any estimate, and the client will be

charged on the basis described above without regard to that estimate. The fees and costs incurred in connection with our representation of a client are not contingent upon the successful completion of any project.

We will, in our discretion, use associate counsel, legal assistants, or paralegals for work on a particular matter as we might deem appropriate. Such person shall be billed at their regular billing rate. We endeavor to apportion work to such persons so as to minimize costs and maximize effectiveness for our client. Under certain circumstances, more than one member of our staff may work on a matter for the client simultaneously, in which case both members of our staff should be expected to bill for the time spent. An example would include a trial or contested evidentiary hearing during which, in our discretion, the full participation of more than one person is necessary to properly attend the client's case. Another typical example is when an attorney may need another attorney or a paralegal present to assist at a hearing or trial.

If a court awards attorney fees and/or costs to our client (or to us on our client's behalf), and such sums are actually collected, they shall first be applied against any outstanding charges on the client's bill. The client, however, remains responsible for payment of our services. A court order awarding attorney fees from the opposing party does not relieve our client of the primary responsibility for paying our invoice for fees and advanced costs, or make any work done to collect the attorney fees and/or costs awarded any different from any other work performed by us. All attorney fees awarded and actually collected that are not needed to pay the client's invoice from us (or to replenish the retainer fee deposit) shall be paid to the client. Likewise, a court could order our client to pay attorney fees or costs to the opposing party under certain circumstances, which obligation will be the exclusive responsibility of our client.

It may become necessary in the preparation of the client's case for us to hire expert witnesses, consultants, or investigators. The firm shall have sole discretion to retain such persons. Any such hirings are considered case costs and payment for these costs shall be the sole responsibility of the client. Any expert costs shall be billed to client and shall be paid by client in the same time frame and manner as those of billed legal services as set forth above.

The client grants us a lien on any and all claims or causes of action that are related to the subject of our representation. This attorney lien will be for any sums due and owing to us at the conclusion of our services. The lien will attach to any recovery the client may obtain, whether by arbitration award, judgment, settlement, or otherwise. Any amounts received by us on the client's behalf may be used to pay the client's account.

We will retain possession of the client's file and all information therein until full payment of all costs, expenses, and fees for legal services, subject to turnover or destruction of the file as set forth below. After payment of all sums due and upon the client's request, we will deliver the client's file (other than our personal notes, briefs, and work product that we elect to retain) to the client, along with any of the client funds or property in our possession. If we are not instructed otherwise, the client's file will be kept in our office for a limited time after completion of the case and then sent

to off-site storage, where it will be held for a period not to exceed seven years. Files are destroyed seven years after the closure of the case file without any further notice.

The client may discharge us at any time, although court rules might still require us to file a motion to withdraw and/or substitution of counsel. We may withdraw from our representation of any client at any time at our discretion. In either such circumstances, the client shall sign any documents necessary to permit us to withdraw. If the client shall desire to retain other counsel, then we shall be paid the amount then due and owing for work performed for the client.

Nothing in our statements to the client will be construed as a promise or guarantee about the outcome of the client's matter. We make no such promises or guarantees. Our comments about the outcome of the client's matter, if any, are expressions of opinion only. It is impossible to predict how long a case will take, how much it will cost, or what the resulting outcome may be. Similarly, we do not make any guarantees to the client about the expense of the client's case. It is quite typical that the costs, expenses, and fees for legal services incurred in the client's case will substantially exceed the initial retainer fee deposit.

We encourage our clients to contact the firm if they have any questions about our billings, policies, or procedures.

**Electronically Filed** 6/12/2017 4:36 PM Steven D. Grierson CLERK OF THE COURT **NOTA** Daniel F. Polsenberg (SBN 2376) JOEL D. HENRIOD (SBN 8492) ABRAHAM G. SMITH (SBN 13,250) LEWIS ROCA ROTHGÈRBER CHRISTIE LLP 3 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169-5996 4  $(702)\ 949-8200$ DPolsenberg@LRRC.com JHenriod@LRRC.com ASmith@LRRC.com 6 Attorneys for Plaintiffs DKB, LLC and DKB II, LLC 7 8 DISTRICT COURT 9 CLARK COUNTY, NEVADA 10 DKB, LLC, a Nevada limited liability Case No. A-12-668136-C corporation; and DKB II, LLC, a Nevada 11 limited liability corporation, collectively, Dept. No. XXVI 12 Plaintiffs, 13 vs. COUNTY OF CLARK, a political 14 NOTICE OF APPEARANCE subdivision of the State of Nevada; DOE GOVERNMENT AGENCIES I-X; DOE 15 CORPORATIONS I-X; and DOE PARTNERSHIPS I-X, 16 Defendants. 17 18 19 Please take notice that DANIEL F. POLSENBERG and JOEL D. HENRIOD of 20 the law firm of LEWIS ROCA ROTHGERBER CHRISTIE LLP appear as attorneys for plaintiffs DKB, LLC and DKB II, LLC in the above-captioned case. 21 22 Dated this 12th day of June, 2017. 23 LEWIS ROCA ROTHGERBER CHRISTIE LLP 24 By /s/ Joel D. Henriod DANIEL F. POLSENBERG (SBN 2376) 25 JOEL D. HENRIOD (SBN 8492) ABRAHAM G. SMITH (SBN 13,250) 26 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 27 (702) 949-8200 28 Attorneys for Plaintiffs Lewis Roca -1-SBN Exhibit 2 Page 001

Case Number: A-12-668136-C

ROA Page 233

### **CERTIFICATE OF SERVICE** I hereby certify that on the 12th day of June, 2017, I served the foregoing "Notice of Appearance" on counsel by the Court's electronic filing system and by courtesy email to the persons and addresses listed below: LESLIE A. NIELSEN DISTRICT ATTORNEY – CIVIL DIVISION 500 South Grand Central Parkway P.O. Box 552215 Las Vegas, Nevada 89155 Leslie.Neilsen@ClarkCountyDA.com /s/ Jessie M. Helm An Employee of Lewis Roca Rothgerber Christie LLP Lewis Roca -2-SBN Exhibit 2 Page 002

I, Joel D. Henriod, declare as follows:

Lewis Roca 1. I am an attorney at Lewis Roca Rothgerber Christie LLP and was an attorney of record for plaintiffs DKB, LLC and DKB II, LLC in *DKB*, *LLC et al. v. County of Clark et al.*, Case No. A668136 in the Eighth Judicial District Court, retained as appellate counsel along with my partner Dan Polsenberg and our associate Abraham Smith. Bruce Familian is the principal of both DKB, LLC and DKB, II.

- 2. On or around June 20, 2018, I became aware that Brian Padgett's office had procured an order from the district court authorizing the clerk of the court to disburse funds deposited by defendant Clark County. I spoke with Mr. Familian about the order and informed him that it came as a surprise to us.
- 3. On June 20, 2018, I wrote an email to Amy Sugden, who worked with Brian Padgett on the *DKB* case, expressing concern about the order and frustration that they had procured it without informing my office (their co-counsel) or Mr. Familian (their client). (Ex. 1.)
- 4. I also warned that withdrawing the funds might jeopardize Mr. Familian's case by risking an argument of waiver under NRS 37.100(6) ("Application by the defendant to the court for withdrawal of part or all of the money deposited and the payment of that money to the defendant does not prejudice the right of the defendant to contest the amount of compensation to be finally awarded. The receipt by the defendant of a part or all of the money deposited must be conditioned upon the waiver of all defenses except those relating to the amount of compensation.").) (*Id.*)
- 5. The email communicated that Mr. Familian did not authorize Mr. Padgett's office to withdraw those funds and that he would have forbidden it had they sought his approval. (*Id.*)

- 6. Ms. Sugden replied that they had sought the order "to get the matter back on the radar for Judge Sturman," pointed out that Mr. Padgett's firm was still owed attorney's fees and costs, and disagreed with our concerns about a potential waiver. (Ex. 1.)
- 7. The next day, on June 21, 2019, I emailed in response a pointed question as to whether the funds had already been transferred to Mr. Padgett's office. (Ex. 1.) I received no email in reply.
- 8. A few days later, I spoke with Ms. Sudgen over the phone. I explained that, although Dan Polsenberg and I shared her interpretation of NRS 37.100, we were concerned nevertheless that Judge Sturman or the Nevada Supreme Court might disagree with that position. We advocated caution in the face of that uncertainty. I told her that Mr. Familian agreed with our recommendation and reiterated his demand that funds not be withdrawn.
- 9. Approximately four months later, Mr. Padgett's office withdrew the funds without warning or consulting us.
- 10. Incidentally, as we foresaw, defendant Clark County did argue in the context of a dispute over prejudgment interest that plaintiffs' "deposit [wa]s the equivalent of a deposit made in eminent [domain] cases pursuant to NRS 37.100(6) or NRS 37.170," even though its withdrawal "may come with 'conditions." (Ex. 2.) Indeed, Clark County alternatively argued that the Court's granting Mr. Padgett's motion "requesting the immediate and direct disbursement of the funds on deposit" forfeited DKB's right to interest after that date. (*Id.*) Although the Court entered our proposed judgment rather than the county's, that risk and controversy arose nonetheless and would have created an issue for the county on appeal.

Dated this 27th day of August, 2019.

/s/ Joel D. Henriod JOEL D. HENRIOD (SBN 8492)

## EXHIBIT 1

# EXHIBIT 1

### Helm, Jessica

From: Henriod, Joel D. <JHenriod@Irrc.com>
Sent: Thursday, June 21, 2018 10:01 AM
To: 'Amy Sugden'; 'brian@brianpadgett.com'

Cc: 'Bruce Familian'; Polsenberg, Daniel F.; Smith, Abraham; neal@hyperionlegal.com

**Subject:** RE: DKB, LLC v. Clark County: Withdrawal of Deposit

Amy,

Have the funds already transferred?

Joel

#### Joel D. Henriod

Las Vegas Office Managing Partner 702.474.2681 office 702.743.0212 mobile jhenriod@lrrc.com



Lewis Roca Rothgerber Christie LLP 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 Irrc.com

**From:** Amy Sugden [mailto:amy@briancpadgett.com]

**Sent:** Wednesday, June 20, 2018 6:04 PM **To:** Henriod, Joel D.; 'brian@brianpadgett.com'

**Cc:** 'Bruce Familian'; Polsenberg, Daniel F.; Smith, Abraham **Subject:** Re: DKB, LLC v. Clark County: Withdrawal of Deposit

Joel,

As you know we have been patiently awaiting the Court to issue its final rulings on the motions for attorney's fees and costs which are outstanding. We sent requests to the law clerk in Dept. 26 to try and gently inquire as to the status of those issues, but to no avail. Thus, we put forth the attached motion to get the matter back on the radar for Judge Sturman, which she recognized at the June 12 hearing.

Contrary to your assertion below, I did reach out to Bruce on November 14, 2017 about releasing the funds and was not "forbidden" from doing so.

Our collective goals are to bring this matter to a judgment that is appealable, so we can all move this forward. (Plus, our office and Kirby's still have outstanding attorney's fees owed and costs to be reimbursed). Typically, our preferred manner of obtaining a final judgment in eminent domain is to complete <u>all</u> the post-trial briefing (i.e., attorney's fees and costs) and put it into one pleading entitled "Final Judgment and Order of Condemnation" that becomes appealable.

However, it is also possible under NRS 37.160 to have the court enter a final order of condemnation describing the property condemned and the purpose thereof (without finalization of the post-trial briefing) after the award is deposited. I had emailed you about this back in January of this year (see attached email) on pursuing that route so you guys could go forward with your appeal, but never heard back on finalizing it.

Finally, we respectfully disagree as to your concerns over any purported waiver as outlined below. NRS 37.100 governs funds on deposit <u>pursuant to an order for immediate occupancy</u> that the government seeks in direct condemnation action. The County never deposited funds pursuant to NRS 37.100 because this was an inverse condemnation case in which they disputed a taking ever occurred.

I am happy to reach out to the County's attorney to confirm the same understanding as well.

Thank you, Amy

From: "Henriod, Joel D." < <a href="mailto:JHenriod@lrrc.com">JHenriod@lrrc.com</a>>
Date: Wednesday, June 20, 2018 at 11:48 AM

**To:** Amy Sugden <amy@briancpadgett.com>, "'brian@brianpadgett.com'" <bri>Cc: "bruce@familian.org" <br/>
bruce@familian.org" <br/>
"Polsenberg, Daniel F." <a href="DPolsenberg@lrrc.com">DPolsenberg@lrrc.com</a>, "Smith,

Abraham" < ASmith@Irrc.com >

Subject: DKB, LLC v. Clark County: Withdrawal of Deposit

PRIVILEGED and CONFIDENTIAL

Amy,

It just came to our attention that your office obtained an order from the court directing disbursement of the funds on deposit, without informing us or Mr. Familian.

Bruce does NOT authorize withdrawal of those funds, and would have forbidden it if you had asked for his approval. We believe withdrawing the funds risks waiver of positions on appeal under NRS 37.100(6) ("Application by the defendant to the court for withdrawal of part or all of the money deposited and the payment of that money to the defendant does not prejudice the right of the defendant to contest the amount of compensation to be finally awarded. The receipt by the defendant of a part or all of the money deposited must be conditioned upon the waiver of all defenses except those relating to the amount of compensation.")

Please do not withdraw those funds.

Joel

#### Joel D. Henriod

Las Vegas Office Managing Partner 702.474.2681 office 702.743.0212 mobile jhenriod@lrrc.com



Lewis Roca Rothgerber Christie LLP 3993 Howard Hughes Parkway, Suite 600 This message and any attachments are intended only for the use of the individual or entity to which they are addressed. If the reader of this message or an attachment is not the intended recipient or the employee or agent responsible for delivering the message or attachment to the intended recipient you are hereby notified that any dissemination, distribution or copying of this message or any attachment is strictly prohibited. If you have received this communication in error, please notify us immediately by replying to the sender. The information transmitted in this message and any attachments may be privileged, is intended only for the personal and confidential use of the intended recipients, and is covered by the Electronic Communications Privacy Act, 18 U.S.C. §2510-2521.

# EXHIBIT 2

## EXHIBIT 2

#### ELECTRONICALLY SERVED 12/28/2018 2:39 PM

## HANLEY LAW FIRM

Agnes N. Hanley agnes@hanleylf.com

December 28, 2018

Via Hand Delivery

Department 26 Attn: The Honorable Gloria J. Sturman Regional Justice Center 200 Lewis Avenue Las Vegas, NV 89155

Re: DKB, LLC, et al. v. County of Clark, Case Number A-12-668136-C

Dear Judge Sturman,

Attached please find Defendant County of Clark's proposed Judgment of Condemnation. The parties are submitting competing judgments for your consideration. The primary difference between the two judgments is due to Plaintiffs' misunderstanding of how interest is calculated in eminent domain cases.

#### 1) Background and NRS Chapter 37

Eminent domain cases follow the procedure set forth in NRS Chapter 37. The Nevada Supreme Court has unequivocally stated that "[i]nverse condemnation proceedings are the constitutional equivalent to eminent domain actions and are governed by the same rules and principles that are applied to formal condemnation proceedings." County of Clark v. Alper, 100 Nev. 382, 391, 685 P.2d 943, 949 (1984) [emphasis added]. Moreover, the parties in this case stipulated that a taking occurred which converted the case from an inverse condemnation case to a direct condemnation proceeding where valuation of the property interest taken was the only issue for trial. See Stipulation and Order Regarding Easement Acquisition filed on November 8, 2016 and attached as Exhibit 1 to the Judgment.

NRS Chapter 37 draws a distinction between a judgment and a final judgment – a distinction unique to eminent domain cases and important in order to understand how interest is calculated pursuant to NRS 37.175. The process of entry of these two judgments are best explained by the Supreme Court in *Gold Ridge Partners v. Sierra Pac. Power Co.*, 128 Nev. 495, 499-500, 285 P.3d 1059, 1062 (2012):

Following the determination of damages, the court enters a "judgment determining the right to condemn [the] property and fixing the amount of compensation to be paid by the plaintiff." NRS 37.009(3). If the judgment is appealed to this court, the plaintiff may take or, if it has already done so, remain in possession of the property while the appeal is pending by paying into the district court the full amount of the judgment plus damages for the taking, as well as any damages that may be sustained if, for any

## HANLEY LAW FIRM

reason, the property is not ultimately taken. NRS 37.170(1). The defendant may then receive the deposited money by filing a satisfaction of the judgment or a receipt for the money and an abandonment of any defenses to the proceedings, other than defenses as to the amount of money to which the defendant is entitled. NRS 37.170(2).

A condemnation proceeding is ultimately resolved by a "[f]inal judgment," which is "a judgment which cannot be directly attacked by appeal, motion for new trial or motion to vacate the judgment." NRS 37.009(2). Within 30 days after entry of the final judgment, the plaintiff must deposit into court the sum of money assessed as just compensation in the condemnation proceeding. NRS 37.140; NRS 37.150.

#### 2) Interest In Eminent Domain Cases Must Be Calculated Pursuant To NRS 37.175

NRS 37.175 states in relevant part:

## NRS 37.175 Interest paid by plaintiff; posttrial hearing to determine award of interest.

- 1. Except as otherwise provided in this section, the plaintiff shall pay interest on the final judgment on the difference between the amount deposited pursuant to NRS 37.100 or 37.170 and the sum of the amount awarded for the taking and any damages awarded for the severance of the property, excluding costs and attorney's fees, from the date ordered by the district court pursuant to paragraph (a) of subsection 4 until the date the judgment is satisfied, at the rate provided in paragraph (b) of subsection 4.
- 2. The plaintiff is not required to pay interest on any amount deposited pursuant to the provisions of NRS 37.100 or 37.170.

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- 4. The court shall determine, in a posttrial hearing, the award of interest and award as interest the amount of money which will put the person from whom the property is taken in as good a position monetarily as if the property had not been taken. The district court shall enter an order concerning:
  - (a) The date on which the computation of interest will commence:
- (b) The rate of interest to be used to compute the award of interest, which must not be less than the prime rate of interest plus 2 percent; and
  - (c) Whether the interest will be compounded annually.

NRS 17.175(1) unequivocally states that interest is paid on the *final* judgment, after the entire condemnation proceeding has been resolved to finality. In other words, NRS 37.175 *already includes* the calculation of traditional post-judgment interest as determined by the Court in the posttrial hearing in NRS 37.175(4). In eminent domain cases interest is calculated exclusively via

## HANLEY LAW FIRM

NRS 37.175, not pursuant to NRS 17.130 as Plaintiffs propose. The County's proposed Judgment is consistent with NRS 37.175 and sets forth how interest is calculated pursuant to NRS 37.175.

## 3) This Honorable Court's Order Sets Forth The Rate Of Interest In Accordance With NRS 37.175(4)

The County's proposed Judgment also calculates interest in accordance with this Court's Order Granting Plaintiff's Motion for Prejudgment Interest filed on November 3, 2017. The Order sites NRS 37.175(4) and states that:

Plaintiff is entitled to prejudgment interest on the jury verdict of \$116,508 from August 27, 2012, through December 31, 2015, at the rate of 5.25%, and from January 1, 2016 through payment of the judgment at the rate of 5.5%, such interest to be compounded semi-annually. Nev. Const. Art. I. Section 22(4); NRS 37.120(3); NRS 37.175(4). [Emphasis added].

This Order was prepared and submitted by *Plaintiffs*. In fact, at the time Plaintiffs submitted their proposed order, in July of 2017, the prime interest rate had already risen on two separate occasions and yet their order does not mention these increased rates. Over a year later Plaintiffs wish to revise this Order and speculate as to whether this Honorable Court's truly intended for the rate to remain at 5.5%. However, the Order entered by the Court does not state that the interest rate should continue to be adjusted at the rates Plaintiffs now claim.

#### 4) The County's Deposit Stops The Running Of Interest

Lastly, on November 7, 2017, the County deposited the amount of the verdict plus interest from August 27, 2012 through August 31, 2017 (\$151,599.83) with the Clerk of Court and this deposit stops the running of interest on this sum. This deposit is the equivalent of a deposit made in eminent cases pursuant to NRS 37.100(6) or NRS 37.170. NRS 37.175(2) specifically states that the County is not required to pay interest on such a deposit. The fact that it may come with "conditions", as Plaintiffs state, does not change the clear language of NRS 37.175(2). The County's proposed Judgment takes into consideration this deposit when calculating interest pursuant to NRS 37.175 and stops the running of interest on this sum as of the date of the deposit, November 7, 2017.

Alternatively, the County submits that the running of interest on the sum deposited should stop as of June 12, 2018, which is the date this Honorable Court granted Plaintiffs' motion requesting the immediate and direct disbursement of the funds on deposit and ordered the Clerk of Court to immediately disburse the funds to Plaintiffs' counsel. As of June 12, 2018, there is nothing prohibiting Plaintiffs from obtaining the deposit. Plaintiffs now want it both ways: to be granted the immediate disbursement of the funds and then subsequently sit back and take the position that

## HANLEY LAW FIRM

interest should keep running on funds Plaintiffs requested to withdraw and have "immediate" access to.

The County respectfully asks that this Court enter its proposed Judgment of Condemnation attached hereto as it most accurately calculates interest pursuant to NRS 37.175 and is consistent with the orders entered in this matter.

Sincerely,

Agnes Hanley, Esq.

HANLEY LAW FIRM, PLLC

Cc: Abraham Smith

Joel Henroid Amy Sugden via e-service only via e-service only via e-service only

Electronically Filed 6/8/2018 6:54 AM Steven D. Grierson CLERK OF THE COURT Case No.: A-12-668136-

OST LAW OFFICES OF BRIAN C. PADGETT

Brian C. Padgett, Bar No. 7474

Amy L. Braudis, Bar No. 9983

3 611 South Sixth Street

Las Vegas, Nevada 89101 4

Telephone: Facsimile:

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(702) 304-0123 (702) 368-0123

6 Attorneys for DKB, LLC

& DKB II. LLC

#### EIGHTH JUDICIAL DISTRICT COURT

#### CLARK COUNTY, NEVADA

DKB, LLC, a Nevada Limited Liability) Corporation and DKB II, LLC, a Nevada Limited) Liability Corporation, collectively,

C Dept. No.: XXVI

Plaintiffs.

VS.

COUNTY OF CLARK, a political subdivision of) the State of Nevada, DOE GOVERNMENT AGENCIES I-X, DOE INDIVIDUALS I-X, DOE CORPORATIONS I-X, and DOE PARTNERSHIPS I-X,

**Arbitration Exempt: Action Concerning Title** To Real Property

Defendants.

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SBN Exhibit 4 Page 001

on Deposit ("Motion").

Page 1 of 6

PLAINTIFF LANDOWNER'S MOTION ON ORDER SHORTENING TIME TO DIRECT DISBURSEMENT OF FUNDS ON DEPOSIT

Plaintiff, DKB, LLC AND DKB II LLC (hereinafter referred to "Landowner" or

"Plaintiff"), through its undersigned counsel, the LAW OFFICES OF BRIAN C. PADGETT,

hereby respectfully file this Motion on Order Shortening Time to Direct Disbursement of Funds

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This Motion is made and based upon all of the papers and pleadings on file herein, the attached Declaration of Amy L. Sugden, Esq., together with such other and further evidence and argument as may be presented and considered by this Court at any hearing of this Motion.

DATED this 29th day of May, 2018.

#### THE LAW OFFICES OF BRIAN C. PADGETT

/s/ Amy L. Sugden Brian C. Padgett, Nevada Bar No. 7474 Amy L. Sugden, Nevada Bar No. 9983 611 South Sixth St. Las Vegas, NV 89101

#### NOTICE OF MOTION ON ORDER SHORTENING TIME

Based on Plaintiff's Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit, the Memorandum of Points and Authorities below, the Declaration of Amy L. Sugden, Esq., and good cause appearing:

IT IS HEREBY ORDERED that the hearing on Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit ("Motion"), shall take place before this Court on the day of June, 2018 at 9:00 am.

DATED June 1, 2018 DISTRICTCOURT MY

SBN Exhibit 4 Page 002

Page 2 of 6

## <u>DECLARATION OF AMY L. SUGDEN IN SUPPORT OF MOTION ON ORDER SHORTENING TIME TO DIRECT DISBURSEMENT OF FUNDS ON DEPOSIT</u>

STATE OF NEVADA )ss. COUNTY OF CLARK

#### AMY L. SUGDEN declares:

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- 1. I am a resident of Clark County, Nevada. I am over the age of eighteen (18) years, and I am in all respects competent to testify to the matters set forth in this Declaration.
- 2. This Declaration is based upon my personal knowledge and/or upon information and belief, and, if called upon to testify, I would testify as set forth in this Declaration.
- 3. I am a licensed attorney in the State of Nevada and the counsel of record for Plaintiff, DKB, LLC and DKB II, LLC ("Landowner") in the above-referenced case.
- On November 8, 2017 the County of Clark ("County") deposited funds in the amount of \$151,599.83 ("Eminent Domain Proceeds"). See Notice of Interim Deposit attached as Exhibit "A" hereto.
- The County deposited the Eminent Domain Proceeds representing the jury verdict of \$116,508 entered on November 10, 2016 plus interest from August 27, 2012 through August 31, 2017 as calculated pursuant to the Order Regarding Plaintiff's Motion for Prejudgment Interest. See September 27, 2017 Correspondence from the County to Department 26, attached hereto as Exhibit "B".
- 6. The Landowner attempted to withdraw the funds on Eminent Domain Proceeds but the Clerk of Court will not release them without a specific order directing them to be released.
- Accordingly, the Landowner requests that this Court issue an Order directing the immediate release of the Eminent Domain Proceeds pursuant to the attached Proposed Order. See Proposed Order Directing Immediate Release of Eminent Domain Proceeds, attached hereto

SBN Exhibit 4 Page 003

as Exhibit "C".

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- The Landowner submits that good cause exists to hear this matter on Order Shortening Time as the Eminent Domain Proceeds cannot be released without an express directive from this Court.
- That I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 29th day of May, 2018.

#### MEMORANDUM OF POINTS AND AUTHORITIES

Landowner by and through its undersigned counsel, the Law Offices of Brian C. Padgett, hereby brings this Motion on Order Shortening Time to Direct Disbursement of Funds on Deposit. As stated above in the declaration of undersigned counsel, the Landowner obtained a jury verdict on November 10, 2016 in the amount of \$116,508.00. See attachment to Exhibit "B". On or about November 7, 2017, the County subsequently deposited the sum of \$151,599.83, representing the verdict amount and prejudgment interest on the same ("Eminent Domain Proceeds"). See Exhibit "A". The Landowner attempted to withdraw the Eminent Domain Proceeds but the Clerk of Court would not release them without an express order from this Court directing payment. As such, the Landowners respectfully request this Court to issue the attached proposed Order directing the immediate disbursement of the Eminent Domain Proceeds accordingly. See Exhibit "C".

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SBN Exhibit 4 Page 004

Page 4 of 6

## LAW OFFICES OF BRIAN C. PADGETT 611 SOUTH 6<sup>111</sup> STREET LAS VEGAS, NEVADA 89101 PHONE (702) 304-0123 FACSIMILE (702) 368-0123

#### **CONCLUSION**

As set forth above, the Landowner respectfully requests that the Court grant the instant Motion and direct the immediate disbursement of the Eminent Domain Proceeds made payable to the "Law Offices of Brian C. Padgett".

DATED this 29th day of May, 2018.

LAW OFFICES OF BRIAN C. PADGETT

/s/ Amy L. Sugden
BRIAN C. PADGETT
Nevada Bar No. 7474
AMY L. SUGDEN
Nevada Bar No. 9983
Attorneys for Plaintiff Landowner

SBN Exhibit 4 Page 005

Page 5 of 6

Page 6 of 6

SBN Exhibit 4 Page 006

## EXHIBIT "A"

## EXHIBIT "A"

Electronically Filed 11/8/2017 4:26 PM Steven D. Grierson CLERK OF THE COURT 1 NODE STEVEN D. WOLFSON 2 District Attorney CIVIL DIVISION State Bar No. 1565 By: LESLIE A. NIELSEN Deputy District Attorney State Bar No. 2764 5 500 South Grand Central Pkwy. P. O. Box 552215 6 Las Vegas, Nevada 89155-2215 (702) 455-4761 Fax (702) 382-5178 E-Mail: Leslie.Nielsen@ClarkCountyDA.com 8 Attorneys for Defendant Clark County 9 10 DISTRICT COURT 11 CLARK COUNTY, NEVADA DKB, LLC, a Nevada Limited Liability Corporation and DKB II, LLC, a Nevada 13 Limited Liability Corporation, collectively, Case No: A-12-668136 Dept. No .: XXVI Plaintiffs, 14 15 VS. COUNTY OF CLARK, a political subdivision of 16 the State of Nevada, DOE GOVERNMENT AGENCIES I-X, DOE INDIVIDUALS I-X, 17 DOE CORPORATIONS I-X, and DOE PARTNERSHIPS I-X, 18 Defendants. 19 20 NOTICE OF INTERIM DEPOSIT 21 TO: THE ABOVE NAMED PLAINTIFFS, and 22 TO: THEIR ATTORNEYS OF RECORD: 23 YOU WILL PLEASE TAKE NOTICE that the sum of One Hundred Fifty-One Thousand Five 24 Hundred Ninety-Nine and 83/100 Dollars (\$151.599.83) was deposited with the Clerk of the Court 25 26 111 27 28 111 1 of 2

on the 7th day of November, 2017. A copy	of the Official Receipt is a	ttached hereto as Exhibit 1.
DATED this 8th day of November,		
	STEVEN B. WOLFSON	
	DISTRICT ATTORNEY	
	By: Festie A.	ni
	LESLIE A. NIELSEN District Attorney	
	Nevada Bar No. 2764	
	500 South Grand Cen P. O. Box 552215	ntral Pkwy. 5 <sup>th</sup> Flr.
	Las Vegas, Nevada 8	39155-2215
	Attorneys for Defend	
	Clark County	
CERTIF	FICATE OF SERVICE	
I hereby certify that I am an employ	vee of the Office of the Clar	k County District Attorney
· · · · · · · · · · · · · · · · · · ·	ee of the office of the char	a county Bibliot intolling
nat on this 8 <sup>th</sup> day of November, 2017, 1 to the following	served a true and correct co	opy of the foregoing NOT
nat on this 8th day of November, 2017, 1	served a true and correct cog parties by the method show	opy of the foregoing NOT
nat on this 8 <sup>th</sup> day of November, 2017, 1 and the following	served a true and correct co	opy of the foregoing NOT!
ATTORNEYS OF RECORD  Kirby C. Gruchow, Jr. Esq. Leach Johnson Song & Gruchow 8945W. Russell Road, Suite 330 Las Vegas, NV 89148  Brian C. Padgett, Esq. Amy L. Sugden, Esq. Jeremy B. Duke, Esq. Law Offices of Brian C. Padgett 611 South Sixth Street	PARTIES REPRESENTED Plaintiffs DKB, LLC &	SERVICE METHOD    Electronic Service   Fax Service   Mail Service
ATTORNEYS OF RECORD  Kirby C. Gruchow, Jr. Esq. Leach Johnson Song & Gruchow 8945W. Russell Road, Suite 330 Las Vegas, NV 89148  Brian C. Padgett, Esq. Amy L. Sugden, Esq. Jeremy B. Duke, Esq. Law Offices of Brian C. Padgett	PARTIES REPRESENTED Plaintiffs DKB, LLC & Plaintiffs DKB, LLC &	SERVICE METHOD    Electronic Service   Fax Service   Personal Service   Personal Service   Fax Service   Mail Service   Mail Service   Fax Service   Mail Se
ATTORNEYS OF RECORD  Kirby C. Gruchow, Jr. Esq. Leach Johnson Song & Gruchow 8945W. Russell Road, Suite 330 Las Vegas, NV 89148  Brian C. Padgett, Esq. Amy L. Sugden, Esq. Jeremy B. Duke, Esq. Law Offices of Brian C. Padgett 611 South Sixth Street Las Vegas, NV 89101  Daniel Polsenberg Joel D. Henriod Lewis Roca Rothgerber Christie LLP 3993 Howard Hughes Pkwy., Suite 600	PARTIES REPRESENTED Plaintiffs DKB, LLC & DKB II, LLC  Plaintiffs DKB, LLC & DKB II, LLC	SERVICE METHOD    Electronic Service
ATTORNEYS OF RECORD  Kirby C. Gruchow, Jr. Esq. Leach Johnson Song & Gruchow 8945W. Russell Road, Suite 330 Las Vegas, NV 89148  Brian C. Padgett, Esq. Amy L. Sugden, Esq. Jeremy B. Duke, Esq. Law Offices of Brian C. Padgett 611 South Sixth Street Las Vegas, NV 89101	PARTIES REPRESENTED Plaintiffs DKB, LLC & DKB II, LLC	SERVICE MET    Electronic Service   Mail Service   Personal Service   Mail Service   Personal Service   Pers

## **EXHIBIT 1**

### OFFICIAL RECEIPT District Court Clerk of the Court 200 Lewis Ave, 3rd Floor Las Vegas, NV 89101

2	Receipt No.
	Transaction Date 11/7/2017
	Amount Paid
_	151,599.83 151,599.83
PAYMENT TOTAL	151,599.83
Check (Ref #1475447) Tendered Total Tendered Change	151,599.83 151,599.83 0.00
	PAYMENT TOTAL  Check (Ref #1475447) Tendered Total Tendered

Station AIKO OFFICIAL RECEIPT

Cashier

11/07/2017

10:42 AM

Audit 36000858

## EXHIBIT "B"

## EXHIBIT "B"



## CLARK COUNTY OFFICE OF THE DISTRICT ATTORNEY

Civil Division

#### STEVEN B. WOLFSON

District Attorney

500 S. Grand Central Pkwy, Suite 5075 • Las Vegas, NV 89155 • 702-455-4761 • Fax: 702-382-5178 • TDD: 702-385-7486

MARY-ANNE MILLER County Counsel CHRISTOPHER LALLI Assistant District Attorney ROBERT DASKAS Assistant District Attorney JEFFREY WITTHUN

Director

September 27, 2017

Via Email (dept26lc@clarkcountycourts.us)

The Hon. Gloria Sturman
Eighth Judicial District Court Department 26
200 Lewis Avenue
Las Vegas, Nevada 89155

RE:

DKB, LLC, et al. v. County of Clark; Eighth Judicial District Case No. A-12-668136-C

Dear Judge Sturman:

Please accept this request for entry of a minute order directing that the Clerk of the Court accept the County's check in the amount of \$151,599.83 for deposit on account of this case. This amount represents the jury verdict of \$116,508 entered on November 10, 2016 (attached), plus interest from August 27, 2012, through August 31, 2017, calculated as established in the draft Order Regarding Plaintiff's Motion for Prejudgment Interest previously submitted to chambers for signature (attached).

In an effort to reduce the County's obligation for ongoing prejudgment interest and in response to Plaintiffs' counsel's request made to the County via email on August 24, 2017, the County has submitted a check for \$151,599.83 to the Clerk of the Court for deposit in this matter. The Clerk of the Court is unwilling to accept the check due to the absence of an order requiring the deposit. We are optimistic that entry of a minute order directing the Clerk of the Court to accept this check (submitted voluntarily at this point by the County) will resolve this impasse.

Thank you for your assistance in this matter.

Respectfully submitted,

STEVEN B. WOLFSON DISTRICT ATTORNEY

SY: \_\_\_\_\_\_\_\_\_\_

Leslie A. Nielsen

Deputy District Attorney

Leslie. Nielsen @ClarkCountyDA.com

Enclosures: Verdict, draft Order Regarding Plaintiff's Motion for Prejudgment Interest cc: Amy L. Sugden, Esq. (amy@briancpadgett.com)

				FILED IN OPEN COURT STEVEN D. GRIERSON CLERK OF THE COURT
1	VER	ORIGINAL		NOV 1 0 2016
2	- North	ITH JUDICIAL DIS	TRICT COU	BY, MELISSA MURPHY, DEPUTY
3		CLARK COUNTY,		4
4	DKB, LLC, a Nevada Limited L and DKB II, LLC, a Nevada Lim Corporation, collectively,		CASE NO: DEPT NO:	A-12-668136-C XXVI
5				
6	Pla	intiffs,		
7	vs.			
8	COUNTY OF CLARK, a politice the State of Nevada,	al subdivision of		
9	J. S. Softwaren C. Berker (1994) State (1994	fendant.		
10				8
11		VERD	ICT	
12	We, the jury in the abo	ve-entitled action, a	ssess just co	mpensation in the following
13	amounts:			
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15			771	И
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17	Temporary Constr	uction:	,132	
18	Cost to Cure and/or Seve	erance Damages:		2
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21	DATED this 10 day	of November, 2016.		
22		S	tendo	Vary
23		FC	DREWOMAN	A-12-668138-C
24				VER Verdict 4598707
	*			
11	II.			

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       ORDR
                                                                   FILE COPY
       LAW OFFICES OF BRIAN C. PADGETT
  2
       Brian C. Padgett, Bar No. 7474
      Amy L. Sugden, Bar No. 9983
  3
      Jeremy B. Duke, Bar No. 13110
      611 South Sixth Street
  4
      Las Vegas, Nevada 89101
  5
      Telephone:
                   (702) 304-0123
      Facsimile:
                   (702) 368-0123
  6
      Attorneys for DKB, LLC
& DKB II, LLC
  7
  8
                              EIGHTH JUDICIAL DISTRICT COURT
 9
                                   CLARK COUNTY, NEVADA
10
      DKB, LLC, a Nevada Limited Liability)
      Corporation and DKB II, LLC, a Nevada Limited)
11
      Liability Corporation, collectively,
                                                   Case No.: A-11-668136-C
12
                          Plaintiffs,
                                                   Dept. No.: XXVI
13
      VS.
14
      COUNTY OF CLARK, a political subdivision of)
15
      the State of Nevada, DOE GOVERNMENT
      AGENCIES I-X, DOE INDIVIDUALS I-X,
16
      DOE CORPORATIONS I-X, and DOE
     PARTNERSHIPS I-X.
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                         Defendants.
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        ORDER REGARDING PLAINTIFF'S MOTION FOR PREJUDGMENT INTEREST
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            On April 24, 2017, Plaintiffs, DKB, LLC and DKB II, LLC (collectively "Landowner")
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     filed a Motion for Prejudgment Interest. Defendant, COUNTY OF CLARK, ("County") filed an
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     Opposition on May 16, 2017 and Plaintiff filed a Reply on May 24, 2017.
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                                           Page 1 of 2
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Page 2 of 2

## EXHIBIT "C"

# EXHIBIT "C"

Page 1 of 2

SBN Exhibit 4 Page 018

Subsequently, the Landowner moved for immediate disbursement of the Eminent Domain Proceeds and therefore, this Court finding good cause to grant the Landowner's request, hereby finds and ORDERS as follows:

 For the Clerk of Court to immediately disburse the funds the County placed on deposit on or about November 7, 2017, pursuant to the "Notice of Interim Deposit" filed on November 8, 2017, with a check made payable to "Law Offices of Brian C. Padgett" in the amount of \$151,599.83 plus any accrued interest.

DATED

Gloria Sturman Judge, District Court, Department 26

Respectfully Prepared by:

LAW OFFICES OF BRIAN C. PADGETT

/s/ Amy L. Sugden
BRIAN C. PADGETT
Nevada Bar No. 7474
AMY L. SUGDEN
Nevada Bar No. 9983

SBN Exhibit 4 Page 019

Page 2 of 2

Case Number: A-12-668136-C

Page 1 of 2

Subsequently, the Landowner moved for immediate disbursement of the Eminent Domain Proceeds and therefore, this Court finding good cause to grant the Landowner's request, hereby finds and ORDERS as follows:

1. For the Clerk of Court to immediately disburse the funds the County placed on deposit on or about November 7, 2017, pursuant to the "Notice of Interim Deposit" filed on November 8, 2017, with a check made payable to "Law Offices of Brian C. Padgett" in the amount of \$151,599.83 plus any accrued interest.

DATED Jane 12 2018

Judge, District Court, Department 26

Respectfully Prepared by:

LAW OFFICES OF BRIAN C. PADGETT

/s/ Amy L. Sugden BRIAN C. PADGETT

Nevada Bar No. 7474

AMY L. SUGDEN Nevada Bar No. 9983

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Page 2 of 2

#### **Bruce Familian**

From: Henriod, Joel D. <JHenriod@Irrc.com>
Sent: Wednesday, June 20, 2018 11:49 AM

To: amy@briancpadgett.com; 'brian@brianpadgett.com'

Cc: Bruce Familian; Polsenberg, Daniel F.; Smith, Abraham

Subject: DKB, LLC v. Clark County: Withdrawal of Deposit

Importance: High

PRIVILEGED and CONFIDENTIAL

Amy,

It just came to our attention that your office obtained an order from the court directing disbursement of the funds on deposit, without informing us or Mr. Familian.

Bruce does NOT authorize withdrawal of those funds, and would have forbidden it if you had asked for his approval. We believe withdrawing the funds risks waiver of positions on appeal under NRS 37.100(6) ("Application by the defendant to the court for withdrawal of part or all of the money deposited and the payment of that money to the defendant does not prejudice the right of the defendant to contest the amount of compensation to be finally awarded. The receipt by the defendant of a part or all of the money deposited must be conditioned upon the waiver of all defenses except those relating to the amount of compensation.")

Please do not withdraw those funds.

Joel

#### Joel D. Henriod

Las Vegas Office Managing Partner 702.474.2681 office 702.743.0212 mobile <a href="mailto:ihenriod@lrrc.com">ihenriod@lrrc.com</a>



Lewis Roca Rothgerber Christie LLP 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 Irrc.com

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From: Bruce Familian < bruce@familian.org>
Date: Friday, June 22, 2018 at 2:27 PM

To: Brian Padgett < brian@briancpadgett.com >

Cc: Amy Sugden <amv@briancpadgett.com>, "Henriod, Joel D." <JHenriod@lrrc.com>, "Polsenberg, Daniel F."

<<u>DPolsenberg@lrrc.com</u>>, "neal@hyperionlegal.com" <<u>neal@hyperionlegal.com</u>>, Kirby Gruchow

<kgruchow@leachjohnson.com>
Subject: RE: Clark County Case

Brian:

Thank you for your response.

I would greatly appreciate that since you don't have a check in hand to stop the process of withdrawing the funds. I do not want to jeopardize any of my potential claims or waivers by taking the cash, even if you believe something different.

Also, please forward me a current bill outlining the balance owed, I have not seen a bill from your office for more than a year.

If you have any questions, please let me know.

Sincerely,

Bruce Familian Manager DKB, LLC/DKB II, LLC

From: Brian Padgett < brian@briancpadgett.com>

Sent: Friday, June 22, 2018 8:06 AM
To: Bruce Familian < bruce@familian.org>

Cc: Amy Sugden <amy@briancpadgett.com>; Henriod, Joel D. <JHenriod@Irrc.com>; Polsenberg, Daniel F.

<<u>DPolsenberg@lrrc.com</u>>; <u>neal@hyperionlegal.com</u>; <u>KGruchow@leachjohnson.com</u>

Subject: Re: Clark County Case

Bruce.

We have moved on the release now as the Court is finally at that point in post trial proceedings. We do not yet have the check in hand.

We have made this move for release of funds just as we do for every client. Pulling these funds will not jeopardize your rights on appeal. Anyone who tells you otherwise does not deal in eminent domain.

Finally, I'm going to send you another copy of our outstanding bill for services rendered. You can choose to pay it out of pocket or via this release of funds. Either way, we would like to have that resolved and then hand over all proceedings to the other attorneys you have hired who will do a fine job for you.

Best regards,

**BCP** 

**iPhone** 

On Jun 22, 2018, at 7:51 AM, Bruce Familian < bruce@familian.org > wrote:

Brian & Amy:

I remain very confused about your behavior as it relates to my case. There have been several emails back and forth when I directed both of you, very clearly, not to file any motions without my approval. I believe you owe me a complete explanation as to why you needed to file a motion and why you were compelled to file it on an OST. Throughout the history of this case I don't recall us filing any motions on an OST, so what was the emergency in this case. In addition, you have known that Dan Polsenberg and Joel Herniod are Co-Counsel in this matter regarding my appeal case. Why did you file the motion without consulting them or at a minimum send them a copy or notify them of your actions.

I would greatly appreciate an answer today regarding your actions and the status of the funds; did you withdraw them or not? If you have withdrawn the funds please furnish a complete accounting as it relates to where the moneys are being held and the balance.

If you have and questions, please let me know.

Sincerely,

Bruce Familian Manager DKB, LLC/DKB II, LLC

#### **Bruce Familian**

From: Amy Sugden <amy@briancpadgett.com>

**Sent:** Friday, June 29, 2018 10:59 AM **To:** Bruce Familian; Brian Padgett

Cc: Henriod, Joel D.; Polsenberg, Daniel F.; neal@hyperionlegal.com; KGruchow@leachjohnson.com

**Subject:** Re: Clark County Case

**Attachments:** 2018\_06\_14\_08\_36\_46[1].pdf; 11.16-5.17 Invoice .pdf; Verified Memo Costs.pdf

Good morning Bruce,

Please see the attached invoices:

- (1) Invoice for Kirby's trial work (check to be made payable to KCG Enterprises, Ltd.)
- (2) Invoice for Law Offices of Brian Padgett (trial work and post-trial work to May 2017. Please note we have not billed for any work completed on post-trial matters over the past year)
  - → This invoice also includes the costs due and owing that Brian submitted payment for (which are highlighted on the attached Memorandum of Costs)

Finally, we instructed the finance department not to issue the check.

Thank you, Amy

From: "bruce@familian.org" <bruce@familian.org>

Date: Friday, June 22, 2018 at 2:27 PM

To: Brian Padgett <bri>detian@briancpadgett.com>

Cc: Amy Sugden <amy@briancpadgett.com>, "Henriod, Joel D." <JHenriod@Irrc.com>, "Polsenberg, Daniel F."

<DPolsenberg@lrrc.com>, "neal@hyperionlegal.com" <neal@hyperionlegal.com>,

"KGruchow@leachjohnson.com" < KGruchow@leachjohnson.com>

**Subject:** RE: Clark County Case

Brian:

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Also, please forward me a current bill outlining the balance owed, I have not seen a bill from your office for more than a year.

If you have any questions, please let me know.

Sincerely,

Bruce Familian Manager DKB, LLC/DKB II, LLC From: Brian Padgett <bri>dpriancpadgett.com>

**Sent:** Friday, June 22, 2018 8:06 AM **To:** Bruce Familian <a href="mailto:shruce@familian.org">shruce@familian.org</a>

Cc: Amy Sugden <amy@briancpadgett.com>; Henriod, Joel D. <JHenriod@lrrc.com>; Polsenberg, Daniel F.

<DPolsenberg@lrrc.com>; neal@hyperionlegal.com; KGruchow@leachjohnson.com

Subject: Re: Clark County Case

Bruce,

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We have made this move for release of funds just as we do for every client. Pulling these funds will not jeopardize your rights on appeal. Anyone who tells you otherwise does not deal in eminent domain.

Finally, I'm going to send you another copy of our outstanding bill for services rendered. You can choose to pay it out of pocket or via this release of funds. Either way, we would like to have that resolved and then hand over all proceedings to the other attorneys you have hired who will do a fine job for you.

Best regards,

**BCP** 

**iPhone** 

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Brian & Amy:

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I would greatly appreciate an answer today regarding your actions and the status of the funds; did you withdraw them or not? If you have withdrawn the funds please furnish a complete accounting as it relates to where the moneys are being held and the balance.

If you have and questions, please let me know.

Sincerely,

Bruce Familian Manager DKB, LLC/DKB II, LLC

### **LAW OFFICES OF BRIAN C. PADGETT**

**INVOICE** 

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #126 DATE: 6/26/2018

FOR: NOVEMBER 2016 - MAY 2017 BILLABLE HOURS

TO:

Bruce Familian 5520 Stephanie Street Las Vegas, NV 89122

DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	1.7	\$395.00		\$671.5
Amy Sugden	125	\$395.00		\$49,375.00
Jeremy Duke	3.2	\$395.00		\$908.00
TOTAL BILLABLE ATTORNEY FEES				\$50,955.00
Costs – Copies				\$44.00
Cost Reimbursement				\$18,902.73
TOTAL ATTORNEYS' FEES & COSTS				\$69,945.73
	то	TAL DUE AND OWING		\$69,945.73

## **NOVEMBER 2016**

11/1	ALS	5.5	Familian	Exchange email correspondence with Mr. Mansfield confirming joint exhibit list and preparation of binders for the same; review and revise draft direct and cross examination outlines for witnesses
11/2	ALS	6.2	Familian	Receive and respond to email correspondence from Mr. Mansfield regarding finalization of joint exhibit list; receipt and review of Clark County's brief in support of admissibility of expert witness; draft and send proposed stipulation regarding land value to Mr. Mansfield for consideration; coordinate finalization of exhibit notebooks
11/3	ALS	5.8	Familian	Attend staus check with Mr. Gruchow and Mr. Mansfield before the Court; receive email correspondence from Mr. Mansfield regarding revisions to exhibit list; prepare for and attend expert witness prep meeting with Ms. Wondra and Mr. Gruchow; send draft language to Mr. Mansfield regarding stipulation for Mr. Familian's ability to testify regarding structural issues
11/4	ALS	7.5	Familian	Receipt and analyze proposed language regarding drainage easement acquisition from Mr. Mansfield; exchange email correspondences with Mr. Mansfield regarding stipulation for Mr. Familian's ability to testify regarding

## **NOVEMBER 2016**

				structural issues  ; receive and review email correspondence from Mr. Mansfield regarding finalization of stipulations of evidence for trial; review Clark County's expert reports and outline cross examination concepts
11/5	ALS	6.9	Familian	Receive and respond to email correspondence from Mr. Mansfield regarding proposed revisions to drainage easement acquisition stipulation;  draft trial testimony outline for Mr. Penney; continue to review Clark County's expert reports in consideration of presenting the landowner's case-inchief
11/6	ALS	6.6	Familian	Prepare for and attend meeting with Mr. Mansfield and Mr. Gruchow regarding finalization of three stipulations for trial; joint exhibits, jury instructions, etc.; prepare for and attend meeting with Mr. Godfrey and Mr. Gruchow regarding presentation of evidence; receive and respond to email correspondence from Mr. Godfrey regarding exhibits; receive and respond to email correspondence from Mr. Mansfield regarding filing of pre-trial memo; finalize outline for Mr. Penney's trial testimony and forward to Mr. Penney for review

### **NOVEMBER 2016**

11/7	ALS	13.4	Familian	Prepare for and attend trial; submit stiuplations for filing; continue preparing for presentation of Mr. Penney's testimony; provide exhibits to Mr. Godfrey for the same
11/8	ALS	11.8	Familian	Prepare for and attend trial; post- trial preparation for the next day
11/9	ALS	12.0	Familian	Prepare for and attend trial; receipt and review of proposed animation from Mr. Mansfield; confer with Mr. Mansfield and Mr. Gruchow about finalization of jury instructions
11/10	ALS	13.9	Familian	Prepare for and attend last day of trial; confer with jury post verdict and client regarding the same
-		89.6		

### **DECEMBER 2016 – JANUARY 2017**

12/19	ALS	2.5	Familian	Begin to draft motion for attorneys' fees
12/20	ALS	4.2	Familian	Review and revise motion for attorney's fees and costs; draft motion for costs;
12/21	ALS	3.3	Familian	Draft verified memorandum of costs
1/9	ВСР	1.2	Familian	Review and revise motions for attorneys fees and costs;
1/16	ALS	1.8	Familian	Draft motion for prejudment interest
1/20	ВСР	.5	Familian	Review motion for prejudgment interest; advise client of status of post trial motions and process for the same
		13.5		

Date	Time	By Whom	Task Performed
2/1/17	1.1	ALS	Email exchanges with client regarding amounts paid to date on attorneys fees and costs; confer with Mr. Padgett and Mr. Gruchow to confirm the same
2/2/17	.7	ALS	Receipt and review of email correspondence from client regarding proof of payments made to date; cross reference same with regard to finalizing motion for attorneys fees and costs
2/6/17	.1	ALS	Respond to email inquiry from the Court regarding recording fee for trial and payment thereof
2/7/17	3.9	ALS	Complete redactions and final preparation of time sheets for submission to the Court on filing of attorney's fees; submit same for filing
2/8/17	.1	ALS	Receive and respond to email communication from LVLV regarding payment for trial services rendered

2/8/17	4.4	ALS	Continue to review and revise draft verified memorandum of costs and motion for reimbursement of costs; finalize exhibits for same and submit for filing
2/15/17	.8	ALS	Receive and respond to email correspondence from client regarding status of post judgment filings; confer with Mr. Gruchow regarding motion for prejudgment interest
2/21/17	.6	ALS	Receipt and review of County's motion to retax cost; coordinate payments for outstanding trial invoices to the district court and LVLV
2/24/17	.7	ALS	Coordinate with opposing counsel regarding pending post trial motion practice and stipulation to extend briefing on the same; confer with Mr. Gruchow regarding potential to resolve with the County
2/28/17	.3	ALS	Receive and respond to client regarding status of hearings and briefing on post-trial motions, including the County's motion to retax; telephone conference with LVLV regarding status of payment for trial services and respond to email correspondence for payment to Court for jury meal

3/8/17	2.2	ALS	Begin to draft opposition to County's motion to retax
3/09/17	1.1	ALS	Continue to draft opposition to County's motion to retax
3/13/17	3.3	ALS	Finish opposition to County's motion to retax and submit for filing
3/16/17	.9	JBD	Review and revises draft motion for prejudgment interest
3/20/17	2.3	JBD	Draft reply to opposition to motion for attorney's fees

3/21/17	4.3	ALS	Review and revise draft reply to opposition to motion for attorney's fees, submit same for filing
TOTAL	26.8		

## LEACH JOHNSON SONG & GRUCHOW

8945 W. Russell Road, Suite 330 Las Vegas, NV 89148 Phone: (702) 538-9074 Facsimile: (702) 538-9113

Federal Tax I.D. 26-0150627 03/31/2017 **INVOICE** 

Familian

Client/Matter No. 9044-000 Invoice No. 188577

RE: Clark County Lawsuit

Previous Balance \$20,492.65

**Balance Due** \$20,492.65

Aged Due Amounts

0-30 31-60 61-90 91-120 121-180 181+
0.00 197.50 553.00 0.00 19,742.15 0.00

Please Remit \$20,492.65

## DECLARATION OF AMY L. SUGDEN IN SUPPORT OF PLAINTIFF'S VERIFIED MEMORANDUM OF COSTS

STATE OF NEVADA )
)ss.
COUNTY OF CLARK )

AMY L. SUGDEN declares:

- 1. I am a resident of Clark County, Nevada. I am over the age of eighteen (18) years and I am in all respects competent to make this Declaration. This Declaration is based upon my personal knowledge and, if called upon to testify, I would testify as set forth in this Declaration.
- 2. I am an attorney employed at the Law Offices of Brian C. Padgett, legal counsel of record for the Plaintiffs DKB, LLC and DKB II, LLC ("Landowner" or "Plaintiff") in the action known as <u>DKB, LLC and DKB II, LLC v. COUNTY OF CLARK, et al.</u>, Case Number A-12-668136-C.
- 3. This matter arises from an inverse condemnation action brought by the Landowner against the Defendant, COUNTY OF CLARK (hereinafter "Defendant" or "Clark County") for the partial taking of Landowner's property through construction of drainage facilities and other related improvements along Sunset Road, between Decatur Boulevard and Valley View Boulevard.
- 4. The jury trial in this case commenced on November 7, 2016 and concluded on November 10, 2016, when the jury found in favor of the Landowner for \$116,508.00 as compensation for the partial taking of the Landowner's property.
- 5. I submit this Declaration pursuant to Nevada law, including NRS 18.110(1). To the best of my knowledge and belief, the attached Memorandum of Costs represents a true and accurate account of all reasonable costs actually and necessarily incurred by the Landowner in this matter.
- 5. For the reasons set forth in the attached Motion for Reimbursement of Costs, I respectfully request the Court grant the Landowner an award of their costs as requested.

7. This request is made in good faith, and not for any improper purpose or to delay these proceedings.

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

Executed on this 9th day of February, 2017.

Page 2 of 5

# LAW OFFICES OF BRIAN C. PADGETT 611 SOUTH 6<sup>TH</sup> STREET LAS VEGAS, NEVADA 89101 PHONE (702) 304-0123 FACSIMILE (702) 368-0123

## **VERIFIED MEMORANDUM OF COSTS**

The Landowner actually and necessarily incurred costs and expenses associated with this case are as follows:

## Reporters' Fees & Costs for Travel to Deposition:

Veritext	\$655.25	Deposition of Noel Laughlin, PE
Southwest Airlines	\$254.80	Flight to Reno for Deposition of Noel Laughlin, PE
Western Reporting Services	\$179.55	Video Deposition of Michael Lloyd Lanning
Veritext	\$696.25	Deposition of Syndi J. Dudley, PhD, PE
Western Reporting Services	\$147.80	Deposition of Glenn M. Anderson
Western Reporting Services	\$248.40	Deposition of William Penney
Veritext	\$547.20	Deposition of James L. Marlett
Veritext	\$309.25	Deposition of Craig Smart
Clark County Treasurer	\$440.00	Recorder Transcriber for Jury Trial
Total of Court Reporting Fees:	\$3,478.50	·

The Landowner is entitled to reimbursement of these costs and expenses pursuant to Nevada's Constitution, NRS 37.120(3) and NRS 18.005(2) and (17).

## **Expert Witness Reports and Fees:**

Anderson Valuation Group	\$15,500.00	Expert Witness & Report Fee
Lumos & Associates	\$14,219.60	Expert Witness & Report Fee
Jeanne Wondra	\$3,0000.00	Expert Witness & Report Fee
IEZE Engineering	\$8,268.75	Expert Witness & Report Fee
Total of Expert Witness Reports and Fees:	\$40,988.35	

Page 3 of 5

FACSIMILE (702) 368-0123

The Landowner is entitled to reimbursement of these costs and expenses pursuant to Nevada's Constitution, NRS 37.120(3) and NRS 18.005(4), (5) and (17).

## Witness & Consulting Fees:

Tommy Cavigilia	\$26.00	Witness Fee
Craig Smart	\$26.00	Witness Fee
Noel Laughlin, PE & HDR Engineering, Inc.	\$26.00	Witness Fee
LAS Consulting	\$1,600.00	Litigation Consultant Fee
Baughman & Turner, Inc.	\$3,218.00	Litigation Consultant Fee
Total Witness Fees:	\$4,896.00	

The Landowner is entitled to reimbursement of these costs and expenses pursuant to Nevada's Constitution, NRS 37.120(3) and NRS 18.005(4), (5) and (17).

## **General Litigation Costs:**

Quivx <sup>1</sup>	\$3,364.68	Printing, Photocopying, & Legal Trial Support
$LVLV^2$	\$4,656.00	AV Trial Support
Printing & Photocopies	\$2,063.25	Printing and Photocopying Costs
Filing Fees	\$416.00	Court Filing & Clerk's Fees
First Legal & Legal Express	\$574.60	Courrier & Runner Services
Total General Litigation Costs:	\$11,074.53	

The Landowner is entitled to reimbursement of these costs and expenses pursuant to

Page 4 of 5

<sup>&</sup>lt;sup>1</sup> The Landowner and the County worked together to create one set of joint trial notebooks for trial. Therefore, this invoice costs actually includes those fees for the County's set of trial notebooks as well as the set for the Court and the witnesses during trial.

<sup>&</sup>lt;sup>2</sup> The Landowner and the County also agreed to utilize the same audio visual support for trial (in a mutal effort to minimize costs) so this invoice covers services rendered for both parties during trial.

Nevada's Constitution, NRS 37.120(3) and NRS 18.005(1), (12), (14) and (17).

## Jury Fees And Expenses:

Jury Expenses \$212.51 Jury Meals

Total Jury Fees And Expenses: \$212.51

The Landowner is entitled to reimbursement of these costs and expenses pursuant to Nevada's Constitution, NRS 37.120(3) and NRS 18.005(3) and (17).

<u>Total Costs:</u> \$60,649.89

Page 5 of 5

**Electronically Filed** 10/16/2018 9:08 AM Steven D. Grierson CLERK OF THE COURT ORDR 1 2 3 4 DISTRICT COURT 5 6 7 CLARK COUNTY, NEVADA 8 DKB, LLC, a Nevada Limited Liability Corporation and DKB II, LLC, a 9 Nevada Limited Liability Corporation, 10 Collectively, CASE NO.: A-12-668136-C 11 Plaintiff(s) 12 DEPARTMENT XXVI 13 COUNTY OF CLARK, a political Subdivision of the State of Nevada, 14 DOE GOVERNMENT AGENCIES I-X. 15 DOE INDIVIDUALS I-X, DOE 16 CORPORATIONS I-X, and DOE PARTNERSHIPS I-X, 17 DEFENDANT(S) 18 19 20 **DECISION AND ORDER** 21 22 Plaintiff DKB, LLC (identified herein as Landowner) filed this inverse 23 condemnation case alleging that Clark County (identified herein as the County) 24 connected a drainage pipe to the Plaintiff's underground drainage structure without a 25 26 valid drainage easement. The case went to trial in November 2016 and the jury 27 awarded the Landowner \$110,376 for a permanent easement, plus damages for 28

Case Number: A-12-66B136-C

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temporary construction of \$6,132, but found Landowner's cost to cure to be \$0.

Landowner filed post-trial motions seeking to amend the judgment with an award of pretrial interest, attorney's fees and costs. The motions were continued a number of times at the request of the parties. The Motion for Pretrial Interest was granted on June 13, 2017 and is not included in this decision. Supplemental briefing was provided on the Motion to Retax Costs and Motion for Attorney's fees and this Order will address the remaining issues.

#### MOTION TO RETAX COSTS

#### **Expert Witness Fees**

The County opposed Landowner's Memorandum of Costs; the motion was denied in part and taken under consideration as to expert witness fees. The Court found that Reporters' fees, costs of travel to depositions, and general litigation costs were reasonable, necessary and actually incurred. See, *The Cadle Company*, v. Woods & Erickson, LLP, \_\_\_Nev.\_\_\_, 345.3d 1049, (Ct. App. 2015), and NRS 18.110(1). The Motion to Retax was taken under consideration as to expert witness fees.

NRS 18.005(5) provides that the successful party may recover reasonable expert witness fees of not more than five experts in an amount of not more than

Total fees requested: \$382,337,50

27 28

Plaintiff sought fees for three attorneys who worked on the file, Mr. Padgett and Ms. Sudgen who handled pre litigation and discovery, and Ms. Sudgen and Mr. Gruchow who participated in the jury trial, at the rate of \$395 per hour of attorney time and \$140 per hour of paralegal time. The totals requested are:

Law Offices of Brian Padgett (776 hours @ \$395/hour) - \$306.520.00 Leach Johnson Song & Gruchow (176.1 hours @ \$395/hour) - \$69,559.50 Paralegal (44.7 hours @ \$140/hour) - \$6,258.00

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\$1,500 per expert "unless the court allows a larger fee after determining that the circumstances surrounding the expert's testimony were of such necessity as to require the larger fee." An award of more than \$1,500 in expert witness fees is reviewed for an abuse of discretion. See, Frazier v Drake, \_\_\_\_\_\_Nev. \_\_\_\_\_, 357 P.3d 365, (2015). In reaching its decision in Frazier the Court of Appeals quoted the Idaho Supreme Court's decision in State, Dep't of Transp. v. HJ Grathol, upholding an award in excess of the statutory expert limit in an eminent domain action because "the expert aided the court in understanding the incomprehensible issues presented, the testimony was helpful due to the exceptional nature of the case and the expert's testimony was necessary due to the complexity of the issues presented." See, Grathol at 158 Idaho 38, 343 P.3d 480, 494-95 (2015).

The Court of Appeals identified a number of factors which a court should consider in evaluating requests for expert witness fee awards, noting that the list is nonexhaustive, and further that not all of the factors will be pertinent in every case:

(T)he importance of the expert's testimony to the party's case; the degree to which the expert's opinion aided the trier of fact in deciding the case; whether the expert's reports testimony or were repetitive other expert witnesses; the extent and nature of the work performed by the expert; whether the expert had to conduct independent investigations or testing; the amount of time the expert spent in court, preparing a report, and preparing for trial; the expert's area of expertise; the expert's education and training; the fee actually charged to the party who retained the expert; the fees traditionally charged by the expert on related matters; comparable experts' fees charged in similar cases; and, if an expert is retained from outside the area where the trial is held. the fees and costs that would have been incurred to hire a

comparable expert where the trial was held.

Frazier, 357 P.3d at 378. The Supreme Court of Nevada has held that an expert need not testify at trial for the court to award fees. For example where the reason the expert did not testify was of the opposing party's making, specifically they chose on the eve of trial to not call their expert rendering it unnecessary for the rebuttal expert to testify. See, Logan v Abe, 131 Nev. Adv. Op. 31, 350 P.3d 1139, 1144 (2015).

#### Analysis of Expert Witness Billing

Clark County generally opposed the request for expert fees on the grounds that the fees were unreasonable and unsupported.<sup>2</sup> Specifically, the County argued against Thomas Guinn of Lumos & Associates as his conclusions were not relied on by DK3 and as to the Baughman & Turner "consultants" those witnesses did not testify. Clark County conceded that two of the Landowner's expert bills were reasonable; these were the appraiser Anderson Valuation and a land use planner Jeanne Wondra. The Landowner argued that all of its experts were necessary to value the portion of the property rights inversely taken; experts were also needed on the question of whether additional flows were diverted to the Landowner's property; and whether there were any additional damages to the property by virtue of the additional flows. The Landowner notes that on the eve of trial the County stipulated that it did not have a

The Landowner supported its Memorandum of Costs with the invoices from each expert/consultant, the reports and qualifications were not attached most of these documents are found elsewhere in the pleadings.

drainage easement and that an additional 65 cubic feet per second were added to the flows through Landowner's drainage facility. Additionally, the parties stipulated to certain structural engineering issues.

As noted above, the Supreme Court has held where experts do not testify at the last moment due to some change in the trial attributable in part to the actions of the opposing party. See, *Logan*, 350 P.3d 1139, 1144. As the expert fees cannot be automatically denied, their fees will be evaluated in accordance with the factors identified in *Frazier v Drake*, 357 P.3d at 378.

Anderson Valuation Group fees totaled \$15,500 for appraisal of the property and rebuttal to the County's appraisal expert. Mr. Anderson did testify at trial, as real estate appraisal experts are necessary to establish damages in an inverse condemnation case. Although the Landowner was not successful on its severance damage claim, it did recover damages for the permanent easement. Glenn Anderson is a certified appraiser and meets all of the requirements of competency established in Hallmark v Eldridge, 189 P.3d 646 (2008). Clark County conceded the reasonable ness of Mr. Anderson's fees, no doubt as the County had the benefit of comparison with the billing submitted by its own Appraiser, Tim Morse.

Although Mr. Anderson blocked billed his time, the Court can identify the general entries outline appropriate tasks for real estate appraisals in the special context of inverse condemnation litigation.

SBN Exhibit 9 Page 005

Similarly, Landowner expert Lumos & Associates billed \$14,219.60 for engineering consulting but provided no detail in its invoices. From the record available to the court it appears Lumos provided unique engineering services related to water flows. This was certainly a necessary aspect of the Landowner's case, in fact the parties reached a stipulation prior to trial to the fact that the water flows increased by 65 cubic feet. Thus, the need for testimony at trial was eliminated. As mentioned where a party decides to abandon an aspect of its case or where the parties agree to certain facts, eliminating the need for expert testimony, reasonable fees may nevertheless be awarded, and here Lumos' opinion contributed to resolution of a very complicated issue in the case. It appears that consultants Baughman & Turner provided additional assistance with the site visit, hydrology and drainage studies, which appear to overlap somewhat with the services of Lumos. As mentioned the site visit is one of the factors to consider in determining whether the expert fee was reasonable. Absent an itemization of the hours spent on each task the court has limited information upon which to base an evaluation; therefor the court finds the expert fees charged by Lumos appear reasonable, but absent information to differentiate the services provided by Baughman & Turner, there appears to have been some duplication of effort. Therefore, Lumos fees will be reduced by \$1,500 to \$12,719.60, and Baughman & Turner's consultant fees will be reduced to the statutorly amount of \$1,500.

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IEZE Engineering principal Jose Ruffer did not testify as he was hired to work in-house for Clark County shortly before trial. Mr. Ruffer's fees total \$8,268.75; however, there is no itemization that would permit the Court to evaluate the fees billed in light of the factors. Two of the factors discussed previously favor an award of Mr. Ruffer's fees. First, many of the engineering issues were mooted by the stipulation. Second, the County contributed to the unavailability to testify of the andowner's expert, and therefor should bear some of the cost as it was necessary to modify trial testimony of other witnesses so that Mr. Ruffer's opinions were not mentioned. For these reasons the Court awards the entire amount sought for Mr. Ruffer's fees. 

As mentioned previously, Jeanne Wondra was identified as a testifying expett on land use issues, although she was not called to testify. Her bill totaled \$3,000, and again provided no itemization or description of services upon which the Court could evaluate the reasonableness of her fees. Clark County, however, admits Ms. Wondra's fees were reasonable and necessary; again the County has unique knowledge of the nature and value of land use planning consultants. LAS Consultants provided land use related consulting services researching and gathering records of the County project that led to the Landowner's claim, their bill was \$1,600. As Ms. Wondra did not itemize her billing, the Court cannot determine whether there was any overlap with the services provided by LAS, which is one of the factors to consider.

Absent sufficient information to evaluate the services performed, the Court will allow the statutory amount of \$1,500 for LAS's consulting fees.

The Motion to Retax Costs is granted in part, and denied in part. The Court will allow fees for the four experts and two consultants in excess of the statutory limits of "not more than five" experts at "not more than \$1,500" each because the issues in this litigation involved complex engineering and hydrology issues, most of which were resolved by stipulation prior to trial; additionally condemnation cases require expert testimony on land use issues.

The following expert witness fees are awarded: the fees billed by Lumos will be reduced to \$12,719.60; the consultants fees for Baughman and Turner and LAS will be reduced to \$1,500 each. The Court denies the Motion to Retax as to Mr. Ruffer (IEZE) and awards \$8,268.75. The County did not raise any opposition to the fees of the appraiser Glenn Anderson (\$15,500) or the land use consultant Jeanne Wondra (\$3000); those fees are awarded in their entirety.

## MOTION FOR AN AWARD OF ATTORNEYS FEES Attorneys Fees are Awardable in Inverse Condemnation

The Landowner seeks recovery of its attorney's fees pursuant to Nevada

Constitution Art. I, 22(4). The complaint on file in this action seeks an award of

GLORIA I STURMAN DISTRICT COURT DEPARTMENT XXVI Las Vogas XV 89153 <sup>&</sup>lt;sup>3</sup> "In all eminent domain actions, just compensation shall be defined as that sum of money, necessary to place the property owner back in the same position, monetarily, without any governmental offsets, as if the property had never been taken. Just compensation shall include, but is not limited to, compounded interest and all reasonable costs and

attorney's fees but did not plead attorney's fees as a separate item of damages. 2 The Landowner asserted that its fees should be awarded because it was only 3 after four years of vigorously pursuing compensation for its property rights, on the eve of trial the county admitted it had effectuated a taking without payment of just 5 compensation, leaving damages as the only issue for trial.4 The County argues that the constitutional amendment does not authorize attorney's fees in this case or any other case. 9 10 Additionally, Landowner argues that NRS 37.185 authorizes the recovery of the 11 landowner's attorney's fees. The County counters that NRS 37.185 does not 12 authorize an award of attorney's fees in an inverse condemnation case; it simply does 13 not forbid payment of attorney fees. Chapter 37 was amended in the 2007 legislative 15 session, to provide: 16 Except as otherwise provided in this section, in all actions in eminent 17 domain, neither the entity that is taking property nor the owner of the 18 property is liable for the attorney's fees of the other party. This section does not apply in an inverse condemnation action if the owner of the 19 property that is the subject of the action makes a request for attorney's 20 fees from the other party to the action. 21 22 See, NRS 37.185 (emphasis added). 5 23 24 expenses actually incurred." (emphasis added)
The jury's verdict was for \$110,376 for the permanent easement and \$6,132 for temporary construction damages, the jury d id not award cost to cure or severance damages. The carve out allowing fees in inverse condemnation actions is significant as otherwise "inverse condemnation proceedings are constitutionally equivalent to eminent domain actions." See, County of Clark v Alper, 100 Nev. 382, 4t 27 391, 685 P.2d 943, at 949. 28

There are no published decisions under the statute; however, the one unpublished decision concerning a condemnation action strictly enforced the first clause of the statute. The unpublished decision involved an offer of judgment from Nevada Power that purported to be inclusive of attorney fees and costs. The Nevada Supreme Court found the offer of judgment to be invalid under the statute as the condemning authority may not extend an offer of judgment inclusive of attorney's fees. See Becker v Nevada Power Co., 128 Nev. 922, (2012). In footnote 4 of the decision the Supreme Court noted that the constitution had since been amended to reflect the public policy shielding landowners who seek to recover in an eminent domain action "as of November 2008, '[a] property owner shall not be liable to the government for attorney fees or costs in any eminent domain action." Nev. Const. art. 1, § 22(7).

No decisions have been published on the inverse condemnation exception in the statute. This action was filed seeking to recover for inverse condemnation, and specifically pled Landowner's damages included attorney's fees.

A similar provision allowing an award of attorney's fees was at one time included in the constructional defect statute. See, NRS 40.655 added 2003.<sup>6</sup> The 2015 amendments eliminated attorney's fees as an item of damages, but the case law

<sup>&</sup>lt;sup>6</sup> NRS 40.055 formerly provided: "1. Except as otherwise provided in NRS 40.650, in a claim governed by NRS 40.600 to 40.695, inclusive, and sections 2 to 15, inclusive, of this act, the claimant may recover only the following damages to the extent proximately caused by a constructional defect:

<sup>(</sup>a) Any reasonable attorney's fees...

<sup>2.</sup> The amount of any attorney's fees awarded pursuant to this section must be approved by the court."

that emerged during the period of time when fees were recoverable is instructive as to the analysis of the public policy behind an award of attorney's fees to homeowners.

In Schutte v Beazer Homes, 121 Nev 837, 124 P.3d 530 (2005) the award of fees was objected to on the grounds that the jury had not awarded fees as damages. The Supreme Court found that since the statute provided that an award of attorney's fees was subject to review by the Court it was not necessary for the jury to find that attorney's fees should be recovered. The Court held that:

Thus, any time ...a jury determines that the claimant is entitled to recover damages...a court can presume that the claimant is entitled to the recovery of attorney fees, whether or not the jury verdict explicitly so states.

...all that remains is the equitable calculation of the fees...NRS 40.655(2) specifically provides that the amount of fees recovered under that section "must be approved by the court." Consequently, we take the plain language of this subsection to expressly require the court to determine the reasonableness of the requested fees.

121 Nev. at 863.

In a subsequent decision the homebuilder had served an offer of judgment and argued that the homeowners should not recover attorney fees as they had recovered less than had been offered. See, *Albios v Horizon Communities*, 122 Nev. 409, 132 P.3d 1022 (2006). In Albios the Court noted that an award of fees under the constructional defect statute was not mandatory, and it was reasonable to apply the penalty provisions of the offer of judgment statute to reduce or eliminate attorney's fees. The Court ultimately found that the offer of judgment was exclusive of fees and

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costs, but that no mention was made of interest. Thus, after prejudgment interest was added, the Albioses recovered more than the offer of judgment and were entitled to their attorney's fees.

The district court is not limited in its approach for determining the amount of attorney fees to award, but it must conduct its analysis in light of the *Brunzell v. Golden Gate National Bank* factors, "namely, the advocate's professional qualities, the nature of the litigation, the work performed, and the result."

122 Nev. 409, at

The only issue in the instant matter is whether the constitutional provision and/or eminent domain statutes permit an award of fees, and if so are the fees requested reasonable. Absent case law to the contrary, the public policy behind the eminent domain law appears similar to that of the prior constructional defect statutes. Therefore, the language of Section 22 (4) of Article 1 of the Nevada Constitution governing eminent domain proceedings logically includes attorney's fees in the definition of "just compensation."

Further, the Court disagrees with the County's analysis that the carve out in NRS 37.185 "does not authorize an award of attorney's fee... it simply does not forbid payment of attorney fees." Chapter 37 was amended to specifically except inverse condemnation actions from the limitation on attorney fees in eminent domain actions. In order to give meaning to the statutory distinction disallowing an award of

<sup>&</sup>lt;sup>7</sup>"Just compensation shall include, but is not limited to, compounded interest and all reasonable costs and expenses actually incurred." Art. I, Sect. 22(4) Nevada Constitution.

attorney's fees in eminent domain actions, while expressly allowing an award in inverse condemnation actions, the Court concludes that the public policy expressly anticipates that landowner who must prove a taking by the governmental entity and that it suffered damages from the taking, should recover its attorney's fees.

Based on the foregoing, this Court finds that the Landowner is entitled to an award of attorney's fees, which the Court must analyze for reasonableness.

#### BRUNZELL ANALYSIS

In Shuette, the Supreme Court noted that the determination of "a reasonable fee" is subject to the discretion of the court "tempered only by reason and fairness." Further the Court held "the court is not limited to one specific approach" and may start with any method including using a "lodestar" amount or a contingency fee.

"Whichever method is chosen as a starting point, however, the court must continue its analysis by considering the requested amount in light of the factors enumerated by this court in *Brunzell v. Golden Gate National Bank*, namely the advocates professional qualities, the nature of the litigation, the work performed, and the result.

121 Nev.837, 864-866 (footnotes omitted). Most recently in the context of a contingency fee case the Nevada Court of Appeals held that the trial court is not confined to basing an attorney fee award on billing records or hourly statements billing records are not required for every attorney fee request. See, Wynn Las Vegas,

In Brunzell the Supreme Court listed "four general headings (1) the qualities of the advocate: his ability, his training, education, experience, professional standing and skill; (2) the character of the work to be done: its difficulty, its intricacy, its importance, time and skill required, the responsibility imposed and the prominence and character of the parties where they affect the importance of the litigation; (3) the work actually performed by the lawyer: the skill, time and attention given to the work; (4) the result: whether the attorney was successful and what benefits were derived." 85 Nev. 345, at 349.

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LLC, v. O'Connell, (WL 4405474 August 30, 2018). The Nevada Supreme Court has held that whatever method is used to determine a baseline for attorney fees, the trial court must then weigh the Brunzell factors in deciding what amount to award, "In this manner...the result will prove reasonable as long as the court provides sufficient reasoning and findings in support of its ultimate determination." Shuette, 21 Nev., at 864-865, 123 P.3d at 549.

Here counsel for the Landowner provided detailed invoices based on hourly billing. While the County contends that the amount of attorney fees sought were unreasonable, the qualities of the advocates were not challenged, rather the County questioned why three attorneys each billing at the rate of \$395 per hour were necessary to prepare and present this "uncomplicated" case. Further, the County argued that the Landowner was minimally successful and the jury's verdict was slightly more than the County had argued for damages, and \$1.5million less than Landowner sought. The County challenged specific entries because the entry was either related to severance damages, excessive, incomprehensible due to redactions, duplicative or was for an administrative task.

First the court notes that it is common for a client to have co-counsel present at trial to keep up with myriad tasks that arise. Further, the fact that Mr. Gruchow joined

As an unpublished decision of the Court of Appeals this decision is not cited as authority, but as an example of the application of the statement in Shuette that an award of fees may be based on a contingent fee agreement.

The jury found in favor of the landowner, but awarded ZERO for cost to cure and/or severance damages.

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the litigation team for trial and that Mr. Padgett's participation ended shows counsel took care to avoid duplicating efforts. Finally, it was not unreasonable for trial counsel to review the file in preparation for trial, just because he had not participated in discovery. Any attorney preparing for trial would be expected to review the file, regardless of whether she was present at a deposition, or had previously reviewed an expert report, or was present at pretrial hearings.

The forgoing general objections having been rejected the court finds the hourly rate of \$395 per hour is reasonable in Clark County for the specialized arena of eminent domain litigation. The court does not find this matter to have been "uncomplicated" as suggested by the County. Each of the three attorneys who worked on this matter for the Landowner specializes in eminent domain and inverse condemnation matters, which incorporates issues relating to civil engineering and construction as well as real estate valuation.

The billing records provided by counsel, while redacted for attorney client privilege, are fairly detailed. In considering an award of attorney's fees where counsel block billed time the Nevada Supreme Court has held that is not necessarily inappropriate so long as each entry is sufficiently detailed that the nature of the tasks billed can be determined. *In re Margaret Mary Adams 2006 Trust*, (WL 1423378, March 26, 2015). Here, most of the redacted billing entries are sufficiently detailed

<sup>&</sup>lt;sup>11</sup> The Court has ruled on attorney fee petitions in other eminent domain cases and the hourly rate is consistent with tha charged by other law firms for attorneys with similar experience and expertise.

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such that, when read in context with other entries, the court can determine what tasks were performed.

The County flagged as "duplicative" visits to the work site by an associate to document the progress of the project, the Court does not find visiting the challenged work site on a regular basis to be inappropriate.

The billing statements were redacted for privileged information. Redactions for attorney/client communications are entirely reasonable and will not be reduced, however, some redactions for what appears to have been attorney work product are so extensive as to render certain billing entries meaningless. It should be noted that some redacted entries can be placed in context by reading surrounding time entries. The Court also finds that some of the challenged entries are merited where the entry appears duplicative of an entry on the same date, but because of redactions the Court cannot determine whether different tasks were involved. Additionally it appears that the County objects to paralegal time as duplicative, however, having practiced law for 27 years prior to assuming the bench the court believes there is nothing unreasonable in counsel reviewing documents in order to give direction to a paralegal as to filing, indexing, numbering or any other method of organization or production. Counsel seeks a relatively modest amount for paralegal time and having reviewed the respective entries finds the paralegal time to reasonable and recoverable. The Nevada Supreme Court has held that paralegal and other non-attorney staff fees are

recoverable so long as billed at a lower rate. The reason for this holding is that the use of legal assistants "reduces litigation costs." See, LVMPD v Yeghiazarian, 129

Nev. 760, 312 P.3d 503, (2013). The Brunzell factors also apply to the analysis of paralegal and law clerk fees. Here, recovery for paralegal time is sought at the hourly rate of \$140 per hour, which based on review of billing, submitted in other eminent domain cases is below the range of rates charged for litigation paralegal time. The tasks undertaken by the paralegals in this case are type of work that an attorney would otherwise have to do, at substantially less cost per hour, or are necessary support services for the attorneys. Id., 129 Nev. at 770.

#### **Analysis of Billing Entries**

With these principles in mind the Court reviewed the redacted billing entries flagged by the County to determine whether the fees requested satisfy the requirements of *Brunzell*. <sup>13</sup> The four general categories for consideration are: (1) the qualities of the advocate: his ability, his training, education, experience, professional standing and skill; (2) the character of the work to be done: its difficulty, its intricacy its importance, time and skill required, the responsibility imposed and the prominence and character of the parties where they affect the importance of the litigation; (3) the work actually performed by the lawyer: the skill, time and attention given to the work;

<sup>12</sup> The Court has observed hourly rates charged for litigation paralegals average \$150; although rates as high as \$175 have been approved, requests submitted for \$200 per hour have been denied.

<sup>&</sup>lt;sup>13</sup> The County coded the flagged time entries: "SD" stands for severance damages, which were not awarded by the jury: "NM" for not in motion; "E" for excessive; "R" for redacted/Incomprehensible; "D" for duplicative; "A" for admin (which the court interprets as referring to tasks that should not be billed at an attorney rate.

(4) the result: whether the attorney was successful and what benefits were derived.

The final factor appears to be the major area of dispute, the County argues that any time spent on severance damages should be denied as the Landowner was not successful on his claim for severance damages, specifically, whether the property was permanently damaged by the box culvert. As mentioned previously this case involved complicated issues of hydrology and other civil engineering issues as well as valuation of the property. The engineering issues overlap with the question of severance damages such that it is difficult for the Court to isolate any particular billing entry as solely related to severance damages. Many of the liability issues were esolved prior to trial upon stipulation of the parties. See Stipulation and Order egarding structural testimony (by Bruce Familian principal representative for the andowner) filed November 7, 2016 and Stipulation and Order regarding Easement Acquisition filed November 8, 2016. These stipulations substantially narrowed the ssues for trial to damages for the easement, construction related damages and severance damages. The Landowner recovered on the first two categories (albeit for ess than was sought) and did not recover for severance damages, for which andowner sought significant damages. Nevertheless the issues were so intertwined that the efforts of Counsel can only be viewed as a whole, and the Landowner was successful on two of its three claims.

The Court finds that the fees billed by Mr. Gruchow were reasonable and

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properly incurred in preparation for and participating in the trial.

Having reviewed the monthly billing records starting in August 2012 through the post-trial motions in January 2017, the Court finds that 46.1 hours of the time billed by the Law Offices of Brian Padgett cannot be confirmed as having been reasonable due to redactions. See, Exhibit B. The total amount of attorney fees requested by Law Offices of Brian Padgett is reduced to \$288,310.50. <sup>14</sup> Fees for paralegal time will also be awarded, the entire amount requested was reasonable and related to attorney support tasks which otherwise an attorney would have performed, but billed a lower rate than for an attorney. The paralegal billed 44.7 hours at \$140/hour for a total of \$6,258.00.

The Landowner's Motion for an Award of Attorney's fees is GRANTED, as all of the counsel were particularly skilled in a unique area of the law, the rate charged was reasonable in the local community, and the case presented unusual issues involving hydrology and engineering, while the jury did not award severance damages, the parties were able to reach stipulations that reduced the issues for trial. Further, the issues were interrelated to the extent the Court finds that the billing entries attributed by the County to the severance damage issue are not so obviously unrelated to the overall case. Although the County argues that the results obtained at trial were close to the amount offered for settlement prior to trial, the Landowner was

The fee reductions of 46.1 hours at the hourly rate of \$395 total \$18, 209.50.

successful in recovering damages so an award of attorney's fees is warranted.

The Landlord sought fees for three attorneys at \$395 per hour. The Law offices of Brian Padgett billed for two attorneys, Mr. Padgett and Ms. Sudgen, who handled the pre litigation and discovery phases; prior to Ms. Sudgen working on the file, another attorney, identified by initials, only billed a relatively modest amount Additionally the firm billed for paralegal time at the rate of \$140 per hour. Two glattorneys participated in the trial: the Padget lawfirm billed for Ms. Sudgen, while Leach Johnson, et al billed for Mr. Kirby Gruchow, for trial preparation and appearance at trial, Mr. Padgett did not bill for any trial time.

#### CONCLUSION

WHEREFOR, based on pleadings and papers on file herein, the arguments of counsel and the law that applies in this case as set forth above, the Motion to Retak Costs is GRANTED IN PART. Expert witness fees are awarded as follows: Lumos \$12,719.60; Baughman and Turner \$1,500; LAS \$1,500; Mr. Ruffer (IEZE) \$8,268.75; Glenn Anderson \$15,500; Jeanne Wondra \$3,000. The total amount warded for expert witness fees is \$42,488.35.

FURTHER, attorney fees are awarded as follows: the Law Offices of Brian Padgett, requested 776 hours which will be reduced by 46.1 hours to 729.90 hours at the hourly rate of \$395 which totals \$288,310.50 for attorney's fees plus 44.7 hours of Paralegal time at \$140 per hour totaling \$6,258.00; attorney fees are also awarded to

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1	Leach Johnson Song & Gruchow for 176.1 hours at \$395 per hour totaling
2	\$69,559.50. The total of attorney's fees awarded is \$364,128.
3	IT IS SO ORDERED
4	IT IS SO ORDERED
5	DATED: This day of Coto 2018
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10	GLORIA J. STURMAN District Court Judge, Dept. XXVI
11	
12	Counsel for the Landlord is directed to prepare a Notice of Entry of Decision and
13	Order.
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16	CERTIFICATE OF SERVICE
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18	I hereby certify that on the date signed, a copy of the Foregoing Order was
19	electronically served on all parties registered in P-14-082619.
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24	Linda Denmar, Judicial Executive Assistant
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**Electronically Filed** 10/16/2018 11:17 AM Steven D. Grierson CLERK OF THE COURT

Page 1 of 3

2. The Lie	n has been perfected by service of Notice of Filing of Attorney's Lien Pursuant
to NRS 18.015 upon	Attorney's clients, DKB, LLC; DKB II, LLC ("Client"), plaintiff herein, and
against Defendant C	ounty of Clark ("County") whom Client has a cause of action, through its
counsel, Agnes N. Ha	anley.
3. This Lie	en, pursuant to NRS 18.015, attaches to any settlement, verdicts, judgments or
decrees entered and :	to any money which is recovered on account of any suit filed, or any other

- 3. This Lien, pursuant to NRS 18.015, attaches to any settlement, verdicts, judgments or decrees entered and to any money which is recovered on account of any suit filed, or any other action, according to the specific terms of the fee agreement between Attorney and Client and any agreements related thereto, from the time of service of this Notice.
- 4. This Lien is for attorney's fees and litigation costs due Attorney resulting from legal services provided and litigation costs advanced by said Attorney for Client in and for the above captioned action pursuant to the fee agreement dated July 26, 2012 and October 31, 2016, addendum thereto (collectively "Fee Agreement"). Pursuant to the Fee Agreement, the Client placed the issues involved in the above captioned matter in the Attorney's hands for suit and collection.

DATED this 16th day of October, 2018.

#### LAW OFFICES OF BRIAN C. PADGETT

By: /s/ Amy L. Sugden
Brian C. Padgett, Bar No. 7474
Amy L. Sugden, Bar No. 9983
611 South Sixth Street
Las Vegas, Nevada

Attorneys for Attorneys for Landowner

Page 2 of 3

#### CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of the Law Offices of Brian C.

Padgett, and that on this date I served the foregoing **NOTICE OF FILING OF ATTORNEY'S** 

LIEN PURSUANT TO NRS 18.015 on the parties set forth below by:

[ ] Placing an original or true copy thereof in a sealed envelope placed for collection and mailing in the United States mail, at Las Vegas, Nevada, postage prepaid, following ordinary business practices.

[ ] Personal delivery

[ ] Facsimile

[X] Odyssey E-File and Serve System

TO:

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Agnes N. Hanley

2300 West Sahara Avenue, Suite 800

Las Vegas, Nevada 89102

Agnes@HanleyLF.com

Attorneys for County of Clark

Kirby C. Gruchow, Jr. Esq.

Leach Johnson Song & Gruchow

8945 W. Russell Road, Suite 330

Las Vegas, NV 89148

Attorneys for DKB, LLC & DKB II, LLC

**Daniel Polsenberg** 

Joel D. Henriod

Lewis Roca Rothgerber Christie LLP

3993 Howard Hughes Pkwy., Suite 600

Las Vegas, NV 89169

Attorneys for DKB, LLC & DKB II, LLC

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Bruce Familian

4534 W Hacienda Ave # A,

Las Vegas, NV 89118

Principal, DKB, LLC & DKB II, LLC

Executed this 16th day of October, 2018

<u>/s/ Ruth Ramos-Ayala</u>

Law Offices of Brian C. Padgett

Page 3 of 3

From: Sent: Bruce Familian [bruce@familian.org]
Thursday, October 25, 2018 12:16 PM
Brian Padgett; Amy Sugden; Kirby Gruchow

To: Cc:

'Joel Henriod'; Polsenberg, Daniel F.; Neal Tomlinson

Subject:

Clark County Case

#### Brian:

I saw that the court awarded me approximately \$400,000 in attorney's fees and costs. While I am reserving all of my rights, I have no objection to you taking the amount of attorney's fees/costs you claim are owed (approximately

\$70,000) from the attorney fee award proceeds.

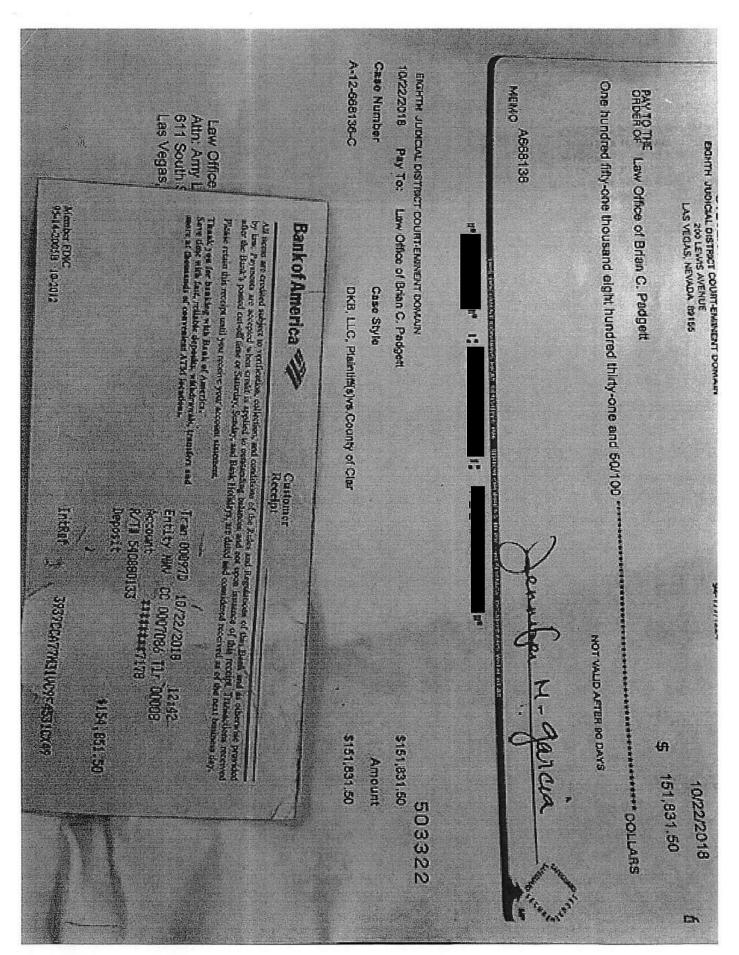
I authorize you to take the steps needed to obtain payment of the attorney fee award from Clark County.

Please keep me updated with any filings or communications with Clark County.

Please know that Joel still maintains that the funds on deposit with the court for the judgment/interest should not be touched during the appeal.

Sincerely,

Bruce Familian Manager DKB, LLC/DKB II, LLC



SBN Exhibit 12 Page 001

# 

Lewis Roca

## **DECLARATION OF ABRAHAM G. SMITH**

- I, Abraham G. Smith, declare as follows:
- 1. I am an attorney at Lewis Roca Rothgerber Christie LLP and was counsel of record for plaintiffs DKB, LLC and DKB II, LLC in *DKB*, *LLC et al.* v. County of Clark et al., Case No. A668136 in the Eighth Judicial District Court. Bruce Familian is the principal of both DKB, LLC and DKB, II.
- 2. As Mr. Familian and the county were reaching a settlement in principle, the county pointed out that the county had already deposited \$151,831.50 with the clerk of the court and that those funds had been withdrawn by Mr. Padgett's office. The settlement therefore had to offset the funds that the county had already paid out.
- 3. On Wednesday, April 24, 2019, I called Mr. Padgett's office but was told by his assistant or receptionist, Ruth, that he was not in, that no other attorney was in, and that Ruth did not know when Mr. Padgett would be in.
- 4. On Friday, April 26, 2019, I again called Mr. Padgett's office and explained the nature of my call, seeking information about the whereabouts of the money that had been on deposit with the court. Again, Ruth responded that Mr. Padgett was not in and that she could not say when he would be in.
- 5. That same day, I followed up by e-mailing Ruth about the status of these funds. (Ex. 1, A. Smith E-mails.)
- 6. I called and left a message again and eventually wrote a second email to Mr. Padgett on Tuesday, April 30, 2019, demanding to know the status of the funds and requesting a call as soon as possible. (*Id.*)
  - 7. I received no response to any of my phone calls or e-mails.

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

    Dated this 27th day of August, 2019.

ABRAHAM G. SMUTH (SBN 13,250)

# EXHIBIT 1

# EXHIBIT 1

### Helm, Jessica

From: Smith, Abraham

**Sent:** Tuesday, April 30, 2019 9:52 AM

**To:** brian@briancpadgett.com; ruth@briancpadgett.com

Cc: Polsenberg, Daniel F.; Henriod, Joel D.; Helm, Jessica; Crawford, Adam

**Subject:** RE: DKB v. Clark County withdrawal of deposited funds

#### Mr. Padgett,

Bruce Familian needs to know the status of the \$151,831.50 that the county had deposited with the clerk and that your office withdrew. We have left multiple messages with your office without response. Please call our office as soon as possible.

#### Abraham G. Smith

Associate 702.474.2689 office 702.216.6244 fax asmith@Irrc.com



Lewis Roca Rothgerber Christie LLP 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 <u>Irrc.com</u>

From: Smith, Abraham

Sent: Friday, April 26, 2019 9:19 AM

To: 'ruth@briancpadgett.com' <ruth@briancpadgett.com>

Cc: Polsenberg, Daniel F. <dpolsenberg@lrrc.com>; Henriod, Joel D. <jhenriod@lrrc.com>; Helm, Jessica

<jhelm@lrrc.com>; Crawford, Adam <ACrawford@lrrc.com>
Subject: DKB v. Clark County withdrawal of deposited funds

Ruth,

This is to follow up on our conversation Wednesday and this morning. Please give Mr. Padgett this message regarding DKB v. Clark County, Case No. A-12-668136-C: Mr. Familian would like to know the status of the \$151,831.50 that the county had deposited with the clerk and that your office withdrew.

Thank you,

#### Abraham G. Smith

Associate 702.474.2689 office 702.216.6244 fax asmith@lrrc.com



Lewis Roca Rothgerber Christie LLP 3993 Howard Hughes Parkway, Suite 600

# DKB, LLC., and DKB II, LLC., ACCOUNTING OF A-12-668136-C

Attorney Fees Padgett	776 hours requested	\$288,310.56
1 address	729.9 hours ordered	7200,310.3
	reduced by 46.1 hours as Judge could	
	not confirm due to redactions	
Gruchow	176.1 hours requested / ordered	\$69,559.5
		<del>                                     </del>
Paralegal	44.7 hours requested / ordered	\$6,258.0
Expert Fees	C45 500 00	C4E E00.0
Anderson Valuation Group	\$15,500.00 requested	\$15,500.0
1 Q A	No opposition raised	642.740.6
Lumos & Associates	\$14,219.60 requested	\$12,719.6
	reduced by \$1,500.00 in overlap of	
	services to Baughman & Turner	
Jeanne Wondra	\$3,000.00 requested	\$3,000.0
	No opposition raised	ļ <u>-</u>
IEZE Engineering	\$8,268.75 requested	\$8,268.7
	All amount awarded	
LAS Consulting	\$1,600.00 requested	\$1,500.00
	\$1,500.0 <u>0</u> was awarded	
Baughman & Turner	\$3,218.00 requested	\$1,500.0
	\$1,500.00 was awarded	
Other Costs	<u>-                                    </u>	
Reporter's Fees /Depo	\$3,478.50 requested	\$3,478.5
	No objection raised	
Witness fees	\$26.00 x 3	\$78.0
	No objection raised	,
General Litigation Costs	\$11,074.53	\$11,074.5
•	No objection raised	
Jury Expenses	\$212.51	\$212.5
, ,	No objection raised	
		=========
TOTAL AMOUNT AWARDED		\$421,459.89
CREDITS		
Client Payments to date	<\$231,628.35>	<\$231,628.35
•	See Itemized Payments	' '
Received from Court	<\$151,599.83>	<\$151,599.83
<u> </u>		
TOTAL AMOUNT DUE FROM C	LIENT	\$38,231.7
LESS CREDITS FOR PAYMENTS		<24,386.26
		=======================================
•		\$13,845.4
46.1 HOURS ATTORNEY FEES N	NOT AWARDED BY COURT AS REDACTED	\$18,209.5
	ORNEY FEES NOT INCLUDED IN MOTION	\$10,586.0
20.0 HOURS ADDITIONAL AT IT	ONIVEL LES NOT INCLODED IN MICHOIN	\$10,566.0

#### NRS 18.015 Lien for attorney's fees: Amount; perfection; enforcement.

- 1. An attorney at law shall have a lien:
- (a) Upon any claim, demand or cause of action, including any claim for unliquidated damages, which has been placed in the attorney's hands by a client for suit or collection, or upon which a suit or other action has been instituted.
  - (b) In any civil action, upon any file or other property properly left in the possession of the attorney by a client.
- 2. A lien pursuant to subsection 1 is for the amount of any fee which has been agreed upon by the attorney and client. In the absence of an agreement, the lien is for a reasonable fee for the services which the attorney has rendered for the client.
- 3. An attorney perfects a lien described in subsection 1 by serving notice in writing, in person or by certified mail, return receipt requested, upon his or her client and, if applicable, upon the party against whom the client has a cause of action, claiming the lien and stating the amount of the lien.
  - 4. A lien pursuant to:
- (a) Paragraph (a) of subsection 1 attaches to any verdict, judgment or decree entered and to any money or property which is recovered on account of the suit or other action; and
- (b) Paragraph (b) of subsection 1 attaches to any file or other property properly left in the possession of the attorney by his or her client, including, without limitation, copies of the attorney's file if the original documents received from the client have been returned to the client, and authorizes the attorney to retain any such file or property until such time as an adjudication is made pursuant to subsection 6,
- → from the time of service of the notices required by this section.
- 5. A lien pursuant to paragraph (b) of subsection 1 must not be construed as inconsistent with the attorney's professional responsibilities to the client.
- 6. On motion filed by an attorney having a lien under this section, the attorney's client or any party who has been served with notice of the lien, the court shall, after 5 days' notice to all interested parties, adjudicate the rights of the attorney, client or other parties and enforce the lien.
- 7. Collection of attorney's fees by a lien under this section may be utilized with, after or independently of any other method of collection.

(Added to NRS by <u>1977, 773</u>; A <u>2013, 271</u>)

SBN Exhibit 15 Page 001

305 P.3d 907 (2013)

Audie G. LEVENTHAL, Appellant,
v.
BLACK & LOBELLO, Respondent.
Audie G. Leventhal, Appellant,
v.
Black & LoBello, Respondent.

Nos. 58055, 59671.

Supreme Court of Nevada.

July 11, 2013.

908 \*908 Robinson & Wood and Keith D. Kaufman, Las Vegas, for Appellant.

Black & LoBello and Michele Touby LoBello, Las Vegas, for Respondent.

BEFORE PICKERING, C.J., HARDESTY and SAITTA, JJ.

#### **OPINION**

By the Court, PICKERING, C.J.:

This is an appeal from an order adjudicating a law firm's charging lien for fees against its former client under NRS 18.015. The firm did not serve the statutory notices required to perfect its lien until the case was over. Under NRS 18.015(3), a charging lien only attaches to a "verdict, judgment or decree entered and to ... money or property which is recovered on account of the suit or other action, *from the time of service of the notices required by this section*." (Emphasis added.) Since the decree became final months before the lien was perfected—and no prospect of post-perfection recovery appeared—the lien should not have been adjudicated under NRS 18.015(4).

## I.

After his wife, Jacqueline, sued appellant Audie Leventhal for divorce, he hired respondent Black & LoBello (LoBello) to represent him. Leventhal's answer to Jacqueline's complaint included a counterclaim seeking to enforce a prenuptial agreement that protected his separate property. In May 2010, a final decree of divorce was entered based on a stipulated marital settlement agreement. Under the stipulated decree, Leventhal retained most of his separate property and was awarded joint custody of his son.

Some months later, Jacqueline and Leventhal returned to court with a post-decree dispute over child custody. Still representing Leventhal, LoBello argued that the post-decree proceeding was so far removed from the original divorce proceeding that it was "really a new action initiated by Jacqueline's most recent Motion." In January 2011, Leventhal and Jacqueline managed to resolve their custodial differences by stipulation. From what appears in the record, the post-decree dispute centered on child custody; its stipulated resolution left Leventhal with joint custody and did not produce any new recovery of money or property.

Leventhal paid LoBello for the firm's work through entry of the final decree. He did not pay LoBello, though, for the fees charged to litigate the post-decree dispute. Eventually, LoBello filed a motion to withdraw as counsel, along with a notice of, and a motion to adjudicate and enforce, a charging lien for unpaid attorney fees. By then, the divorce decree had been final for months, the decree's property-distribution terms had been implemented, and even the post-decree child-custody dispute had been resolved by filed stipulation. As LoBello later acknowledged, with the case effectively over, "[o]bviously, [Leventhal] could not recover anything further."

\*909 Even so, the district court granted LoBello's post-decree motion to adjudicate and enforce a charging lien. It entered personal judgment for LoBello and against Leventhal for \$89,852.69. Leventhal appeals, and we reverse. [1]

#### II.

#### A.

Nevada attorneys have all the usual tools available to creditors to recover payment of their fees. For example, a law firm can sue its client and obtain a money judgment for fees due, thereby acquiring, if recorded, a judgment lien against the client's property. NRS 17.150(2). An attorney also has a passive or retaining lien against files or property held by the attorney for the client. See <u>Argentena Consol. Mining Co. v. Jolley Urga Wirth Woodbury & Standish</u>, 125 Nev. 527, 532, 216 P.3d 779, 782 (2009). Finally, in an appropriate case, an attorney may assert a charging lien against the client's claim or recovery under NRS 18.015. *Id.;* see NRS 18.015(5) ("Collection of attorney's fees by a [charging] lien under this section may be utilized with, after or independently of any other method of collection."). [2]

A charging lien is "a unique method of protecting attorneys." <u>Sowder v. Sowder, 127 N.M. 114, 977 P.2d 1034, 1037 (N.M.Ct. App.1999)</u>. Such a lien allows an attorney, on motion in the case in which the attorney rendered the services, to obtain and enforce a lien for fees due for services rendered in the case. See <u>Argentena, 125 Nev. at 532, 216 P.3d at 782</u>. A charging lien "is not dependent on possession, as in the case of the general or retaining lien. It is based on natural equity—the client should not be allowed to appropriate the whole of the judgment without paying for the services of the attorney who obtained it." 23 *Williston on Contracts* § 62:11 (4th ed. 2002).

The four requirements of NRS 18.015 must be met for a court to adjudicate and enforce a charging lien. See <u>Schlang v. Key Airlines, Inc.</u>, 158 F.R.D. 666, 669 (D.Nev.1994) (indicating that, in Nevada, a charging lien is a creature of statute). First, there must be a "claim, demand or cause of action, ... which has been placed in the attorney's hands by a client for suit or collection, or upon which a suit or other action has been instituted." NRS 18.015(1); see <u>Argentena</u>, 125 Nev. at 534, 216 P.3d at 783 (stating that where the client "did not seek or obtain any affirmative recovery in the underlying action, ... there [is] no basis for a charging lien"). The lien is in the amount of the agreed-upon fee or, if none has been agreed upon, a reasonable amount for the services rendered "on account of the suit, claim, demand or action." NRS 18.015(1). Second, the attorney must perfect the lien by serving "notice in writing, in person or by certified mail, return receipt requested, upon his or her client and upon the party against whom the client has a cause of action, claiming the lien and stating the interest which the attorney has in any cause of action." NRS 18.015(2). Third, the statute sets a timing requirement: Once perfected, the "lien attaches to any verdict, judgment or decree entered and to any money or property which is recovered on account of the suit or other action, from the time of service of the notices required by this section." NRS 18.015(3). Fourth, the attorney must timely file and properly serve a motion to adjudicate the lien. NRS 18.015(4). It is the interpretation of the third requirement that is at \*910 issue here. The proper construction of NRS 18.015 is a question of law that we review de novo. <u>Argentena</u>, 125 Nev. at 531, 216 P.3d at 782.

### B.

LoBello argues that the favorable outcomes in the property and child custody settlements both present recovery to which the lien could attach and that, alternatively, a lien can attach even where no tang ble value is procured. In LoBello's view, *Argentena* incorrectly precludes charging liens in cases that do not produce an affirmative recovery. LoBello further argues that *Argentena* unconstitutionally disfavors attorneys who seek to defend or retain rights rather than procure property. LoBello both misunderstands the nature of charging liens and ignores the attorney's ability to pursue client fees via other means available to creditors.

Fundamentally, NRS 18.015(3) requires a client to assert an affirmative claim to relief, from which some affirmative recovery can result. A charging lien cannot attach to the benefit gained for the client by securing a dismissal; it attaches to "the tangible fruits" of the attorney's services. *Glickman v. Scherer*, 566 So.2d 574, 575 (Fla. Dist.Ct.App.1990); see also Argentena, 125 Nev. at 534, 216 P.3d at 783-84; Sowder, 977 P.2d at 1037. This "fruit" is generally money, property, or other actual proceeds gained by means of the claims asserted for the client in the litigation. [5] See *Glickman*, 566 So.2d at 575;

see ABA/BNA Lawyers' Manual on Professional Conduct, at 41:2114 (2002) (discussing the types of property needed for a charging lien to attach); see also <u>Mitchell v. Coleman</u>, 868 So.2d 639, 642 (Fla.Dist.Ct. App.2004).

Argentena is controlling precedent. There, the parties settled a personal injury action, and all claims against Argentena were dismissed. 125 Nev. at 530, 216 P.3d at 781. Argentena's counsel moved to adjudicate its charging lien, but the only result obtained in that case was that the claims against Argentena were dismissed; Argentena did not assert any counterclaims or obtain an affirmative recovery. *Id.* Although Argentena unquestionably benefited from the dismissal, there was no recovery to which a charging lien could attach. *Id.* at 534, 216 P.3d at 784.

Attempting to distinguish *Argentena*, LoBello argues that Leventhal did obtain an affirmative recovery in the underlying case, namely the property retained in the divorce through the property settlement and the "financial benefits associated with ... child custody," including tax benefits and value in avoiding increased child support.

As to the child-custody benefits, LoBello fails to identify any tangible recovery derived from the resolution of this issue that is appropriately subject to a charging lien. A child-custody agreement wherein Leventhal retained his share of custody and the associated benefits does not demonstrate any affirmative claim to, or recovery of, money or property. Rather, LoBello preserved Leventhal's previously established joint custody rights against his ex-wife's attempt to revise them. This is similar to *Argentena*, where the attorney's efforts led to the dismissal of the case but did not involve an affirmative claim or recovery.

As to the assets distr buted pursuant to the property settlement and divorce decree, [6] a problem arises because the property settlement \*911 took place eight months before LoBello filed and made even a colorable attempt at perfecting its lien, see *supra* note 4. NRS 18.015(3) imposes a time requirement on attorneys seeking to perfect, adjudicate and enforce a charging lien: "The lien attaches... from the time of service of the notices required by this section." Although we have never expressly interpreted this section, Nevada's federal district court did so in *Schlang v. Key Airlines, Inc.*, 158 F.R.D. 666 (D.Nev. 1994).

In *Schlang*, the parties settled a wrongful termination action and their appeals were dismissed. *Id.* at 667-68. Former counsel filed a charging lien but failed to serve the notice required to perfect the lien until the settlement was consummated. *Id.* at 669-70. The federal court, citing NRS 18.015(3),<sup>[7]</sup> found that because the attorney did not perfect his lien before the settlement agreement was carried out, "there no longer existed any proceeds to which the lien could attach." *Id.* at 670. It therefore declined to adjudicate and enforce the lien.

We agree with *Schlang*, and hold that under NRS 18.015(3), the lien attaches to a judgment, verdict, or decree entered, or to money or property recovered, *after* the notice is served. This interpretation harmonizes NRS 18.015(3)'s attachment provisions with NRS 18.015(2)'s requirement that a lien be perfected by proper notice. *See <u>Tonopah Lumber Co. v. Nev. Amusement Co., 30 Nev. 445, 455, 97 P. 636, 639 (1908)</u> ("[A] lien can only legally exist when perfected in the manner prescr bed by the statute creating it...." (internal quotation omitted)). Thus, if an attorney waits to perfect the lien until judgment has been entered and the proceeds of the judgment have been distributed, the right to the charging lien may be lost. <i>See <u>Sowder, 977 P.2d at 1038</u>.* 

Basic notice and fairness requirements support this interpretation. Nevada attorneys must notify their clients in writing of any interest the attorney has that is adverse to a client. RPC 1.8(a); <u>In re Singer</u>, 109 Nev. 1117, 1118, 865 P.2d 315, 315 (1993). Other courts have found that charging liens constitute adverse interests and applied a similar written notice rule. See <u>Fletcher v. Davis</u>, 33 Cal.4th 61, 14 Cal.Rptr.3d 58, 90 P.3d 1216, 1221 (2004). NRS 18.015(3) promotes these policies by requiring an attorney to serve notice and perfect a charging lien in a timely manner.

Diligent perfection of the lien under NRS 18.015(3) ensures that the client, the client's opponent in the litigation, and others have notice of the attorney's lien and may conduct the litigation and deal with any recovery it produces accordingly. A timely motion to adjudicate and enforce the charging lien under NRS 18.015(4) also enables the court to evaluate the lien while it has jurisdiction over any affirmative recovery, while the attorney's performance is fresh in its mind, and before the judgment is satisfied and the proceeds are distributed. See <u>Weiland v. Weiland, 814 So.2d 1252, 1253 (Fla.Dist.Ct.App.2002)</u> (holding that notice was untimely where the attorney waited to establish the lien until approximately two months after the case concluded); <u>Sowder, 977 P.2d at 1038</u> (holding that a law firm waived its right to assert its charging lien when it waited several months after the property was distributed to assert its charging lien). See also <u>Anderson v. Farmers Coop. Elevator Ass'n, Inc.</u>, 874 F.Supp. 989, 992 (D.Neb.1995) (quashing the attorney charging lien because notice of the lien was

untimely, made after the property had been transferred to the opposing party); <u>Libner v. Maine Cnty. Comm'rs Ass'n</u>, <u>845</u> <u>A.2d 570</u>, <u>573</u> (Me.2004) (holding that no lien may be imposed without direct and specific notice to the fund of an opposing party or its carriers that a lien is asserted before the proceeds are disbursed). It would be unreasonable and unfair to clients and to third parties to allow attorneys to claim a lien on any judgment at any time, no matter how much time has passed since the case concluded.

\*912 Here, LoBello perfected its lien eight months after the stipulated divorce decree was entered and the property was distributed—well after the time a lien could have attached to any of the property governed by that settlement. [9] Moreover, the custody settlement did not modify the property distribution in the divorce decree or otherwise bring that property back into dispute. Most importantly, LoBello admits that all outstanding issues were resolved before it filed or tried to perfect the lien, and it did not show that any recovery was still pending resolution or other legal action. *Cf. Fein v. Schwartz*, 404 S.W.2d 210, 227 (Mo.Ct.App.1966) (holding that where property remained to be transferred after the conclusion of a case, the lien was timely perfected before the transfer of property even though notice was served after the conclusion of the case). By the time LoBello filed and tried to perfect its lien, there was nothing to which the lien could have attached. [10]

This court is not unsympathetic to LoBello's situation. But when an attorney seeks a charging lien—a unique lien enforced by unique methods—the attorney must comply with the particular requirements of the statute. *Cf. Sowder,* 977 P.2d at 1038. If LoBello wishes to pursue its claims through other means, it may do so. However, LoBello may not rely on perfecting and prosecuting a charging lien filed eight months after the final decree is entered, when the case was completely concluded.

Accordingly, we reverse.

We concur: HARDESTY and SAITTA, JJ.

- [1] Leven hal also appeals the district court's denial of his later NRCP 60(b) motion to set aside the judgment. Since we conclude hat the district court erred in adjudicating the lien, we do not reach the NRCP 60(b) issue.
- [2] The 2013 Legislature amended NRS 18.015. 2013 Nev. Stat., ch. 79, § 1, at \_\_\_\_; S.B. 140, 77th Leg. (Nev. 2013). This appeal is governed by the pre-amendment version of NRS 18.015. See NRS 18.015 (2012).
- [3] At the outset of the representation, Leventhal signed LoBello's contract stating that if Leventhal failed to pay LoBello's fees, LoBello would have a lien on all funds recovered through the case and all paperwork produced.
- [4] Leven hal disputes the adequacy of LoBello's service of the notice of lien; also, it does not appear LoBello served Jacqueline, as the firm should have under NRS 18.015(2). We do not reach these issues because they are not necessary to our decision.
- [5] Argentena acknowledged that a charging lien is historically an in rem proceeding, which requires money or property over which the court has jurisdiction in order to adjudicate a charging lien. To the extent that Argentena suggests that in rem jurisdiction gives rise to subject matter jurisdiction, we clarify that they are distinct and both are required in order for a district court to adjudicate a charging lien. Other courts without statutory authorization to adjudicate a charging lien in the client's litigation have nevertheless done so because the court has the inherent power to supervise and regulate attorneys appearing before it, the court is likely already familiar with the relevant facts relating to the attorney's performance and services in the case giving rise to the fee dispute, Restatement (Third) of the Law Governing Lawyers § 42 cmt. b (2000), and it would be a waste of judicial time and resources to require a separate proceeding to adjudicate the charging lien. See Gee v. Crabtree, 192 Colo. 550, 560 P.2d 835, 836 (1977).
- [6] Although this court has held that a charging lien may not attach to assets that are exempt from creditors under NRS 21.090, see <u>Bero-Wachs v. Law Office of Logar & Pulver</u>, 123 Nev. 71, 75, 157 P.3d 704, 706 (2007), we have not addressed whether a division of property in a divorce case is an affirmative recovery to which a lien may attach. In light of our disposition of this case, this question is not fairly presented, and we decline to examine it on a hypothetical basis.
- [7] The court quotes NRS 18.015(3) but incorrectly cites to NRS 18.015(2).
- [8] The Schlang court cited In re Nicholson, 57 B.R. 672 (Bankr.D.Nev.1986) (discussing when an attorney lien attaches to property).
- [9] Compare Kramer v. Kramer, 96 Nev. 759, 762, 616 P.2d 395, 397 (1980) (the court loses jurisdiction over property divided by a divorce decree where the parties wait for longer than six mon hs to modify the decree), with Collins v. Murphy, 113 Nev. 1380, 1384-85, 951 P.2d 598, 600-01 (1997) (holding that it was unfairly prejudicial and an error to adjudicate a motion for attorney fees filed after the deadline for filling a notice of appeal had passed), superseded by rule amendment. In the Matter of Amendments to the Nevada Rules of Civil Procedure, ADKT No. 426 (Order Amending Nevada Rule of Civil Procedure 54, February 6, 2009).
- [10] Even though LoBello's contract stated it would have a lien on any recovery if Leventhal failed to pay fees, at best this evidenced an intent to claim a charging lien if Leventhal defaulted on payment and LoBello gained recovery on Leventhal's behalf. See <u>Sowder</u>, 977 P.2d at 1038.

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FAMILIAN INVOICES PAID and BALANCE OWED							
Date	Invoice #	Fees	Costs	Invoice	Check Amount	Running Total	
		<b></b>		Amount	Check#	Paid by Client	
	Retainer				5,000.00 Paid #010435	5,000.00	
9-7-12	100	15,839.50		10,839.50 (retainer credit)	10,839.50 Paid #010452	15,839.50	
10-1-12	101	5,918.50	283.60	6,202.10	6,202.10 Paid #010457	22,041.60	
11-1-12	102	10,71.50	80.50	1,152.00	1,152.00 Paid #010011	23,193.60	
12-1-12	103	2,454.00	4.00	2,458.00	2,458.00 Paid #010018	25,651.60	
12-28-12	104	2,218.00	75.00	2,293.00	2,293.00 Paid #010025	27,944.60	
1-31-13	105	4,977.00	1199.50	6,176.50	6,176.50 Paid #010040	34,121.10	
2-28-13	106	2,740.50	1680.17	4,420.67	4,420.67 Paid #010047	38,541.77	
3-29-13	107	4,394.00	252.75	4,646.75	4,646.75 Paid #010054	43,188.52	
4-30-13	108	3,871.00	10.5	3,881.50	3,881.50 Paid #010063	47,070.02	
5-31-13	109	5,056.00	22.5	5,078.50	5,078.50 Paid #010066	52,148.52	
6-30-13	110	6,043.50	446.25	6,489.75	6,489.75 Paid #010077	58,638.27	
7-31-13	111	5,569.50	663.92	6,233.42	6,233.42 Paid #010084	64,871.69	
9-3-13	112	11,130.00	769.34	11,899.34	11,899.34 Paid #010098	76,771.03	
10-4-13	113	4,555.00	212.48	4,767.48	4,767.48 Paid #010109	81,538.51	
11-7-13	114	10,577.50	662.01	11,239.51	11,239.51 Paid #010111	92,778.02	
12-2-13	115	2,537.50	728.15	3,265.65	3,265.65 Paid #010127	96,043.67	
1-6-14	116	5,499.00	192.25	5,691.25	5691.25 Paid #010132	101,734.92	
2-4-14	117	474.00	391.93	865.93	865.93	102,600.85	

		}			Paid #010139	1
3-4-14	118	2,810.5	194.75	3,005.25	3,005.25	105,606.10
		"," = " : "		","""	Paid #010148	,
4-8-14	119	862.00	221.00	1,083.00	1,083.00	106,689.10
	i				Paid #010155	,
5-5-14	120	8,520.50	1033.25	9,552.75	9552.75	116,241.85
					Paid #010161	
6-5-14	121	0	32.75	32.75	32.75	116,274.60
				_	Paid #010168	
7-7-14	122	4,394.50	348.50	4,743.00	4,743.00	121,017.60
					Paid #010179	
8-5-14	123	899.50	10.25	909.75	909.75	121.927.35
<u> </u>					Paid #010188	
9-4-14	124	4,068.50	43.75	4,112.25	4,112.25	126,039.60
		ļ			Paid #010203	
10-3-14	125	2,125.50	49.75	21,404.75	0	126,039.60
					<21,404.75>	
11-5-14	126	2,251.50		2,251.50	0	126,039.60
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					<24,497.00>	
1-5-15	128	592.50	9.75	602.25	0	126,039.60
					<25,099.25>	
3-9-15	129	1,856.50	63.50	1,920.00	0	126,039.60
(Jan/Feb)					<27,019.25>	
4-10-15	130	11,929.00	73.75	12,002.75	0	126,039.60
(Mar)	404	2 224 52		4 505 50	<39,022.00>	
5~6-15	131	3,831.50	704.00	4,535.50	0	126,039.60
(Apr)	122	1 477 00	4 75	4 422 75	<43,557.50>	120,020,00
6-12-15 (May)	132	1,422.00	1.75	1,423.75	0	126,039.60
(May) 7-31-15	133	237.00	4.75	241.75	<44,981.25>	126,039.60
(Jun/Jul)	133	237.00	4.73	241./5	<45,223.00>	120,039.00
9-22-15	134	10,270.00	85.50	10,355.50	0	126,039.60
(Aug)	134	10,270.00	05.50	10,333.30	<55,578.50>	120,033.00
Email sent	134			Recap of	55,588.75	181,628.35
and paid	revised			balance owed	Paid	
<u>er vilgand savet i vi</u>	<u></u>	·				
12-1-15	135	13,785.50	62.00	13,847.50	0	
(Sep/Oct)					<13,847.50>	
3-18-16	136	38,789.00	98.00	38,887.00	0	
(Nov/Feb)					<52,734.45>	
2016		L				

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35,392.00	
89.6 x 395	<135,601.00>
25,793.50	
65.3 x 395	<100,209.00>
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1,224.50	
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197.50	133,533,53
	<69,083.00>
l l	
	<68,885.50>
I I	102,0111300
	<62,644.50>
I I	<58,580.50>
	3.1 x 395 1,224.50 4.2 x 395 1,659.00 6.2 x 395 2,449.00 65.3 x 395 25,793.50 89.6 x 395 35,392.00

<sup>\*</sup>These are billings submitted as due and owing at of the time of the Motion for Attorney Fees filed 2-7-17. Mr. Familian had stopped paying the monthly invoices.

The above table displays work on Mr. Familian's case up until the 2-7-17 Motion for Attorney Fees where a total of 776 hours was submitted, regardless of how much Mr. Familian has paid to date, Mr. Familian is still responsible for work on his case AFTER February, 2017 which is not included in the above table.

The Court reduced the above 776 hours by 46.1, however, the client is still responsible to pay the Law Office of Brian C. Padgett for those hours spent on his case for a total of \$18,209.50.

DKB II, LLC 4534 W. Hacienda Ave. Las Vegas, NV 89118 (702) 227-9267 office

NEVADA STATE BANK GENERAL ACCOUNT, LAS VEGAS, NV 94-77/1224

No. 010435

\*FIVE THOUSAND AND XX / 100

Date 7/26/2012 Check Amount

0.00

5,000.00

Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101

i\*010435I\*

072612

SBN Exhibit 17 Page 004

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #100 DATE: 9/7/2012

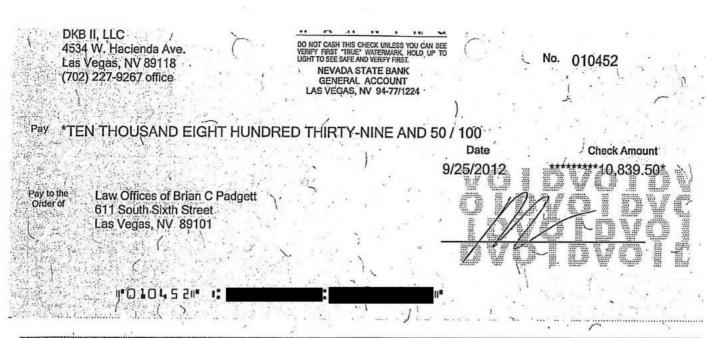
TO:

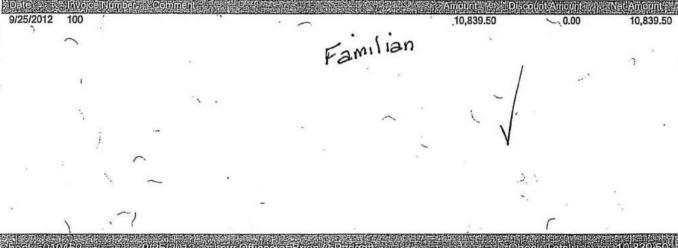
Bruce Familian

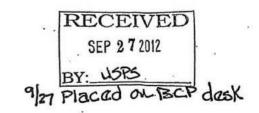
FOR: AUGUST 2012 BILLABLE HOURS

DESCRIPTION	HOURS	RATE	AMOUNT
AUGUST 2012		\$395.00	
Brian Padgett (see attached)	19.8		\$7,821.00
Amy Braudis (see attached)	20.3		\$8,018.50
TOTAL	40.1		\$15,839.50
Less Retainer			(\$5,000.00)
TOTAL CHARGES FOR August			\$10,839.50
			2
	TOTAL	DUE AND OWING	\$10,839.50

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.







INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #101 DATE: 10/1/2012

TO:

**Bruce Familian** 



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
SEPTEMBER 2012				
Brian Padgett (see attached)	1.8	\$395.00	-	\$711.00
Amy Braudis (see attached)	10.1	\$395.00		\$3,989.50
Paralegal	8.7	\$140.00		\$1,218.00
TOTAL BILLABLE HOURS	20.6			\$5,918.50
Filing Fees			\$283.60	\$283.60
TOTAL DUE AND OWING				\$6,202.10

**FOR: SEPTEMBER 2012 BILLABLE HOURS** 

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

DKB II, LLC DO NOT CASH THIS CHECK UNLESS YOU O VERIFY FIRST. "TRUE" WATERMARK, HOLD LIGHT TO SEE SAFE AND VERIFY FIRST. NEVADA STATE BANK GENERAL ACCOUNT LAS VEGAS, NV 94-77/1224 4534 W. Hacienda Ave. 01,0457 Las Vegas, NV 89118 (702) 227-9267 office \*SIX THOUSAND TWO HUNDRED TWO AND 10 / 100 Check Amount Date 10/8/2012 Pay to the Daw Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101 1 O 1 O 4 5 7 1 P 10/8/2012 6,202-10 OCT 1 0 2012

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #102 DATE: 11/1/2012

TO:

Bruce Familian



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
OCTOBER 2012				
Brian Padgett	0	\$395.00		·
Amy Braudis	2.5	\$395.00		\$987.50
Paralegal	.6	\$140.00		\$84.00
TOTAL BILLABLE HOURS	3.1			\$1,071.50
Filing Fees & Process Service			\$80.50	\$80.50
			,	
	TO	TAL DUE AND OWING		\$1,152.00

FOR: OCTOBER 2012 BILLABLE HOURS

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

DKB II, LLC 4534 W. Hacienda Ave. No. 010011 Las Vegas, NV 89118 O SEE SAFE AND VERIFY FIRST.

BANK OF NEVADA
GENERAL ACCOUNT
LAS VEGAS, NV (702) 227-9267 office \*ONE THOUSAND ONE HUNDRED FIFTY-TWO AND XX / 100 ( Date **Check Amount** Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101 # 010011# 11/12/2012 102 October hours 1,152.00 1,152.00 NOV 1 5 2012 Check Total:

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #103 DATE: 12/1/2012

TO:

**Bruce Familian** 



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
NOVEMBER 2012				
Brian Padgett	0	\$395.00		
Amy Braudis	6.0	\$395.00		\$2,370.00
Paralegal	.6	\$140.00		\$84.00
TOTAL BILLABLE HOURS	6.6			
Copies		\$4.00		\$4.00
<u> </u>				•
	тот	AL DUE AND OWING		\$2,458.00

FOR: NOVEMBER 2012 BILLABLE HOURS

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

### PKB II, LLC #### 4534 W. Hacienda Ave. Las Vegas, NV 89118 (702) 227-9267 office WANNING

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERHEY FIRST 'TRUE' WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERHEY FIRST. BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010018

Pay \*TWO THOUSAND FOUR HUNDRED FIFTY-EIGHT AND XX / 100

Date

**Check Amount** 

12/18/2012

\*\*\*\*\*\*\* 458 00

Pay to the Order of Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101

Acct Bruce Familian

"O10018" (: 133101888 18603303088

Date	Invoice	Number Comment #	Amount Disco	unt Amount	Net Amount
12/18/2012	103	Acct Bruce Familian	2,458.00	0.00	2,458.00

Check: 010018

12/18/2012 Law Offices of Brian C Padgett

Check Total:

2,458.00

Familian

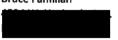
INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #104 DATE: 12/28/2012

TO:

**Bruce Familian** 



DESCRIPTION	HOURS	RATE	costs	AMOUNT
DECEMBER 2012				
Brian Padgett	0	\$395.00		
Amy Braudis	4.8	\$395.00		\$1,896.00
Paralegal	2.3	\$140.00		\$322.00
TOTAL BILLABLE HOURS	7.1			\$2,218.00
Copies (.25 B&W x 288)		\$72.00		
(.50 Color x 6)		\$3.00		\$75.00
TOTAL DUE AND OWING				\$2,293.00

FOR: DECEMBER 2012 BILLABLE HOURS

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

DKB II, LLC 4534 W. Hacienda Aye. Las Vegas, NV 89118 (702) 227-9267 office

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIEY FIRST "TRUE" WATERMARK HOLD UP TO UGHT TO SEE SAFE AND VERIEY FIRST. BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010025

Pay

\*TWO THOUSAND TWO HUNDRED NINETY-THREE AND XX / 100

Date

**Check Amount** 

1/2/2013

\*\*\*\*\*\*\* 293 00

Pay to the Order of

Law Offices of Brian C Padgett

611 South Sixth Street Las Vegas, NV 89101

"O10025" (:

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 Unvolce Number
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 Amount
 Discount Amount
 Net Amount

 1/2/2013
 104
 2,293.00
 0.00
 2,293.00

Check: 010025

1/2/2013 Law Offices of Brian C

Check Total.

2,293.00

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #105 DATE: 1/31/2013

TO:

FOR: JANUARY 2013 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	costs	AMOUNT
JANUARY 2013				
Brian Padgett	0	\$395.00		
Amy Braudis	12.6	\$395.00		\$4,977.00
Paralegal	0	\$140.00		\$0.00
TOTAL BILLABLE HOURS/LEGAL FEES	12.6			\$4,977.00
Copies			\$194.00	\$194.00
Jeanne Wondra-Expert Retainer			\$1,000.00	\$1,000.00
Filing Fees			\$5.50	\$5.50
	\$6,176.50			

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

DKB II, LLC 4534 W. Hacienda Ave. Las Vegas, NV 89118 (702) 227-9267 office

### WAHNING

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIEY FIRST "TRUE" WATERMARK. HOLD UP TO LIGHT TO SEE SAFE AND VERIEY FIRST. BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010040

Pay \*SIX THOUSAND ONE HUNDRED SEVENTY-SIX AND 50 / 100

Date

Check Amount

3/4/2013

\*\*\*\*\*\*6,176.50

Pay to the Order of

3/4/2013

Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101

"010040" I

ount

0.00

6.176.5

Our New Address: 5520 Stephanie Street Las Vegas, NV 89122

Camen

6.176.5

3/4/2013 105

6,176.50

0.00

Familian

Our New Address: 5520 Stephanie Street Las Vegas, NV 89122

Check Total

6,176.50

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #106 DATE: 2/28/2013

TO:

FOR: FEBRUARY 2013 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
FEBRUARY 2013				
Brian Padgett	0	\$395.00		
Amy Braudis	6.3	\$395.00		\$2,488.50
Paralegal	1.8	\$140.00		\$252.00
TOTAL BILLABLE HOURS/LEGAL FEES	8.1			\$2,740.50
Copies			\$13.50	\$13.50
Anderson Valuation Group-Expert Retainer			\$1,666.67	\$1,666.67
TOTAL DUE AND OWING				\$4,420.67

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

DKB II, LLC 5520 Stephanie Street Las Vegas, NV 89122 (702) 227;9267 office

## ARNI

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST.

BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010047

\*FOUR THOUSAND FOUR HUNDRED TWENTY AND 67 / 100

Date

Check Amount

Pay to the Order of

Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101

"O10047" I

Date Invoice Number Comment 106	4,420′.67	0.00	4,420.67
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RECEIVED APR 0 4 2013 BY: USPS

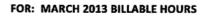
INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #107 DATE: 3/29/2013

TO:

**Bruce Familian** 



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
MARCH 2013				
D: 0.1		4222.22		<u> </u>
Brian Padgett	5.5	\$395.00		\$2,172.50
Amy Braudis	4.1	\$395.00		\$1,619.50
Paralegal	4.3	\$140.00		\$602.00
TOTAL BILLABLE HOURS/LEGAL FEES	13.9			\$4,394.00
Copies .			\$252.75	\$252.75
· · · · · · · · · · · · · · · · · · ·				
	TO	TAL DUE AND OWING		\$4,646.75

Please note that there is an outstanding balance due of \$4,420.67 for February 2013 Invoice #106.

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

DKB II, LLC 5520 Stephanie Street Legas, NV 89122

WAKNING

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST.

BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV No. 010054

Pay \*FOUR THOUSAND SIX HUNDRED FORTY-SIX AND 75 / 100

Date

**Check Amount** 

5/1/2013

\*\*\*\*\*4.646.75

Pay to the Order of

Law Offices of Brian C Padgett 611 South Sixth Street

Las Vegas, NV 89101

"O 10054" 1:

 Date
 Involce Number 3 Comment
 Amount Amount 3 Involce Number 3 Comment
 Net Amount 3 Involce Number 3 Comment
 Net Amount 3 Involce Number 3 Involce Number

Check: 010054 1 5/1/2013 Law Offices of Brian C Padgett Check Total: 4,646.75

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #108 DATE: 4/30/2013

TO:

**FOR: APRIL 2013 BILLABLE HOURS** 



DESCRIPTION	HOURS	RATE	costs	AMOUNT
MARCH 2013				
Brian Padgett	3.5	\$395.00		\$1,382.50
Amy Braudis	6.3	\$395.00		\$2,488.50
Paralegal		\$140.00		\$0.00
TOTAL BILLABLE HOURS/LEGAL FEES	9.8			\$3,871.00
Copies			\$	\$10.50
	то	TAL DUE AND OWING		\$3,881.50

Please note that there is an outstanding balance due of \$4,646.75 for March 2013 Invoice #107.

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

DKB II, LLC 5529 Stephanie Street - Las Vegas, NV 89122 (702) 227-9267 office

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST. BANK OF NEVADA GENERAL ACCOUNT

LAS VEGAS, NV

No. 010063

\*THREE THOUSAND EIGHT HUNDRED EIGHTY-ONE AND 50 / 100 Pay

Date

**Check Amount** 

\*\*\*3,881.50

6/4/2013

Pay to the Order of

Law Offices of Brian C Padgett 611 South Sixth Street

Las Vegas, NV 89101

April Hours

"O10063" I:

Date	#Invoice	e Number Comment	Amount	Discount Amount	Net Amount
6/4/2013	108	April Hours	3,881.50		3,881.50

6/4/2013 Law Offices of Brian C Padgett

Check Total: 3,881.50

DKB II, LLC <u>-5529</u> Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office

BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010063

\*THREE THOUSAND EIGHT HUNDRED EIGHTY-ONE AND 50 / 100

6/4/2013

**Check Amount** 

\*3,881.50\*

Pay to the Order of

Law Offices of Brian C Padgett 611 South Sixth Street

Las Vegas, NV 89101

April Hours

"O 10063"

Date	#Invoic	Number Comment	Amount	Discount Amount	Net Amount
6/4/2013	108	April Hours	3,881.50	0.00	3,881.50

6/4/2013 Law Offices of Brian C Padgett

Check Total:

3.881.50

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #109 DATE: 5/31/2013

TO:

FOR: MAY 2013 BILLABLE HOURS

**Bruce Familian** 



DESCRIPTION	HOURS	RATE	costs	AMOUNT
MAY 2013				
Brian Padgett	2.1	\$395.00		\$829.50
Amy Sugden	10.7	\$395.00		\$4,226.50
Paralegal		\$140.00		\$0.00
TOTAL BILLABLE HOURS/LEGAL FEES	12.8			\$5,056.00
Copies			\$	\$22.50
TOTAL DUE AND OWING				\$5,078.50

Make all checks payable to LAW OFFICES OF BRIAN C. PADGETT Total due in 30 days.

DKB II, LLC 5529 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office

BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV No. 010066

\*FIVE THOUSAND SEVENTY-EIGHT AND 50 / 100

Date 6/10/2013 **Check Amount** 

Pay to the

Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101

May billable hours

"O10066" I

-Date Invoice Number Comment May billable hours 6/10/2013

JUN 3 1 2013

USRS

Ćheck: 010066

6/10/2013 Law Offices of Brian C Padgett

Check Total: 5,078.50

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #110 DATE: 6/30/2013

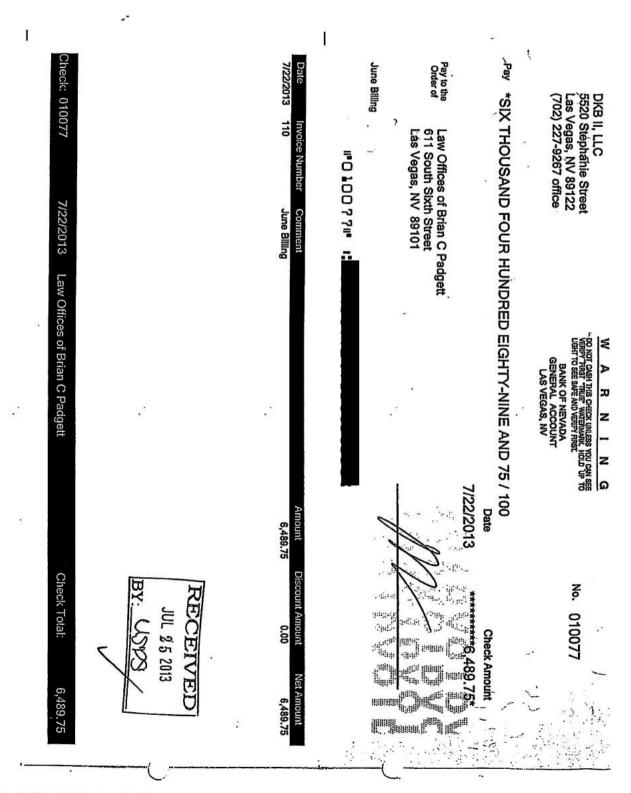
TO:

FOR: JUNE 2013 BILLABLE HOURS

Bruce Familian

DESCRIPTION	HOURS	RATE	costs	AMOUNT
JUNE 2013				
Brian Padgett	1.7	\$395.00		\$671.50
Amy Sugden	13.6	\$395.00		\$5,372.00
Paralegal		\$140.00		\$0.00
TOTAL BILLABLE HOURS/LEGAL FEES	15.3			\$6,043.50
Copies			\$50.25	\$50.25
Expert Consultation Costs			\$46.00	\$396.00
TOTAL DUE AND OWING				\$6,489.75

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.



INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #111 DATE: 7/31/2013

TO:

FOR: JULY 2013 BILLABLE HOURS

Bruce Familian

DESCRIPTION	HOURS	RATE	costs	AMOUNT
JULY 2013				
Brian Padgett	5.5	\$395.00		\$2,172.50
Amy Sugden	8.6	\$395.00		\$3,397.00
Paralegal		\$140.00		\$0.00
TOTAL BILLABLE HOURS/LEGAL FEES	14.1			\$5,569.50
Copies				\$27.75
Expert Consultation Costs				\$88.97
Deposition Charges				\$547.20
	тот	TAL DUE AND OWING		\$6,233.42

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LEC DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERWARK, HOLD UP TO UGHT TO SEE SAFE AND VERIFY FIRST. 5520 Stephanie Street 010084 Las Vegas, NV 89122 BANK OF NEVADA (702) 227-9267 office GENERAL ACCOUNT LAS VEGAS, NV \*SIX THOUSAND TWO HUNDRED THIRTY-THREE AND 42 / 100 Check Amount 8/12/2013 233.42 Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101 July Billing 10 1008411 8/12/2013 July Billing 6,233.42 0.00 6,233.42

Law Offices of Brian C Padgett

Check: 010084

8/12/2013

**Check Total:** 

6,233.42

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #112 DATE: 9/3/2013

TO:

**FOR: AUGUST 2013 BILLABLE HOURS** 

Bruce Familian

DESCRIPTION	HOURS	RATE	costs	AMOUNT
AUGUST 2013				
Brian Padgett	13.0	\$395.00		\$5,135.00
Amy Sugden	15.0	\$395.00		\$5,925.00
Paralegal	.5	\$140.00		\$70.00
TOTAL BILLABLE HOURS/LEGAL FEES	28.5			\$11,130.00
Copies				\$335.25
Expert Consultation Costs				\$434.09
		\$11,899.34		

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 5520 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST. BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010098

\*ELEVEN THOUSAND EIGHT HUNDRED NINETY-NINE AND 34 / 100

Date

Check Amount

\*\*\*\*\*\*\*11,899.34\*

10/1/2013

Pay to the Order of

Law Offices of Brian C Padgett 611 South Sixth Street

Las Vegas, NV 89101

August hours

#010098# 1:

Date -	Invoice Number	Comment	Amount Dis	count Amount	Net Amount
10/1/2013	112	August hours	11,899.34	0.00	11,899.34

Check: 010098

10/1/2013

Law Offices of Brian C Padgett

Check Total:

11,899.34

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #113 DATE: 10/4/2013

TO:

FOR: SEPTEMBER 2013 BILLABLE HOURS

Bruce Familian

DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	5.8	\$395.00		\$2,291.00
Amy Sugden	5.2	\$395.00		\$2,054.00
Paralegal	1.5	\$140.00		\$210.00
TOTAL BILLABLE HOURS/LEGAL FEES	12.5			\$4,555.00
Copies			\$92.00	\$92.00
Expert Consultation Costs			\$120.48	\$120.48
	тот	TAL DUE AND OWING		\$4,767.48

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

5520 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST. BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010109

\*FOUR THOUSAND SEVEN HUNDRED SIXTY-SEVEN AND 48 / 100

Date

11/18/2013

Check Amount

Pay to the Order of

Law Offices of Brian C Padgett 611 South Sixth Street

Las Vegas, NV 89101

September Billing

"O10109" I

11/18/2013 113 September Billing 4,767.48

NOV 2 0 2013

Check: 010109

11/18/2013 Law Offices of Brian C Padgett

Check Total:

4,767.48

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #114 DATE: 11/7/2013

TO:

FOR: OCTOBER 2013 BILLABLE HOURS

Bruce Familian

DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	10.4	\$395.00		\$4,108.00
Amy Sugden	14.5	\$395.00		\$5,727.50
Paralegal	5.3	\$140.00		\$742.00
TOTAL BILLABLE HOURS/LEGAL FEES	30.2			\$10,577.50
Copies				\$177.25
Expert Consultation Costs				\$223.26
Court Costs & Process Service Costs				\$261.50
	то	TAL DUE AND OWING		\$11,239.51

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 5520 Stephanie Street Les Vegas, NV 89122 (702) 227-9267 office

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST. BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV.

No. 010111

\*ELEVEN THOUSAND TWO HUNDRED THIRTY-NINE AND 51 / 100

Date

Check Amount

12/2/2013

\*\*\*\*11,239.51<u>\*</u>

Pay to the Order of

Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101

October Billing

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 Date | Invoice Number | Comment
 Amount
 Discount Amount
 Net Amount

 12/2/2013
 114
 October Billing
 11,239.51
 0.00
 1 11,239.51

DEC 1 0 2013

Check: 010111

12/2/2013

Law Offices of Brian C Padgett

**Check Total:** 

11,239.51

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #115 DATE: 12/2/2013

TO:

FOR: NOVEMBER 2013 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	4.2	\$395.00		\$1,659.00
Amy Sugden	.7	\$395.00		\$276.50
Paralegal	4.3	\$140.00		\$602.00
TOTAL BILLABLE HOURS/LEGAL FEES	9.2			\$2,537.50
Copies				\$242.75
Expert Consultation Costs				\$38.00
Court Costs & Process Service Costs				\$192.60
Travel Costs				\$254.80
· · · · · · · · · · · · · · · · · · ·	1			
• · · · · ·	тот	OWING		\$3,265.65

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 5525 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST.

BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010127

\*THREE THOUSAND TWO HUNDRED SIXTY-FIVE AND 65 / 100

Date

Check Amount

1/13/2014

Pay to the Order of

Law Offices of Brian C Padgett

611 South Sixth Street Las Vegas, NV 89101

**NOVEMBER 2013 HOURS** 

11.0 10 15 511.

Date Invoice Number - Comment 1/13/2014 115 NOVEMBER 2013 HOURS

> RECEIVED JAN 2 1 2014

Check: 010127

1/13/2014 Law Offices of Brian C Padgett

Check Total:

3,265.65



INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #116 DATE: 1/6/2014

TO:

FOR: DECEMBER 2013 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	-0-	\$395.00		\$0.00
Amy Sugden	13.0	\$395.00		\$5,135.00
Paralegal	2.6	\$140.00		\$364.00
TOTAL BILLABLE HOURS/LEGAL FEES	15.6			\$5,499.00
Copies				\$45.25
Expert Consultation Costs				\$0.00
Court Costs & Process Service Costs				\$0.00
Travel Costs				\$147.00
	тот	AL DUE AND OWING		\$5,691.25

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 5520 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIEV FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIEV FIRST.

BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV No. 010132

 $^{\mathrm{P\acute{e}y}}$  \*FIVE THOUSAND SIX HUNDRED NINETY-ONE AND 25 / 100

Date

**Check Amount** 

2/3/2014

\*\*\*\*5,691.25

Pay to the Order of

2/3/2014

Law Offices of Brian C Padgett 611 South Sixth Street

Las Vegas, NV 89101

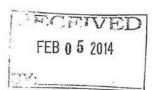
Invoice Number Comment

December billing

"" O 10 1 3 2 11" 1:

December billing

Amount Discount Amount Net Amount 5,691.25 0.00 5,691.25



Check: 010132

2/3/2014

Law Offices of Brian C Padgett

Check Total:

5,691.25

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #117 DATE: 2/4/2014

TO:

**FOR: JANUARY 2014 BILLABLE HOURS** 



DESCRIPTION	HOURS	RATE	costs	AMOUNT
Brian Padgett	0	\$395.00		\$0.00
Amy Sugden	1.2	\$395.00		\$474.00
				ė
TOTAL BILLABLE HOURS/LEGAL FEES	1.2			\$474.00
Copies				\$55.00
Paralegal	.6	\$140.00		\$84.00
Expert Consultation Costs				\$249.43
Court Costs & Process Service Costs				\$3.50
			-	
	TOT	AL DUE AND OWING		\$865.93

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 5520 Stephanie Street Las Vegas, ÑV 89122 (702) 227-9267 office



DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST.

BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV No. 010139

Pay \*EIGHT HUNDRED SIXTY-FIVE AND 93 / 100

Date

Check Amount

3/10/2014

\*\*\*\*\*\*\*\*865.93

Pay to the Order of

Law Offices of Brian C Padgett

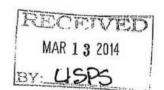
611 South Sixth Street

Las Vegas, NV 89101

January billable hours

"O10139" I

Date Invoice Number Comment Amount Discount Amount Net Amount 3/10/2014 117 January billable hours 865.93 0.00 865.93



Check: 010139:

3/10/2014

Law Offices of Brian C Padgett

Check Total

865.93

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #118 DATE: 3/4/2014

TO:

FOR: FEBRUARY 2014 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	0	\$395.00		\$0.00
Amy Sugden	6.3	\$395.00		\$2,488.50
TOTAL BILLABLE HOURS/LEGAL FEES	6.3			\$2,488.50
Copies				\$26.75
Paralegal	2.3	\$140.00		\$322.00
Expert Consultation Costs				\$159.00
Court Costs & Process Service Costs				\$9.00
TOTAL DUE AND OWING				\$3005.25

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

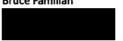
INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #119 DATE: 4/8/2014

TO:

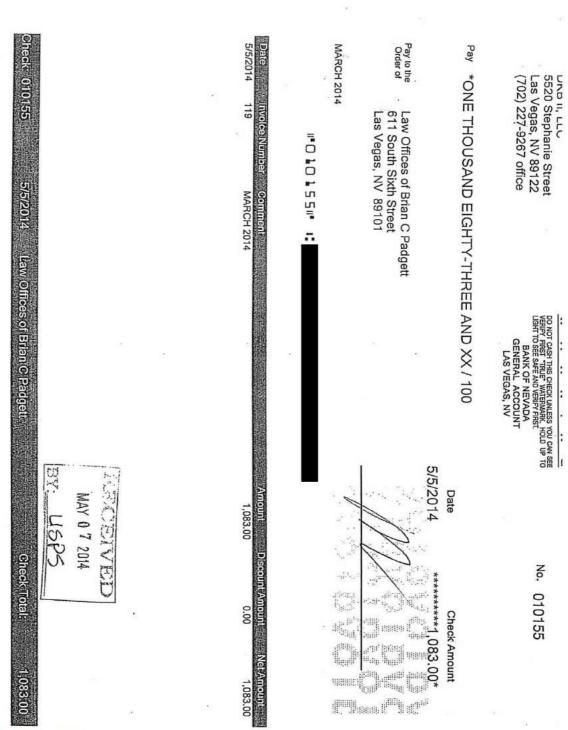
**Bruce Familian** 



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	0	\$395.00		\$0.00
Amy Sugden	.8	\$395.00		\$316.00
TOTAL BILLABLE HOURS/LEGAL FEES	.8			\$316.00
Copies				\$51.00
Paralegal	3.9	\$140.00		\$546.00
Expert Consultation Costs				\$159.00
Court Costs & Process Service Costs				\$11.00
	TOTAL DUE AND OWING			\$1,083.00

FOR: MARCH 2014 BILLABLE HOURS

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.



SBN Exhibit 17 Page 044

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #120 DATE: 5/5/2014

TO:

FOR: APRIL 2014 BILLABLE HOURS

Bruce Familian

DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
		4205.00		Å4 005 00
Brian Padgett	4.8	\$395.00		\$1,896.00
Amy Sugden	16.7	\$395.00		\$6,596.50
TOTAL BILLABLE HOURS/LEGAL FEES				\$8,492.50
Copies				\$65.50
Paralegal	.2	\$140.00		\$28.00
Expert Consultation Costs				\$311.50
Deposition costs				\$655.25
	TOTAL DUE AND OWING			\$9,552.75

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB vi, LLC 5520 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office

#### WAHNING

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIEY FIRST "TRUE" WATERMARK. HOLD UP TO LIGHT TO SEE SAFE AND VERIEY FIRST. BANK OF NEVADA GENERAL ACCOUNT

LAS VEGAS, NV

9)

No. 010161

Pay \*NINE THOUSAND FIVE HUNDRED FIFTY-TWO AND 75 / 100

Date

Check Amount

6/2/2014

\*\*\*\*9 552 75\*

Pay to the

Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101

-M/

APRIL 2014 HOURS

"O 10 16 1"

Date	Invoice	Number Comment	}⊨ Amount // C	Discount Amount	Net Amount
6/2/2014	120	APRIL 2014 HOURS	9,552.75	0.00	9,552.75

heck 010161

RIDIONIA

aw Offices of Brian C Padgett

Check Tota

9,552.75

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #121 DATE: 6/5/2014

TO:

FOR: MAY 2014 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett		\$395.00		\$0.00
Amy Sugden		\$395.00		\$0.00
TOTAL BILLABLE HOURS/LEGAL FEES				\$0.00
Copies				\$32.75
Paralegal		\$140.00		\$0.00
Expert Consultation Costs				\$0.00
	TOT	AL DUE AND OWING		\$32.75

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 55-210 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office WAHNING

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST 'TRUE' WATERMARK. HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST. BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV

No. 010168

Pay \*THIRTY-TWO AND 75 / 100

Date

**Check Amount** 

7/1/2014

\*\*\*\*\*\*\*\*32.75\*

Order of

Law Offices of Brian C Padgett 611 South Sixth Street Las Vegas, NV 89101

MAY BILLABLE HOURS

Check: 010168

"O10168"

Check Total:

Date :	Invoice	Number Comment		Amount	// Discount Amount	Net Amount
7/1/2014	121	MAY BILLABLE HOURS	*	32.75	0.00	32.75

7/1/2014 Law Offices of Brian C Padgett

SBN Exhibit 17 Page 048

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #122 DATE: 7/7/2014

TO:

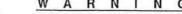
FOR: JUNE 2014 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	0	\$395.00		\$0.00
Amy Sugden	10.7	\$395.00		\$4,226.50
TOTAL BILLABLE HOURS/LEGAL FEES				\$4,226.50
Copies				\$118.50
Paralegal	1.2	\$140.00		\$168.00
Expert Consultation Costs				\$230.00
	тот	AL DUE AND OWING		\$4,743.00

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 5520 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office



DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK, HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST. BANK OF NEVADA GENERAL ACCOUNT LAS VEGAS, NV



No. 010179

Pay \*FOUR THOUSAND SEVEN HUNDRED FORTY-THREE AND XX / 100

Date

Check Amount

8/11/2014

\*\*\*\*4,743.00\*

Pay to the Order of Law Offices of Brian C Padgett

611 South Sixth Street Las Vegas, NV 89101

June hours

"O10179" I

Date	Involce	Number Comment	Amount Disc	ount Amount	Net Amount
8/11/2014	122	June hours	4,743.00	0.00	4,743.00

Check: 010179 8/11/2014 Law Offices of Brian C Padgett Check Total:

vaal Taral

**INVOICE** 

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

**INVOICE #123** DATE: 8/5/2014

TO:



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	.6			\$237.00
Amy Sugden	1.5			\$592.50
TOTAL BILLABLE HOURS/LEGAL FEES				
				\$829.50
Copies				\$10.25
Paralegal	.5		\$140.00	\$70.00
Expert Consultation Costs				
	·			
	тот	AL DUE AND OWING		\$909.75

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 5529 Stephanie Street Las Vegas, NV 89122 (702) 227-9267 office

DO NOT CASH THIS CHECK UNLESS YOU GAN SEE VERIEY PIRST 'TRUE' WATERMARK, HOLD' UP TO UGHT TO SEE SAFE AND VERIEY FIRST.

BANK OF NEVADA

GENERAL ACCOUNT

LAS VEGAS, NV

PATTON

No. 010188

Pay \*NINE HUNDRED NINE AND 75 / 100

Date

**Check Amount** 

9/22/2014

\*\*\*\*909.75\*

Pay to the Order of

Law Offices of Brian C Padgett

611 South Sixth Street Las Vegas, NV 89101

July Billable hours

"O10188" :

Date Invoice Number Comment Amount Discount Amount Net Amount 9/22/2014 123 July Billable hours 909.75 0.00 909.75

Check: 010188 9/22/2014 Law Offices of Brian C Padgett Check Total:

909.75

X

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #124 DATE: 9/4/2014

TO:

FOR: AUGUST 2014 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	6.2			\$2,449.00
Amy Sugden	4.1			\$1,619.50
TOTAL BILLABLE HOURS/LEGAL FEES	10.3			\$4,068.50
Copies				\$43.75
Paralegal			\$140.00	\$0.00
Expert Consultation Costs				\$0.00
	тот	AL DUE AND OWING		\$4,112.25

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

DKB II, LLC 552) Stephanie Street Las Vegas, NV 89122 (702) 227<sub>F</sub>9267 office W A H N I N G

DO NOT CASH THIS CHECK UNLESS YOU CAN SEE VERIFY FIRST "TRUE" WATERMARK: HOLD UP TO LIGHT TO SEE SAFE AND VERIFY FIRST: BANK OF NEVADA. GENERAL ACCOUNT LAS VEGAS, NV

No. -01020

Pay \*FOUR THOUSAND ONE HUNDRED TWELVE AND 25 / 100

Date (17/2014

**Check Amount** 

11/17/2014

\*\*\*\*\*\*\*4.112.25\*

Pay to the Order of

Law Offices of Brian C Padgett 611 South Sixth Street

Las Vegas, NV 89101

AUGUST billing

"O TO 50 3" 1

 Date
 Invoice Number
 Comment
 Amount
 Discount Amount
 Net Amount

 11/17/2014
 124
 AUGUST billing
 4,112.25
 0.00
 4,112.25

Check: 010203

11/17/2014 Law Offices of Brian C Padgett

Check Total:

4 112 2

X

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #125 DATE: 10/3/2014

TO:

FOR: SEPTEMBER 2014 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	costs	AMOUNT
Disco De Jesti	25.2			\$12,363.50
Brian Padgett	35.3			
Amy Sugden	18.1			\$7,149.50
Jeremy Duke	3.6			\$1,422.00
TOTAL BILLABLE HOURS/LEGAL FEES	57			\$20,935.00
Copies				\$49.75
Paralegal	3.0		\$140.00	\$420.00
Expert Consultation Costs				
	тот	AL DUE AND OWING		\$21,404.75

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #126 DATE: 11/5/2014

TO:

FOR: OCTOBER 2014 BILLABLE HOURS

Bruce Familian

DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	1.1			
Amy Sugden	4.6			
Jeremy Duke				
TOTAL BILLABLE HOURS/LEGAL FEES	5.7			\$2,251.50
Copies				\$10.75
Paralegal			\$140.00	\$0.00
Expert Consultation Costs				
	TO	TAL DUE AND		
		OWING		\$2,262.25

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #127 DATE: 12/4/2014

TO:

FOR: NOVEMEBER 2014 BILLABLE HOURS

Bruce Familian

DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	0			
Amy Sugden	2.1			
Jeremy Duke				
TOTAL BILLABLE HOURS/LEGAL FEES	2.1			\$829.50
Copies				\$11.25
Paralegal			\$140.00	\$0.00
TOTAL FEES & COSTS DUE FOR NOVEMBER 2014				\$840.75
TOTAL DUE AND OWING				\$840.75

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

#### All OUTSTANDING Invoices are DUE IMMEDIATELY Upon Receipt

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #128 DATE: 1/5/2015

TO:

FOR: DECEMBER 2014 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	costs	AMOUNT
Brian Padgett	0			
Amy Sugden	1.5			\$592.50
Jeremy Duke				
TOTAL BILLABLE HOURS/LEGAL FEES	1.5			\$592.50
Copies				\$9.75
Paralegal		\$140.00		\$0.00
TOTAL FEES & COSTS DUE FOR NOVEMBER 2014				\$602.25
Lumos & Associates Inv. 88447 (Please pay directly to vendor)			\$291.60	
	то	TAL DUE AND OWING		\$602.25

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

### All OUTSTANDING Invoices are DUE IMMEDIATELY Upon Receipt

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #129 DATE: 3/9/2015

TO:

FOR: JANUARY AND FEBRUARY 2015 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	0			
Amy Sugden	4.7	\$395.00		\$1,856.50
Jeremy Duke	0			
TOTAL BILLABLE ATTORNEY FEES	4.7			\$1,856.50
Copies - January	-		\$4.75	
Copies – February			\$58.75	_
TOTAL COSTS				\$63.50
TOTAL BILLABLE ATTORNEY FEES & COSTS				\$1,920.00
	TOT	AL DUE AND OWING		\$1,920.00

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

All OUTSTANDING Invoices are DUE IMMEDIATELY Upon Receipt

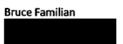
INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #130 DATE: 4/10/2015

TO:

FOR: MARCH 2015 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	costs	AMOUNT
Brian Padgett	19.3	\$395.00		\$7,623.50
Amy Sugden	10.9	\$395.00		\$4,305.50
Jeremy Duke	0			
TOTAL BILLABLE ATTORNEY FEES	30.2			\$11,929.00
Copies			\$73.75	
TOTAL COSTS				\$73.75
TOTAL BILLABLE ATTORNEY FEES & COSTS				\$12,002.75
	то	TAL DUE AND OWING		\$12,002.75

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

# All OUTSTANDING Invoices are DUE IMMEDIATELY Upon Receipt

# INVOICE

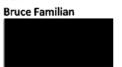
#### LAW OFFICES OF BRIAN C. PADGETT

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #131 DATE: 5/6/2015

TO:

FOR: APRIL 2015 BILLABLE HOURS



DESCRIPTION	HOURS	RATE	costs	AMOUNT
		¢305.00		£2 270 00
Brian Padgett	6.0	\$395.00		\$2,370.00
Amy Sugden	3.7	\$395.00		\$1,461.50
Jeremy Duke	0			
TOTAL BILLABLE ATTORNEY FEES	9.7			\$3,831.50
Copies			\$7.75	
Deposition Costs			\$696.25	
TOTAL COSTS				\$704.00
TOTAL BILLABLE ATTORNEY FEES & COSTS				\$4,535.50
		\$43,567.75		

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 30 days.

# All OUTSTANDING Invoices are DUE IMMEDIATELY Upon Receipt

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123





FOR: MAY 2015 BILLABLE HOURS

**INVOICE #132** DATE: 6/12/2015

TO:



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	1.8	\$395.00		\$711.00
Amy Sugden	1.8	\$395.00		\$711.00
Jeremy Duke	0	\$395.00		0.0
TOTAL BILLABLE ATTORNEY FEES				\$1,422.00
Copies			\$1.75	
TOTAL COSTS				\$1.75
TOTAL BILLABLE ATTORNEY FEES & COSTS				\$1,423.75
Outstanding Invoices:				
September 2014 – Invoice #125				\$21,404.25
October 2014 – Invoice #126				\$2,262.25
November 2014 – Invoice #127				\$840.75
December 2014 – Invoice #128				\$602.25
January & February 2015 – Invoice #129				\$1,920.00
March 2015 – Invoice #130				\$12,002.75
April 2015 – Invoice #131		.*		\$4,535.50
Lumos & Associates Inv. 88447 (Please pay directly to vendor)			\$291.60	
	\$44,991.50			

INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123



FOR: JUNE / JULY 2015 BILLABLE HOURS

**INVOICE #133** DATE: 7/31/2015

TO:



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	0	\$395.00		\$0.00
Amy Sugden	.6	\$395.00		\$237.00
Jeremy Duke	0	\$395.00		\$0.00
TOTAL BILLABLE ATTORNEY FEES				\$237.00
Costs – Copies				\$4.75
TOTAL ATTORNEYS' FEES & COSTS				\$241.75
Outstanding Invoices:				
September 2014 – Invoice #125				\$21,404.25
October 2014 – Invoice #126				\$2,262.25
November 2014 – Invoice #127				\$840.75
December 2014 – Invoice #128				\$602.25
January & February 2015 – Invoice #129				\$1,920.00
March 2015 – Invoice #130				\$12,002.75
April 2015 – Invoice #131				\$4,535.50
May 2015 – Invoice #132				\$1,423.75
Lumos & Associates Inv. 88447 (Please pay directly to vendor)			\$291.60	
	тот	AL DUE AND OWING		\$45,233.25

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123



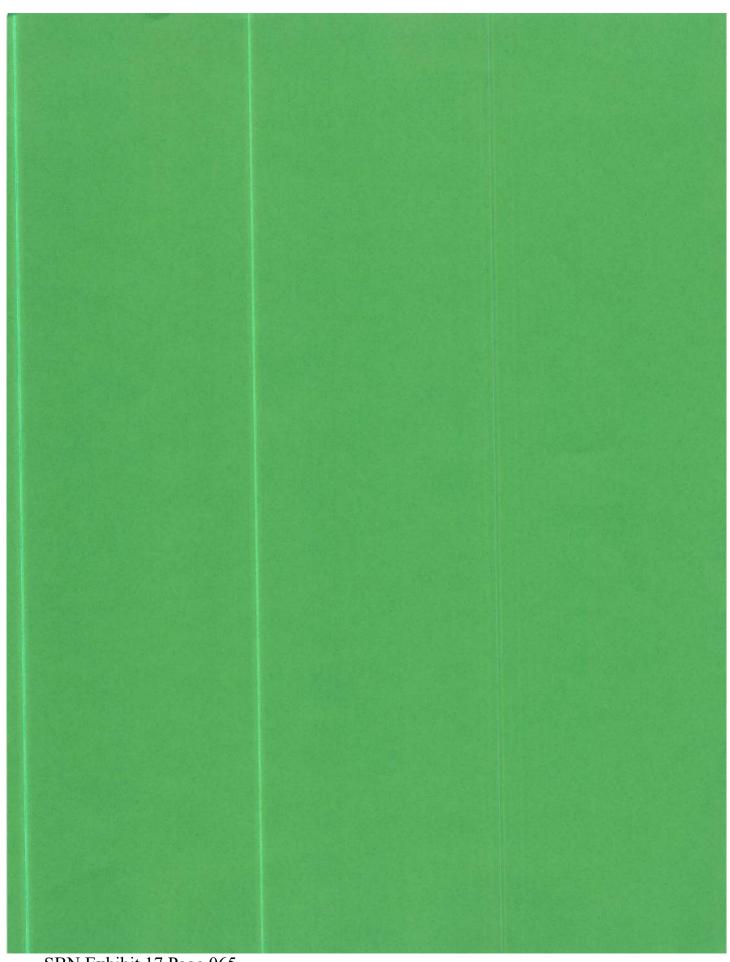
# INVOICE

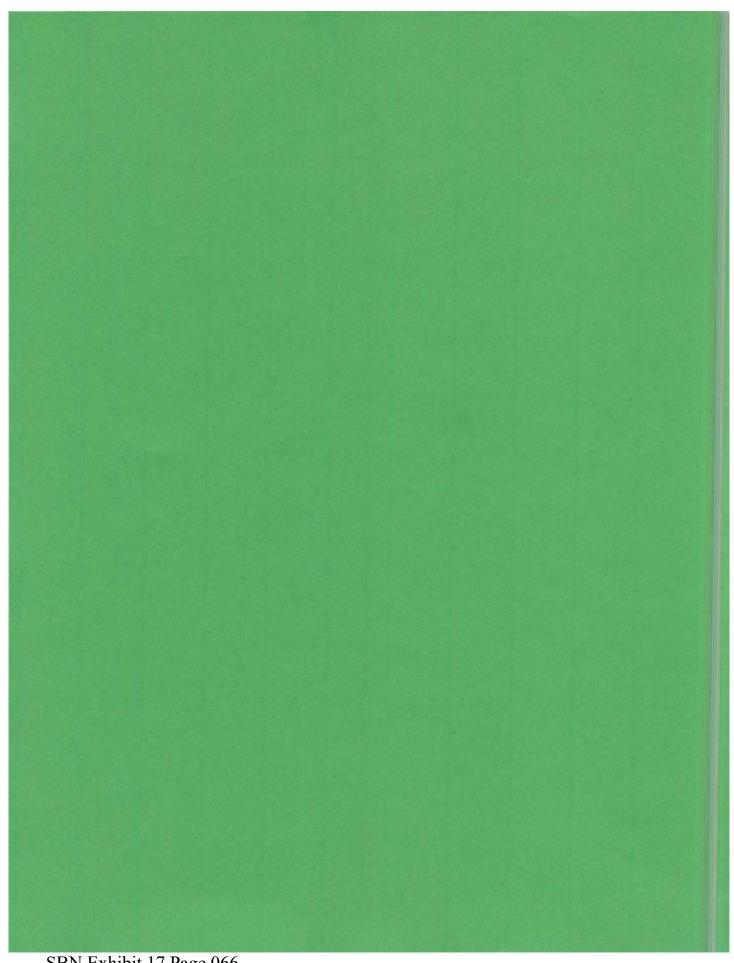
INVOICE #134 DATE: 9/22/2015

TO:



DESCRIPTION	HOURS	RATE	COSTS	AMOUNT
Brian Padgett	10.8	\$395.00		\$4,266.00
		(95)		
Amy Sugden	15.2	\$395.00		\$6,004.00
Jeremy Duke	0	\$395.00		\$0.00
TOTAL BILLABLE ATTORNEY FEES				\$10,270.00
Costs – Copies				\$85.50
TOTAL ATTORNEYS' FEES & COSTS				\$10,355.50
Outstanding Invoices:				
September 2014 – Invoice #125				\$21,404.25
October 2014 - Invoice #126				\$2,262.25
November 2014 – Invoice #127				\$840.75
December 2014 – Invoice #128				\$602.25
January & February 2015 – Invoice #129				\$1,920.00
March 2015 – Invoice #130				\$12,002.75
April 2015 – Invoice #131				\$4,535.50
May 2015 – Invoice #132				\$1,423.75
June / July 2015 – Invoice #133				\$241.75
Lumos & Associates Inv. 88447 (Please pay directly to vendor)			\$291.60	
	тота	AL DUE AND . OWING		\$55,588.75





INVOICE

611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #135 DATE: 12/1/2015

TO:

FOR: SEPTEMBER-OCTOBER 2015 BILLABLE HOURS

Bruce Familian

DESCRIPTION	HOURS	RATE	costs	AMOUNT
Brian Padgett	27.0	\$395.00		\$10,665.00
Amy Sugden	7.9	\$395.00		\$3,120.50
Jeremy Duke	0	\$395.00		\$0.00
TOTAL BILLABLE ATTORNEY FEES	34.9			\$13,785.50
Costs – Copies				\$62.00
TOTAL ATTORNEYS' FEES & COSTS				\$13,847.50
	тот	AL DUE AND OWING		\$13,847.50

Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 15 days.

INVOICE

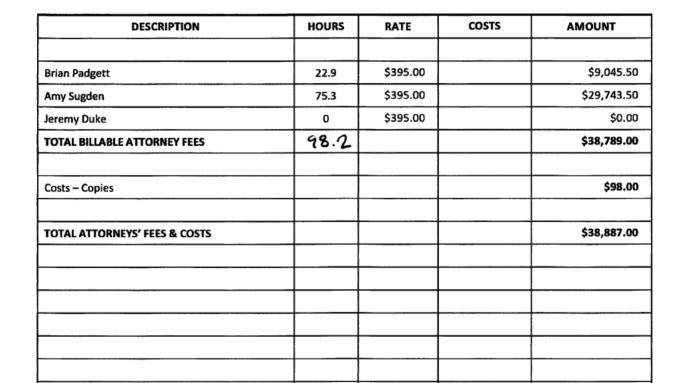
611 South Sixth Street Las Vegas, Nevada 89101 Phone 702-304-0123 Fax 702-368-0123

INVOICE #136 DATE: 3/18/2016

TO:

FOR: NOVEMBER 2015 - FEBRUARY 2016 BILLABLE HOURS

**Bruce Familian** 



Please make all checks payable to LAW OFFICES OF BRIAN C. PADGETT within 15 days.

#### All OUTSTANDING Invoices are DUE IMMEDIATELY Upon Receipt

**TOTAL DUE AND** 

OWING

\$38,887.00

# **MARCH 2016**

DATE	ATTY	BILLABLE	CLIENT/CASE	TASK
3/4	ALS	.2	Familian	Telephone conference with Discovery Commissioner's office regarding status check hearing date;
3/7	ALS	.1	Familian	Receipt and review of Notice to Appear for Discovery Conference;
3/16	ALS	4.1	Familian	Draft brief for status check before the Discovery Commissioner ; and then finalize for submission
3/16	ВСР	1.4	Familian	Review and revise brief for status check before the Discovery Commissioner
3/18	ALS	2.4	Familian	Prepare for and attend status check before Judge Gonzalez and Mr. Familian
3/24	ALS	2.1	Familian	Prepare for and attend meeting with Mr. Penney, Mr. Familian, and Mr. Padgett to discuss the remaining discovery deadlines/rebuttal witness strategy; send exchange email correspondence to Mr. Mansfield regarding draft DCRR
3/24	ВСР	1.8	Familian	Prepare for and attend meeting with Mr. Penney, Mr. Familian, and Ms. Sugden to discuss the remaining

# **MARCH 2016**

				discovery deadlines/rebuttal witness strategy
3/25	ALS	.2	Familian	Send email correspondence to Mr. Mansfield attaching underground photographs of subject site
3/30	ALS	1.7	Familian	Receipt and review of draft DCRR from Mr. Mansfield; telephone conference with Mr. Mansfield regarding the same  exchange email correspondence with Mr. Mansfield regarding proposed revisions to draft DCRR
3/30	ВСР	.8	Familian	
		14.8		

# **APRIL 2016**

DATE	ATTY	BILLABLE TIME	CLIENT/CASE	TASK
4/4	ALS	.2	Familian	Receipt and review of correspondence from Mr. Mansfield to Judge Gonzalez regarding proposed DCRR
4/5	ALS	.4	Familian	Exchange multiple email correspondences with Mr. Mansfield's office regarding conference call request from Discovery Commissioner
4/6	ALS	.8	Familian	Receipt and review of "corrected"  DCRR and review of transcript of  March 18, 2016 hearing before  Judge Gonzalez
4/8	ALS	.2	Familian	Receive and respond to Mr.  Mansfield regarding scheduling of telephone conference with Judge Gonzalez
4/13	ALS	2.6	Familian	Receipt and review of Clark County's 6 <sup>th</sup> Supplemental production of documents; attend conference call with Judge Gonzalez and Mr. Mansfield; receipt and review of draft revised DCRR from Mr. Mansfield based on input from Judge Gonzalez
4/13	ВСР	1.1	Familian	review of Clark County's 6 <sup>th</sup> Supplement
4/20	ALS	.8	Familian	Exchange multiple email

# APRIL 2016

4/21	ALS	1.1	Familian	exchange email correspondence from Mr. Mansfield's office regarding review of draft revised DCRR from Mr. Mansfield based on input from Judge Gonzalez  Attend initial expert meeting with
4/21	ВСР	1.7	Familian	Mr. Ruffer and Mr. Padgett  Prepare for and attend expert meeting with Mr. Ruffer and Ms. Sugden
4/27	ALS	1.3	Familian	Exchange multiple email correspondence with Mr. Mansfield's office regarding submission of competing DCRR for consideration; draft letter to Discovery Commissioner regarding the same
4/29	ALS	1.2	Familian	Attend site visit with Mr. Ruffer; email Mr. Mansfield requesting brief extension of supplemental structural reports
		11.4		

# **MAY 2016**

DATE	ATTY	BILLABLE TIME	CLIENT/CASE	TASK
5/1	ALS	.2	Familian	Receipt and review of correspondence from Mr. Mansfield to Judge Gonzalez regarding proposed DCRR
5/4	ALS	2.2	Familian	Attend meeting with Mr. Ruffer; exchange email correspondences with Mr. Mansfield regarding scheduling of site inspection by the County; telephone conference with Mr. Karanikolas regarding ASHTO specifications for truck loads
5/4	ВСР	1.7	Familian	Attend meeting with Mr. Ruffer regarding his initial findings and analyze the same
5/5	ALS	.8	Familian	
5/6	ALS	1.2	Familian	Telephone conference with Mr. Ruffer regarding initial analysis
5/8	ALS	.1	Familian .	Receive and respond to inquiry regarding "as builts" for arch culvert
5/9	ALS	1.8	Familian	Comprehensive review of documents produced
5/10	ALS	1.1	Familian	
5/10	ВСР	1.4	Familian	
5/11	ALS	.1	Familian	Exchange email correspondence with Mr. Mansfield regarding production of supplemental report
5/13	ALS	1.2	Familian	

5/13	ВСР	.9	Familian	
5/16	ALS	.5	Familian	
5/17	ALS	1.8	Familian	Finalize and prepare Landowner's 5 <sup>th</sup> Supplemental Report
5/24	ALS	.3	Familian	Receipt and review of revisions to DCRR from Discovery Commissioners office
5/26	ALS	.3	Familian	Exchange email correspondence with Mr. Mansfield's office regarding submission of competing DCRR's
5/31	ALS	.2	Familian	Coordinate simultaneous submission of DCRR's to the Discovery Commissioner by Mr. Mansfield's office and the Law Offices of Brian C. Padgett
		15.8		

# **JUNE 2016**

DATE	ATTY	BILLABLE	CLIENT/CASE	TASK
6/3	ALS	.1	Familian	Receipt and review of correspondence from Mr. Mansfield regarding site inspection
6/7	ALS	.1	Familian	Receive and respond to email correspondence from Mr. Mansfield regarding conducting an additional site visit
6/10	ALS	.2	Familian	Receipt and review of executed DCRR from Judge Gonzalez
6/20	ALS	.1	Familian	Receipt and review of 6 <sup>th</sup> Order Setting Civil Jury Trial
		0.5		