

**IN THE SUPREME COURT OF THE  
STATE OF NEVADA**

Electronically Filed  
Apr 14 2021 10:50 a.m.  
Elizabeth A. Brown  
Clerk of Supreme Court

NUVEDA, LLC,

Petitioner,

vs

EIGHTH JUDICIAL DISTRICT  
COURT OF THE STATE OF  
NEVADA, IN AND FOR THE  
COUNTY OF CLARK, THE  
HONORABLE ELIZABETH  
GONZALEZ, DISTRICT JUDGE,

Respondent,

SHANE TERRY,

Real Party in Interest.

Supreme Court Case No. TBD

Case: A-20-817363-B

Lead Case: A-17-755479-B

Other Consolidated Cases with Lead  
Case:

A-19-791405-C and A-19-796300-B

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**APPENDIX FOR PETITION FOR WRIT OF PROHIBITION OR, IN THE  
ALTERNATIVE, PETITION FOR WRIT OF MANDAMUS (Volume II)**

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*Counsel for Petitioner<sup>1</sup>*

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<sup>1</sup> A. William Maupin, of Clark Hill LLP, 3800 Howard Hughes Parkway, Suite 500, Las Vegas, Nevada 89169, serves as co-counsel to Petitioner in this matter.

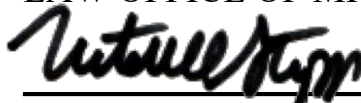
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DATED this 14th day of April, 2021.

LAW OFFICE OF MITCHELL STIPP




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MITCHELL STIPP, ESQ.

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Suite 100

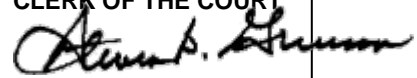
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# VOLUME II OF APPENDIX



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**IN THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**  
**IN AND FOR THE COUNTY OF CLARK**

NUVEDA, LLC, a Nevada Limited Liability  
Company; and CWNEVADA LLC, a Nevada  
Limited Liability Company,

Plaintiffs,

v.

4FRONT ADVISORS LLC, foreign limited  
liability company, DOES I through X and ROE  
ENTITIES, II through XX, inclusive,

Defendants.

AND RELATED MATTERS.

Case: A-17-755479-B

Consolidated Cases:  
A-19-791405-C, A-19-796300-B, and A-20-  
817363-B

Dept. No.: 11

**MOTION TO ENTER ORDER ON SHANE  
TERRY'S CLAIMS AND RELATED  
RELIEF**

**TELEPHONIC HEARING REQUESTED**

NuVeda, LLC, a Nevada limited liability company, by and through its counsel of record,  
Mitchell Stipp, Esq., of the Law Office of Mitchell Stipp, hereby files the above-referenced motion.

This motion is based on the papers and pleadings before the court and the Declaration of  
Mitchell Stipp included herewith.

///

///

///

1 DATED this 9th day of December, 2020.

2  
3 **LAW OFFICE OF MITCHELL STIPP**

4  
5 /s/ Mitchell Stipp, Esq.  
6 MITCHELL STIPP, ESQ.  
7 Nevada Bar No. 7531  
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12 mstipp@stipplaw.com  
13 *Attorneys for NuVeda, LLC*

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1. I am counsel for NuVeda, LLC, a Nevada limited liability company (“NuVeda”), in the above referenced case.

3. The time period during which Mr. Terry could seek relief from AAA expired on **November 29, 2020**. Mr. Terry has not requested any relief from AAA. Therefore, NuVeda's motion should be granted without further delay.

5. Mr. Terry should not be permitted more time to pursue claims against NuVeda and its affiliates which have no merit. In fact, the court specifically stated on October 19, 2020 the following regarding NuVeda's request for Mr. Terry to update the court on his efforts to obtain relief from AAA:

21 THE COURT: The motion to amend is granted except as  
22 to Mr. Terry.

23 MR. COPPEDGE: So we have not changed anything with  
24 Mr. Terry, Your Honor. So how does that work, I guess?

25 THE COURT: So I'm not going to sit here and listen

JD Reporting, Inc.

13

A-17-755479-B | Nuveda v. 4Front | 2020-10-19 | Motion & Opp

1 to an update about what's going on with AAA because I only get  
2 my courtroom until 10:00 o'clock. So I don't have time to do  
3 that, but I assume that you're doing something about Mr. Terry,  
4 or I'm going to hear this summary judgment and grant it. I'm  
5 not there today.

6 To the extent you are seeking any amendments that  
7 include Mr. Terry, it's denied.

8 With respect to Mr. Ivey and the receiver, it's  
9 granted.

10 MR. STIPP: Thank you, Your Honor.

See Pages 13-14 of Transcript electronically filed on October 27, 2020.

6. I submit the above-titled declaration in support of NuVeda's motion. I have personal knowledge of the facts contained therein unless otherwise qualified by information and belief or such knowledge is based on the record in this case, and I am competent to testify thereto, and such facts are true and accurate to the best of my knowledge and belief.

Dated this 9th day of December, 2020.

/s/ Mitchell Stipp

Mitchell Stipp, Esq.



## MEMORANDUM OF POINTS AND AUTHORITIES

NuVeda incorporates by reference its filings before the court at the hearings on August 31, 2020 and October 19, 2020. To refresh the memory of the court, NuVeda provides the summary below.

Mr. Terry's claims against NuVeda were disposed of in Case No. A-15-728510-B (in Department 11) and the underlying arbitration. Mr. Terry filed a lawsuit against NuVeda in 2015. Mr. Terry sought to stop the potential joint venture between CWNevada and NuVeda. However, the court denied his request for a preliminary injunction. See Exhibit 2. The Nevada Supreme Court also upheld the court's decision on Mr. Terry's appeal. See Exhibit 3. The parties in that case requested their disputes be handled via binding arbitration in accordance with the operating agreement of NuVeda. See Arbitration Demands attached as part of Exhibit 4.

The court should note that the allegations in the complaint filed in Case No. A-20-817363-B mirrors the allegations by Mr. Terry in the litigation/arbitration. Compare id. with Complaint filed on June 30, 2020 in Case No. A-20-817363-B, paragraph 16-21 and 30-62. Mr. Terry entered into a binding agreement to sell his claims against and any interest in NuVeda. See Exhibit 5. After Mr. Terry entered into this agreement, Mr. Terry through his counsel (Erika Pike Turner) filed a motion to substitute the buyer in place of Mr. Terry as the real party in interest with all rights to Mr. Terry's claims and interest. See Exhibit 6. Mr. Terry's motion specifically argues the following:

Here, there should be no impediment to the requested substitution of Buyer for Mr. Terry, *as Buyer now has the sole right to prosecute claims pendent to Mr. Terry's rights and interests relative to NuVeda and make decisions relative thereto*, pursuant to Buyer/Mr. Terry's voluntary agreement wherein Mr. Terry agreed to assign all rights and interests relative to NuVeda, LLC to Buyer, including the pendent claims. Further, Respondents have repeatedly argued that Mr. Terry has no rights under the Operating Agreement that survive his termination on March 10, 2016; thus, Respondents should be judicially estopped from making a contrary argument now.

(emphasis added). The arbitrator permitted the buyer to substitute into the case for Mr. Terry. Subsequently, the buyer dismissed these claims against NuVeda and related parties *with prejudice*. See Exhibit 7. In accordance with the motion filed by Mr. Terry and the request by the buyer to

1 dismiss the claims with prejudice, the arbitrator ordered these claims finally to be dismissed on October  
2 9, 2018. See **Exhibit 8**.

3 The decision by the arbitrator in Case No. A-15-728510-B (Department 11) is not subject to  
4 being set aside. NRCP 60(b)(3)(4) and (c)(1) provide as follows:

5  
6 (b) Grounds for Relief From a Final Judgment, Order, or Proceeding. On  
7 motion and just terms, the court may relieve a party or its legal  
8 representative from a final judgment, order, or proceeding for the following  
9 reasons:

10 (3) fraud (whether previously called intrinsic or extrinsic),  
11 misrepresentation, or misconduct by an opposing party;

12 (4) the judgment is void;

13 (c) Timing and Effect of the Motion.

14 (1) Timing. A motion under Rule 60(b) must be made within a  
15 reasonable time — **and for reasons (1), (2), and (3) no more than 6 months**  
16 **after the date of the proceeding or the date of service of written notice of**  
17 **entry of the judgment or order, whichever date is later.** The time for filing  
18 the motion cannot be extended under Rule 6(b).

19 (emphasis added). Despite being provided ninety (90) days, Mr. Terry has not filed a motion to set  
20 aside the decision by the arbitrator. Accordingly, the judgment by the arbitrator is final.

21 In Mr. Terry’s original opposition to NuVeda’s motion, he concedes the following: **“The order**  
22 **of dismissal was a final judgment that concluded the [a]rbitration as to [Mr.] Terry and cannot be**  
23 **reopened except by a motion to set aside the judgement under NRCP 60(b).”** See Opposition filed  
24 on August 10, 2020, pg. 16, lines 19-20. Mr. Terry contends that the basis for his motion before the  
25 arbitrator will be **NRCP 60(b)(4) (void judgments)** and the decision belongs to the arbitrator. *Id.* A  
26 final judgment is void when a “defect [exists] in the court’s authority to enter judgment through either  
27 lack of personal jurisdiction or jurisdiction over the subject matter in the suit.” See *Gassett v. Snappy*  
28 *Car Rental*, 111 Nev. 1416, 1419, 906 P.2d 258, 261 (1995), superseded by rule on other grounds as  
stated in *Fritz Hansen A/S v. Eighth Judicial Dist. Court*, 116 Nev. 650, 656, 6 P.3d 982, 985 (2000).  
The arbitrator’s judgment dismissing Mr. Terry’s claims is not void because the arbitrator actually had

jurisdiction. If the judgment is not void, a motion to set aside a final judgment must be filed within the six (6) month timeframe set forth in NRCP 60(c). Accordingly, as set forth in NuVeda's motion to dismiss or for summary judgment, the case initiated by Mr. Terry against NuVeda and its affiliates should be dismissed or summary judgment entered.

Mr. Terry has not taken any steps to obtain relief from AAA. The time period provided as a courtesy by the court for Mr. Terry to do so ended on **November 29, 2020** (ninety (90) days after hearing on August 31, 2020). Therefore, as stated by the court, the motion filed by NuVeda should be granted with respect to Mr. Terry's claims.

Further, as the prevailing party, NuVeda is entitled to its attorney's fees and costs including without limitation as set forth in NRS 18.010(2)(b). NuVeda will submit a memorandum of fees and costs for the court's consideration in chambers after entry of the proposed order.

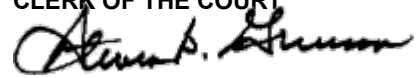
DATED this 9th day of December, 2020.

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# EXHIBIT 1

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**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

NUVEDA, LLC, a Nevada Limited Liability  
Company; and CWNEVADA LLC, a Nevada  
Limited Liability Company,

Plaintiffs,

v.

4FRONT ADVISORS LLC, foreign limited  
liability company, DOES I through X and  
ROE ENTITIES, II through XX, inclusive,

Defendants.

Case No.: A-17-755479-B

Consolidated With: A-19-791405-C,  
A-19-796300-B, and A-20-817363-B

Dept. No.: 11

AND RELATED MATTERS

**ORDER DENYING MOTION TO DISMISS OR FOR SUMMARY JUDGMENT**

This matter came before the Honorable Elizabeth Gonzalez on August 31, 2020 on NuVeda's Motion to Dismiss or for Summary Judgment (the "Motion") with Mitchell D. Stipp of the Law Office of Mitchell Stipp appearing for NuVeda, LLC; L Joe Coppedge of the law firm Mushkin & Coppedge appearing for the Court Appointed Receiver, Dotan Melech, for CWNevada, LLC, Shane Terry and Phillip Ivey; Christopher R. Miltenberger of the law firm Greenberg Traurig, LLP appearing on behalf of Intervenor, Green Pastures Fund, LLC Series 1 (CWNevada, LLC), Jakal Investments, LLC, Jonathan S. Fenn as Trustee for the Jonathan S.

Fenn Revocable Trust, and Growth Opportunities, LLC; and William Urga of the firm Jolley Urga Woodbury & Holthus appearing on behalf of Intervenor, Highland Partners NV LLC and the MI-CW related parties; and the Court, having reviewed and considered the record, the points and authorities on file, and the argument of counsel, this Court ORDERS, JUDGES AND DECREES AS FOLLOWS:

1. Given the Receiver's Declaration that the Receiver on behalf of CWNevada, LLC can perform the obligations of CWNevada, LLC under the various joint venture agreements with NuVeda, LLC, there is a genuine issue of material fact regarding the issue of impossibility, which precludes summary judgment.

2. The Motion related to the Intervenor's complaint-in-intervention, is moot (since resolution was depended on the court's determination that CWNevada, LLC's performance under the joint venture agreements was impossible).

3. With respect to Shane Terry, the Motion is stayed for a period of ninety (90) days from the date of the hearing for Mr. Terry to request any relief from the arbitrator, Ms. Nikki Baker, of the American Arbitration Association.

DATED this 18th day of September, 2020.

  
DISTRICT COURT JUDGE

Respectfully Submitted:  
MUSHKIN & COPPEDGE

Approved as to Form and Content:  
LAW OFFICE OF MITCHELL STIPP

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Shane Terry, and Phillip D. Ivey*

*Attorneys for NuVeda, LLC*

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# EXHIBIT 2

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CLERK OF THE COURT

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**DISTRICT COURT**  
**CLARK COUNTY, NEVADA**

NUVEDA, LLC, a Nevada limited liability company; SHANE M. TERRY, a Nevada resident; and JENNIFER M. GOLDSTEIN, a Nevada resident;

Plaintiffs,

v.

PEJMAN BADY; POUYA MOHAJER; DOE Individuals I-X and ROE Entities I-X, inclusive;

Defendants.

CASE NO.: A-15-728510-B  
DEPT. NO.: XI

**FINDINGS OF FACT AND CONCLUSIONS OF LAW DENYING PLAINTIFFS' MOTION FOR PRELIMINARY INJUNCTION, DENYING DEFENDANT'S COUNTERMOTION FOR PRELIMINARY INJUNCTION AND JOINDER, AND ENTERING PROVISIONAL REMEDY PURSUANT TO N.R.S. 38.222**

**Hearing Date: December 28, 2015 and January 6 - 8, 2016**

This matter having come on for an evidentiary hearing related to Plaintiffs' Motion for Preliminary Injunction (the "Motion") and Defendant Bady's Countermotion for Preliminary Injunction (the "Countermotion") before the Court on December 28, 2015 and January 6 - 8, 2016.<sup>1</sup> Plaintiffs Terry and Goldstein appeared individually and as representatives of NuVeda, LLC<sup>2</sup> by and through their counsel of record Erika Pike Turner of the law firm of GARMAN TURNER GORDON; Defendant Bady appeared individually and by and through his counsel of record Vincent Aiello and Matthew Dushoff of the law firm of KOLESAR & LEATHAM; and Defendant Mohajer appeared individually and by and through its counsel of record A. William Maupin and John Naylor of the law firm MAUPIN NAYLOR BRASTER; the Court having read and considered the pleadings filed by the parties; having reviewed the evidence admitted during the

<sup>1</sup> In addition, Mohajer requested a provisional remedy under NRS 38.222 be made on the pending issues.

<sup>2</sup> The complaint alleges that they are representing NuVeda on any derivative claims.

1 evidentiary hearing; and having heard and carefully considered the testimony of the witnesses  
2 called to testify; the Court having considered the oral and written arguments of counsel, and with  
3 the intent of deciding the limited issues before the Court related to the Motion and  
4 Countermotion.<sup>3</sup> The Court makes the following findings of fact and conclusions of law:

#### 5 FINDINGS OF FACT

6  
7 1. On July 9, 2014, the parties entered into an Operating Agreement for NuVeda,  
8 LLC ("NuVeda")<sup>4</sup> to operate dispensaries, cultivation and processing facilities for medical  
9 marijuana ("MME") pursuant to licenses obtained from certain political subdivisions.

10 2. Certain disputes have arisen between the parties over the existence and vesting of  
11 certain membership interests, management and control of NuVeda.

12 3. Plaintiffs have alleged that Defendants acted "in concert" in certain actions that  
13 they allege are "self dealing".

14 4. Section 6.2 of the Operating Agreement permits the expulsion of a member under  
15 certain conditions.<sup>5</sup>  
16

17  
18 <sup>3</sup> The findings made in this Order are preliminary in nature based upon the limited evidence  
19 presented after very limited exchange of documents and may be modified based upon additional  
evidence presented to the Court at the ultimate trial (or arbitration) of this matter.

20 <sup>4</sup> NuVeda LLC and its subsidiaries are referred to as "NuVeda" collectively for purposes of  
21 this decision.

22 <sup>5</sup> The Operating Agreement at Section 6.2 provides:

23 A Member's interest in the Company may be terminated or expelled only upon agreement  
24 of the Disinterested Voting Members by a vote of 60% or more of Disinterested Voting  
25 Interests. Expulsion may only be made by a majority vote of 60% or more of the  
26 Disinterested Voting Interests that the expelled member was not acting in the best interest  
27 of the Company or was otherwise acting in a manner that was contrary to the purpose of  
28 the Company. For purposes of this provision, the "Disinterested Voting Members" shall  
be those Members who's membership in the Company is not then being voted upon, and  
"Disinterested Voting Interests" shall be the total percentage of the Ownership Interests  
held by the Disinterested Voting Members. By means of example only, if the Members  
sought to expel Member A, who owned a 20% Voting Interest, the Disinterested Voting

1           5.       In late November 2015, without a meeting,<sup>6</sup> Plaintiffs and certain other members  
2 attempted expulsion by written consent of both Defendants. Issues have arisen about the  
3 methodology used by Plaintiffs to calculate the Disinterested Voting Interests.

4           6.       In retaliation, the following week, without a meeting, Defendants and certain other  
5 members attempted expulsion by written consent of both Plaintiffs. Issues have arisen about the  
6 basis used by Defendants as the basis for the expulsion of Plaintiffs.

7           7.       The activities of Bady and Mohajer alleged by Plaintiffs to permit the aggregation  
8 of the Disinterested Voting Interests do not rise to the level of a conspiracy as argued by Plaintiff.

9           8.       The activities of Plaintiffs in attempting to expulse Defendants do not constitute  
10 activities which would permit the expulsion of Plaintiffs.

11           9.       On November 18, 2015, at a meeting of NuVeda, where Plaintiffs were present,  
12 the transaction with CW was discussed.

13           10.      In early December 2015, the majority of membership interest approved a  
14 transaction with CW which results in the transfer of certain assets but retains the membership  
15 interest held currently by NuVeda members in NuVeda. At the time of the evidentiary hearing,  
16 not all of the documents for the CW transaction had been finalized.

17           11.      If any finding of fact is properly a conclusion of law, it shall be treated as if  
18 appropriately identified and designated.

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22           Members would be all Members other than Member A, and the vote would require 60% of  
23 the 80% Disinterested Voting Interests to carry. In order to terminate a Member's interest  
24 a meeting of the Voting Members must be held in accordance with the provisions of  
25 Section 4.3.

26           <sup>6</sup>       Section 4.3 provides in pertinent part:

27           No regular, annual, special or other meetings of Voting Members are required to be held.  
28           Any action that may be taken at a meeting of Voting Members may be taken without a  
            meeting by written consent in accordance with the Act. Meetings of the Voting Members,  
            for any purpose or purposes, may be called at any time by a majority of the Voting  
            Members, or by the President of the Company, if any. . . .

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1           21.     However, since additional actions need to be taken by NuVeda to finalize the  
2 transaction, the Court declines to grant the Countermotion as all members should have an  
3 opportunity to have input on the remaining documents to finalize the CW transaction.

4           22.     A security bond is not required for the Court's provisional remedy.

5           23.     If any conclusion of law is properly a finding of fact, it shall be treated as if  
6 appropriately identified and designated.  
7

8                                 **ORDER**

9           THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the  
10 Motion and Countermotion are denied.

11           IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pending the  
12 completion of the contemplated arbitration, the parties are to take no further action to expulse  
13 each other on the factual basis presented to the Court during the evidentiary hearing.  
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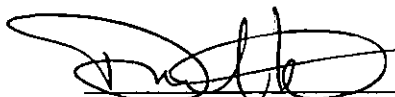
15           IT IS FURTHER ORDERED that the request to seal these proceedings is denied.

16                                 Dated this 13<sup>th</sup> day of January, 2016.

17  
18                                   
19                                 DISTRICT COURT JUDGE  
20

21                                 **Certificate of Service**

22           I hereby certify, that on the date filed, this Order was served on the parties identified on  
23 Wiznet's e-service list.  
24

25     
26   Dan Kutinac  
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# EXHIBIT 3

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IN THE SUPREME COURT OF THE STATE OF NEVADA

NUVEDA, LLC, A NEVADA LIMITED  
LIABILITY COMPANY; SHANE M.  
TERRY, A NEVADA RESIDENT; AND  
JENNIFER M. GOLDSTEIN, A  
NEVADA RESIDENT,  
Appellants,  
vs.  
PEIMAN BADY; AND POUYA  
MOHAJER,  
Respondents.

No. 69648

FILED

OCT 13 2017

ELIZABETH A. BROWN  
CLERK OF SUPREME COURT

BY *[Signature]*  
DEPUTY CLERK

*ORDER OF AFFIRMANCE*

This is an appeal from a district court order denying a motion for a preliminary injunction in a corporate action seeking provisional remedies under NRS 38.222. Eighth Judicial District Court, Clark County; Elizabeth Goff Gonzalez, Judge.

In this dispute between members of a limited liability company, the individual appellants attempted to expel respondents, alleging that respondents engaged in conduct contrary to the company's best interests by agreeing to transfer certain assets to another company, CW Nevada, as well as by engaging in other bad acts. Respondents retaliated by attempting to expel appellants. Appellants sought a preliminary injunction to prevent the asset transfer pending resolution of arbitration, but the district court denied the motion for an injunction. Appellants appeal.

Appellants argue that the district court abused its discretion in denying their motion for a preliminary injunction. A preliminary injunction may be granted when the movant shows a likelihood of success on the merits and a reasonable probability that the nonmovant's conduct will cause irreparable harm if allowed to continue. *Univ. & Cmty. Coll. Sys. of Nev. v.*

*Nevadans for Sound Gov't*, 120 Nev. 712, 721, 100 P.3d 179, 187 (2004). Whether to deny a motion for a preliminary injunction rests within the district court's discretion, and that decision will not be reversed absent an abuse of discretion or reliance on an erroneous legal standard. *Id.*

*Appellants do not have a likelihood of success on the merits because they failed to expel respondents pursuant to the operating agreement*

Appellants first argue that the district court erred in applying a civil conspiracy standard to determine whether respondents were disinterested for the purpose of evaluating whether 60% of disinterested voting interests voted to expel them. Appellants assert that the court should have considered whether respondents' interests precluded their vote. This court construes the construction of a contractual term de novo and unambiguous contracts according to their plain language. *Sheehan & Sheehan v. Nelson Malley & Co.*, 121 Nev. 481, 486-88, 117 P.3d 219, 223-24 (2005).

The relevant provisions of the operating agreement are not ambiguous. Paragraph 6.2 of the limited liability company's operating agreement governs the expulsion of members. The operating agreement permits terminating "[a] member's interest in the company" by a vote of 60% or more of the disinterested voting interests. It defines disinterested voting members as those members whose membership "is not then being voted upon." The plain language of the operating agreement provides a procedure for expelling an individual member without any means for grouping interests; thus, appellants' argument that respondents' alleged joint action permitted appellants to group their interests and to vote to expel respondents simultaneously fails. Appellants' reliance on the interpretation of disinterestedness in *In re Amerco Derivative Litigation*, 127 Nev. 196, 252 P.3d 681 (2011), is misplaced because that case pertained



to a shareholder derivative action, which is not at issue here, and the operating agreement here expressly defines “disinterested voting member.” Further, appellants’ argument has the **absurd** consequence of permitting a holder of, e.g., a 1% interest in the company, to declare that holders of the remaining 99% are jointly acting against company best interests and to expel that majority. *See Reno Club, Inc. v. Young Inv. Co.*, 64 Nev. 312, 325, 182 P.2d 1011, 1017 (1947) (“A contract should not be construed so as to lead to an absurd result.”).

The district court’s application of a civil-conspiracy standard to determine whether respondents’ interests may be grouped for the purpose of expulsion lacks a basis in the operating agreement, and the district court accordingly erred to the extent that it relied on such a standard. However, the agreement did not provide a mechanism for appellants to expel respondents jointly rather than individually, and the record makes clear that 60% of disinterested voting interests did not vote to expel either respondent individually, such that the district court did not err in determining that appellants’ efforts to expel respondents failed or that appellants did not have a likelihood of success on the merits. *See Saavedra-Sandoval v. Wal-Mart Stores, Inc.*, 126 Nev. 592, 599, 245 P.3d 1198, 1202 (2010) (affirming when district court reached correct result on incorrect basis).

*Substantial evidence supports the district court’s finding that the asset transfer would not cause the company irreparable harm*

The district court determined that appellants failed to demonstrate a basis to interfere with respondents’ majority-approved decision to transfer assets to CW and denied appellants’ request to enjoin

the transfer.<sup>1</sup> The record contains evidence that "a reasonable mind might accept as adequate to support" that the transfer would not cause irreparable harm. *See State Emp. Sec. Dep't v. Hilton Hotels Corp.*, 102 Nev. 606, 608, 729 P.2d 497, 498 (1986) (internal quotation marks omitted). Accordingly, as appellants failed to show a reasonable probability of irreparable harm, we conclude that the district court did not abuse its discretion in denying appellants' motion.

Having considered appellants' contentions and concluded that they do not warrant relief, we

ORDER the judgment of the district court AFFIRMED.

Cherry, C.J.  
Cherry

Hardesty, J.  
Hardesty

Stiglich, J.  
Stiglich

cc: Hon. Elizabeth Goff Gonzalez, Chief Judge  
Stephen E. Haberfeld, Settlement Judge  
Garman Turner Gordon  
Jennifer M. Goldstein  
Naylor & Braster  
Kolesar & Leatham, Chtd.  
Eighth District Court Clerk

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<sup>1</sup>Appellants do not challenge the district court's determination that the parties' respective efforts to expel each other from the company threatened to cause irreparable harm to the company or its corresponding order enjoining the parties from further efforts to expel each other.

# EXHIBIT 4

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**From:** Rebecca Post  
**Sent:** 12/3/2015 8:49:44 PM  
**To:** Case Filing  
**Subject:** NuVeda, LLC v. Bady et al.

Good afternoon-

Please see the attached Demand for Arbitration and the Credit Authorization in regards to the above-referenced matter for filing. If you have any questions or concerns please contact our office direct.

Respectfully,

Rebecca Post

Legal Assistant

P 725 777 3000 | F 725 777 3112

GARMAN | TURNER | GORDON  
650 WHITE DRIVE, SUITE 100  
LAS VEGAS, NV 89119

Visit us online at HYPERLINK "<http://www.gtg.legal>"[www.gtg.legal](http://www.gtg.legal)



For Consumer or Employment cases, please visit [www.adr.org](http://www.adr.org) for appropriate forms.

You are hereby notified that a copy of our arbitration agreement and this demand are being filed with the American Arbitration Association with a request that it commence administration of the arbitration. The AAA will provide notice of your opportunity to file an answering statement.					
Name of Respondent: <b>Pejman Bady &amp; Pouya Mohajer</b>			Name of Representative (if known): <b>Vincent Aiello, Esq.</b>		
Address: <b>9280 W. Sunset Road # 412</b>			Name of Firm (if applicable): <b>Kolesar &amp; Leatham</b>		
			Representative's Address: <b>400 S. Rampart Blvd., #400</b>		
City: <b>Pahrump</b>	State: <b>Nevada</b>	Zip Code: <b>89148</b>	City: <b>Las Vegas</b>	State: <b>Nevada</b>	Zip Code: <b>89145</b>
Phone No.:	Fax No.:		Phone No.: <b>702-362-7800</b>	Fax No.: <b>702-362-9472</b>	
Email Address:			Email Address: <b>vaiello@klnevada.com</b>		
The named claimant, a party to an arbitration agreement which provides for arbitration under the Commercial Arbitration Rules of the American Arbitration Association, hereby demands arbitration.					
Brief Description of the Dispute:  Claimants seek immediate redress for the wrongful conduct of Respondents relating to the business of Nuveda, LLC a medical marijuana licensee. (see attached)					
Dollar Amount of Claim: \$ <b>1 Million- 10 Million</b>			Other Relief Sought: <input checked="" type="checkbox"/> Attorneys Fees <input checked="" type="checkbox"/> Interest <input checked="" type="checkbox"/> Arbitration Costs <input checked="" type="checkbox"/> Punitive/ Exemplary <input type="checkbox"/> Other		
Amount enclosed: \$ <b>3,500.00</b>			In accordance with Fee Schedule: <input checked="" type="checkbox"/> Flexible Fee Schedule <input type="checkbox"/> Standard Fee Schedule		
Please describe the qualifications you seek for arbitrator(s) to be appointed to hear this dispute:  <b>Local retired Judge and/or gaming/licensing experience</b>					
Hearing locale: <b>Las Vegas</b>			(check one) <input type="checkbox"/> Requested by Claimant <input checked="" type="checkbox"/> Locale provision included in the contract		
Estimated time needed for hearings overall: hours or <b>5</b> days			Type of Business: Claimant: <b>Members of Nuveda, LLC, a medical marijuana licensee</b> Respondent: <b>Former members of Nuveda, LLC, a medical marijuana licensee</b>		
Are any parties to this arbitration, or their controlling shareholder or parent company, from different countries than each other? <b>No</b>					
Signature (may be signed by a representative):			Date: <b>12/3/2015</b>		
Name of Claimant: <b>Nuveda, LLC, Shane Terry &amp; Jennifer Goldstein</b>			Name of Representative: <b>Erika Pike Turner, Esq.</b>		
Address (to be used in connection with this case): <b>c/o Erika Pike Turner, Esq. 650 White Drive</b>			Name of Firm (if applicable): <b>Garman Turner Gordon</b>		
			Representative's Address: <b>650 White Drive, Suite 100</b>		
City: <b>Las Vegas</b>	State: <b>Nevada</b>	Zip Code: <b>89119</b>	City: <b>Las Vegas</b>	State: <b>Nevada</b>	Zip Code: <b>89119</b>
Phone No.: <b>725-777-3000</b>	Fax No.:		Phone No.: <b>725-777-3000</b>	Fax No.:	
Email Address:			Email Address: <b>eturner@gtg.legal</b>		
To begin proceedings, please send a copy of this Demand and the Arbitration Agreement, along with the filing fee as provided for in the Rules, to: American Arbitration Association, Case Filing Services, 1101 Laurel Oak Road, Suite 100 Voorhees, NJ 08043. At the same time, send the original Demand to the Respondent.					

#### Brief Description of Dispute:

Claimants Shane Terry and Jennifer Mulligan Goldstein (“Claimants”) demand arbitration pursuant to the agreement to arbitrate set forth in Section 11.3 of the Operating Agreement of NuVeda, LLC (“NuVeda”). A true and correct copy of the Operating Agreement is attached hereto as Exhibit 1. Claimants make such demand on their own behalf as well as on behalf of NuVeda.

Respondents Pejman Bady and Pouya Mohajer (“Respondents”) were members of NuVeda along with Claimants until Respondents’ interests in NuVeda were duly terminated on November 20, 2015 as a result of their gross misfeasance and wrongful conduct in total disregard of the NuVeda Operating Agreement and applicable laws and regulations. Respondents have been acting in a renegade fashion in total disregard of the Operating Agreement and their obligations as Managers of NuVeda. In so doing, Respondents breached the Operating Agreement, breached the implied covenant of good faith and fair dealing arising from the Operating Agreement, conspired against Claimants, tortuously and/or negligently interfered with Claimants’ and NuVeda’s prospective and existing contractual relations, breached their fiduciary duties, intentionally and/or negligently committed fraud, intentionally and/or negligently concealed material facts from Claimants to Claimants’ detriment, committed unfair business practices, usurped and misappropriated NuVeda assets and opportunities, were unjustly enriched, and constructively defrauded Claimants. Discovery may reveal additional claims are appropriate. An accounting and discovery will therefore be necessary to fully resolve the parties’ disputes.

#### Factual allegations:

1. NuVeda was formed for any and all lawful purposes, including the specific purposes of lawfully cultivating, processing and/or dispensing medical marijuana in the State of Nevada.

2. At all times material, Claimants have been Voting Members and Managers (as defined in the Operating Agreement) of NuVeda. In addition, Terry has been the CEO of NuVeda and Goldstein has been General Counsel.

3. NuVeda obtained valuable medical marijuana establishment registration

certificates to dispense medical marijuana in the cities of North Las Vegas and Las Vegas and cultivate and process medical marijuana in the city of North Las Vegas and the city of Pahrump. The dispensaries are to be located in the downtown areas of Las Vegas and North Las Vegas.

4. As NuVeda holds licenses that permit them to engage in all aspects of the medical marijuana business, not just one aspect, there is interest from multiple possible investors in acquiring an interest in NuVeda. Inclusive, at least one other certificate holder has indicated interest in acquiring ownership in NuVeda, and by extension, NuVeda's valuable medical marijuana certificates. Claimants do not want to sell interest in NuVeda to the other certificate holders on the terms that have been proposed.

5. The medical marijuana business is highly regulated. It is important to Terry, a former Commander in the United States Air Force, and Goldstein, an attorney, that NuVeda comply with all applicable laws and responsibly conduct the NuVeda business with appropriate transparency and professionalism. If NuVeda does not operate a clean business, its valuable licenses are jeopardized.

6. On November 20, 2015, Claimants voted to terminate Respondents' interest in NuVeda as a result of their below-described wrongful conduct in violation of the Operating Agreement that is otherwise inconsistent with these notions of professionalism and transparency. Outside counsel for NuVeda hired by Bady supervised the vote to terminate Respondents' interest and determined that it complied with all Operating Agreement requirements.

7. The Operating Agreement requires that the Voting Members, inclusive of Claimants, act collectively on substantive matters and pursuant to the vote of the majority. (Exh. 1, Sects. 2.4 and 4.2). The Operating Agreement further requires that there be a unanimous vote of the Voting Members, inclusive of Claimants, as a condition of the transfer or sale of any membership interest in NuVeda to a third party. (Exh. 1, Sect. 6.3).

8. Bady, in concert with Mohajer, has engaged in negotiations for the sale of interest in NuVeda to other medical marijuana licensees and third party investors, without timely or proper disclosure of these actions to Claimants. It has been discovered that Bady has represented to at

least one other licensee that there are no hurdles to obtaining all requisite authority to selling interest in NuVeda, despite that Claimants have not provided consent to a sale or transfer of NuVeda membership interest. Claimants are informed that a sale is imminent, and therefore intend to seek emergency relief in the district court pending resolution of the parties' disputes in this arbitral proceeding.

9. Subsequent to the termination of their membership interests in NuVeda on November 20, 2015, Bady, in concert with Mohajer, filed an amended list of NuVeda's managers with the Nevada Secretary of State, keeping themselves listed and removing Claimants from the list. This act is for the obvious purpose of corroborating Claimants' misrepresentations to third parties that they have authority to act and bind NuVeda without Claimants' involvement and vote.

10. After the termination of Respondents' membership interests, on November 23, 2015, Respondents purportedly held a meeting in which they claim to have terminated Claimants as officers of NuVeda. The very next day, on November 24, 2015, Respondents purportedly terminated Claimants' membership interest, without any cited cause other than Respondents' dispute of the earlier termination of Respondents' interests. Upon information and belief, Respondents have represented to interested parties that Claimants are no longer members of NuVeda.

11. Repondents have misrepresented to Claimants the source of the funds contributed to NuVeda. Respondents apparently accepted funds from Majid Golpa in exchange for a promise to provide 5.5% interest in NuVeda, despite that Respondents had no right to make that promise without the unanimous approval of the Voting Members. Also, Bady made a deal with Mohsen Bahri to provide Mohsen Bahri with a 4% interest in NuVeda, contrary to Claimants' understanding of the financing. These deals were undisclosed or misrepresented to Claimants. Moreover, given the highly regulated nature of medical marijuana establishments, the promised exchanges are prohibited and therefore void *ab initio*. In addition to the requirements under the Operating Agreement for unanimous consent of the Voting Members, there are regulatory requirements to be met before any new ownership in NuVeda can be granted to a third party (i.e.,



disclosure, fingerprinting, etc.).

12. Following discovery of the true nature of Respondents' wrongful side deals with third parties, a dispute arose between Claimants on one hand and Respondents on the other hand regarding Respondents' clandestine and wrongful side deals, pursuant to which Respondents attempted to allocate ownership interests to their friends and the true source of Bady's capital contribution, Golpa and Bahri. Respondents were not authorized to pledge to Golpa or Bahri a 5.5% or 4% interest in NuVeda, yet Bady still demanded that Members, including Claimants, agree to ratify these apparent promises to provide such interests to Golpa and Bahri.

13. On or about November 1, 2015, a monthly payment was due to Bahri on a \$500,000 note. Bady, a long time personal friend of Bahri, instructed Claimants to not pay the monthly payment and stated that he "would take care of it." On November 11, 2015, Bahri sent demand for the November 1, 2015 payment. Bady then admitted that he did not make the monthly payment but that Bady and Bahri had agreed to extend the monthly payment to November 15, 2015. Bady's non-payment of the loan and subsequent negotiations were done without Claimants' knowledge. Upon information and belief, Bady and Bahri are now acting in concert to allege in threatened frivolous and factually unfounded lawsuits that Goldstein and Terry, not NuVeda or Respondents, are individually liable for the \$500,000 note.

14. When NuVeda's tax advisor was preparing the K-1s, Bady asked Terry to allocate his losses to him to offset Bady's income, but Terry refused. Terry explained to Bady that loss-shifting on tax returns was wrongful. Despite the clear directive in the Operating Agreement mandating that losses "shall be allocated among the Members in proportion to their Percentage Ownership Interests," and the previous objection by Terry, Respondents nonetheless agreed to allocate Mohajer's losses to Bady without disclosure to Plaintiffs. Upon information and belief, amended K-1s were issued to the Members of NuVeda to reflect loss-shifting to Bady in violation of the terms of the Operating Agreement. (Exh. 1, Sect. 5.1).

15. When Claimants made demands for the original K-1s and other financial documents for NuVeda, they were denied the records in violation of their right to review the business records

of NuVeda pursuant to Section 7.2 of the Operating Agreement.

16. Bady has conducted in self-dealing without disclosing his conflicts to the other Members. For instance, it was discovered after the fact that Bady had an undisclosed 50% interest in 2 Prime, LLC, Gulpa's entity who entered into a financing agreement with NuVeda with favorable terms to 2 Prime, LLC.

17. Bady and Joseph Kennedy, another NuVeda Member (albeit not vested), together formed a company, 2113 Investors, LLC, for the sole purpose of purchasing a property that was in escrow and under contract with NuVeda's solely owned subsidiary as the buyer. According to 2113 Investors, LLC's Operating Agreement, Bady held a 79.8% interest in 2113 Investors, LLC and was its managing member. Claimants are informed that Bady later amended 2113 Investors, LLC's corporate documents to conceal his involvement.

18. NuVeda had successfully bid on a property being auctioned by the North Las Vegas Redevelopment Agency for a dispensary property. Immediately prior to escrow closing, 2113 Investors, LLC, without notice or consent from Claimants, purchased the property in its own name. Mohajer, although not a member of 2113 Investors, LLC, knew of the scheme and, again without the knowledge or consent of Claimants, executed the paperwork wrongfully transferring the escrow documents from NuVeda to 2113 Investors, LLC.

19. Bady then negotiated a lease on behalf of NuVeda with 2113 Investors, LLC without disclosing his 79.8% ownership interest in 2113 Investors, LLC. Bady's negotiation of a lease with a pecuniary benefit on the other side of the transaction was wrongful, particularly when such interest was undisclosed.

20. NuVeda also executed a lease with Ralph McKnight for a cultivation facility in Pahrump, Nevada. Bady had a testamentary interest in the property leased by McKnight. After executing the lease, Bady unilaterally, without the knowledge or consent of Plaintiffs, reopened negotiations, using Bady's personal attorney rather than Goldstein, the General Counsel. The second lease only further benefitted McKnight, and ultimately Bady who would inherit the property in the future.

21. Respondents have further disregarded votes of the Voting Members in neglect of notions of good corporate governance.

22. Potential investors have declined to invest in NuVeda as a result of Respondents' above-described self-dealing and failure to disclose essential facts to transactions.

Damages:

23. Delay in obtaining further investment dollars, delay in opening operations of NuVeda, delay in earning revenue, and other damaging consequences of Respondents' conduct must be redressed. Damages will not be easily quantifiable, but are reasonably believed to exceed \$1 million.

24. Attorneys' fees and costs are compensable under the Operating Agreement.

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Attorneys for Claimant Shane Terry

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

SHANE M. TERRY, a Nevada resident;

Claimant,

vs.

NUVEDA, LLC, a Nevada limited liability  
company PEJMAN Bady; POUYA  
MOHAJER; DOE Individuals I-X and ROE  
Entities I-X, inclusive;

Respondents.

District Court Case No.: A-15-728510-B  
Supreme Court No.: 69648

AAA Case No.: 01-15-0005-8574

**AMENDED DEMAND FOR ARBITRATION**

**Brief Description of Dispute:**

Claimant Shane Terry ("Claimant") hereby **amends** his demand for arbitration. This amendment has no effect on further claimant Jennifer Mulligan Goldstein. This amendment is necessary to address the termination of Mr. Terry from management as well as membership of NuVeda subsequent to the original arbitration demand.

Claimant hereby demands arbitration pursuant to the agreement to arbitrate set forth in Section 11.3 of the Operating Agreement of NuVeda, LLC ("NuVeda"). A true and correct copy of the Operating Agreement is attached hereto as Exhibit 1.

Respondents are NuVeda, Pejman Bady ("Bady") and Pouya Mohajer ("Mohajer," together with NuVeda and Bady, the "Respondents"). NuVeda is, and has been at all relevant

1 times, a Nevada limited liability company with valuable medical marijuana establishment  
2 licenses in the State of Nevada that permit the cultivating, processing and dispensing of medical  
3 marijuana.

4 Bady and Mohajer were members of NuVeda along with Claimant until Claimant's  
5 interests in NuVeda were wrongfully terminated. Respondents are an immoral majority who  
6 engaged in self-dealing at NuVeda, and then negotiated and entered into a conditional sale of  
7 NuVeda's assets to third party CW Nevada, LLC, without any notice to Claimant, who was then  
8 the designated representative of NuVeda with the State of Nevada, Nye County, North Las  
9 Vegas and Las Vegas, as well as CEO and Manager with voting rights at NuVeda.

10 Claimant's position and interest in NuVeda was wrongfully terminated in March 2016, despite  
11 that Claimant has ONLY acted in the Company's best interests. NuVeda benefits from such  
12 termination, and Claimant is entitled to the fair market value of his interest as of the date of such  
13 wrongful termination.

14 Upon the wrongful termination of Claimant, as well as prior to Claimant's wrongful  
15 termination from NuVeda, Bady and Mohajer breached the Operating Agreement for NuVeda.  
16 Bady and Mohajer breached the express terms of the Operating Agreement as well as the implied  
17 covenant of good faith and fair dealing arising from the Operating Agreement.

18 As managers of NuVeda at all relevant times, Bady and Mohajer owed Claimant a  
19 fiduciary duty. The fiduciary duty of the managers of NuVeda continues subsequent to  
20 Claimant's wrongful termination as Claimant retains at least an economic interest in NuVeda and  
21 its assets.

22 Prior to termination, Claimant had worked to obtain investment in NuVeda by a third  
23 party, and the proposed investment included superior terms than the transaction entered into by  
24 NuVeda under Bady and Mohajer's leadership. Upon information and belief, the CW Nevada,  
25 LLC transaction benefitted Bady and/or Mohajer personally and that personal benefit was why  
26 Mohajer and Bady surreptitiously dealt with CW Nevada, LLC, as opposed to any determination  
27 that the CW Nevada, LLC transaction benefitted NuVeda and the other members more than any  
28 other proposal. Respondents are liable to Claimant for the lost value in his membership interest

1 as a result of Respondents' gross misfeasance in conjunction with entering the CW Nevada, LLC  
2 conditional sale of NuVeda's assets.

3 Mohajer and Bady intentionally and/or negligently misrepresented the true facts  
4 regarding their activities affecting NuVeda, including without limitation failing to disclose to  
5 Claimant that Bady was transferring losses to Mohajer in violation of the Operating Agreement,  
6 failing to disclose to Claimant that Bady had an ownership interest in entities benefitting from  
7 transactions with NuVeda to its detriment, and, by extension, to the detriment of Claimant,  
8 NuVeda's then-member, as well as Respondents' omission of material facts from  
9 communications with Claimant regarding efforts to sell off of NuVeda's most valuable assets at  
10 a lower value than at least one other option because the sale benefitted Mohajer and/or Bady.  
11 Claimant is entitled to the diminution of value in Claimant's interest in NuVeda as a result of  
12 Respondents' fraudulent actions.

13 Discovery may reveal additional claims are appropriate. An accounting and discovery  
14 will therefore be necessary to fully resolve the parties' disputes.

15 Attorneys' fees and costs are compensable under the Operating Agreement.

16  
17 Dated this 3<sup>rd</sup> day of June, 2016.

18 GARMAN TURNER GORDON LLP

19 /s/ Erika Pike Turner

20 ERIKA PIKE TURNER

21 Nevada Bar No. 6454

22 Email: eturner@gtg.legal

23 DYLAN T. CICILIANO

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28 Tel: (725) 777-3000/Fax: (725) 777-3112

Attorneys for Plaintiff Shane Terry

# Exhibit 1

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# NuVeda, LLC

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## Operating Agreement

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July 9, 2014

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## **Operating Agreement For NuVeda, LLC**

### **A Nevada Limited Liability Company**

This Operating Agreement (the "Agreement") is made effective as of July 9, 2014 (the "Effective Date"), by and among and those persons identified in Exhibit A (collectively, the "Members").

In consideration of the mutual covenants and conditions herein, the Members agree as follows:

## **ARTICLE I**

### **ORGANIZATION**

**1.1 Formation and Qualification.** The Members have formed NuVeda, LLC ("NUVEDA"), a limited liability company (the "Company") under the Nevada Limited Liability Company Act (currently Chapter 86 of the Nevada Restated Statutes) (the "Act") by filing Articles of Organization with the Nevada Secretary of State.

**1.2 Governing Law.** This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Nevada, including the Nevada Limited Liability Company Act, (the "Act") as amended from time to time, without regard to Nevada's conflicts of laws principles. The rights and liabilities of the Members shall be determined pursuant to the Act and this Agreement. To the extent that any provision of this Agreement is inconsistent with any provision of the Act, this Agreement shall govern to the extent permitted by the Act.

**1.3 Name.** The name of the Company shall be "NUVEDA, LLC." The business of the Company may be conducted under that name or, on compliance with applicable laws, any other name that the Voting Members deem appropriate or advisable. The Voting Members on behalf of the Company shall file any certificates, articles, fictitious business name statements and the like, and any amendments and supplements thereto, as the voting Members consider appropriate or advisable.

**1.4 Term.** The term of the Company commenced on the filing of the Articles of Organization and shall be perpetual unless dissolved as provided in this Agreement.

**1.5 Office and Agent.** The principal office of the Company shall be at such place or places of business within or without the State of Nevada as the Voting Members may determine. The Company shall continuously maintain a registered agent in the State of Nevada as required by the Act. The registered agent shall be as stated in the Certificate or as otherwise determined by the Voting Members.

**1.6 Purpose of Company.** The purpose of the Company is to engage in all lawful activities, including, but not limited to the following activities:

The research, design, creation, management, licensing, advising and consulting regarding the legal medical marijuana industry, as such matters shall be lawfully allowed under applicable state laws. Such purpose shall be broadly read to include providing management or other professional services to any individual, group or entity that is lawfully licensed, or seeking to become lawfully licensed, under any state statutory scheme providing for the legal cultivation, processing or dispensing of medical marijuana.

## ARTICLE II

### MEMBERSHIP INTERESTS, VOTING AND MANAGEMENT

**Section 2.1 Initial Members.** The initial Members of the Company are the Members who are identified in Exhibit A.

**Section 2.2 Classification of Membership Interests.** The Company shall issue Class A Voting Capital ("Voting Capital"), to the Voting Members (the "Voting Members"). The Voting Members shall have the right to vote upon all matters upon which Members have the right to vote under the Act or under this Agreement, in proportion to their respective Percentage Voting Interest ("Percentage Voting Interest") in the Company. The Percentage Voting Interest of a Voting Member shall be the percentage that is derived when the Member's Voting Capital account is divided by the total of all of the Voting Capital accounts. The Company may decide to issue Class B Nonvoting Capital (the "Nonvoting Capital") to Members who have no voting rights, but have an Ownership Interest, as defined below.

**Section 2.3 Ownership Interests.** A Member's Ownership Interest ("Ownership Interest") shall be the equity holding a Member has in the Company, which shall determine the Member's rights to profits and other payouts and, where applicable, debts and obligations to or on behalf of the Company. The "Percentage Ownership Interest" of a Voting Member shall be the percentage that is derived when the Member's Ownership Interest is divided by the total of all of the Ownership Interests of all Members. The Members shall have the initial Ownership and Voting Interests in the Company that are identified in Exhibit A, immediately following the making of the capital contributions set forth therein if any.

**Section 2.4 Management by Voting Members.** The Voting Members shall manage the Company and shall have the right to vote, in their capacity as Managers, upon all matters upon which Managers have the right to vote under the Act or under this Agreement, in proportion to their respective Percentage Voting Interests in the Company. Voting Members need not identify whether they are acting in their capacity as Members or Managers when they act.

The Nonvoting Members shall have no right to vote or otherwise participate in the management of the Company. No Nonvoting Member shall, without the prior written consent of all of the Voting Members, take any action on behalf of, or in the name of, the Company, or enter into any contract, agreement, commitment or obligation binding upon the Company, or perform any act in any way relating to the Company or the Company's assets.

**Section 2.5 Voting.** Except as otherwise provided or permitted by this Agreement, Voting Members shall in all cases, in their capacity as Members or Managers of the Company, act collectively, and, unless otherwise specified or permitted by this Agreement, upon the majority vote of the Voting Members which members establish a quorum as defined in section 4.6 of this Agreement. Except as otherwise provided or permitted by this Agreement, no Voting Member acting individually, in his capacity as a Member or Manager of the Company, shall have any power or authority to sign for, bind or act on behalf of the Company in any way, to pledge the Company's credit, or to render the Company liable for any purpose.

Unless the context requires otherwise, in this Agreement, the terms "Member" or "Members," without the qualifiers "Voting" or "Nonvoting," refer to the Voting and Nonvoting Members collectively; and the terms "Manager" or "Managers" refers to the Voting Members.

**Section 2.6 Liability of Members.** All debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities

of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member.

**Section 2.7 New Members.** The Voting Members may issue additional Voting Capital, or reallocate the Ownership Interests among the Members, and thereby admit a new Member or Members, as the case may be, to the Company, only if such new Member (i) is approved unanimously by the Voting Members; (ii) delivers to the Company his or her required capital contribution, if any; (iii) agrees in writing to be bound by the terms of this Agreement by becoming a party hereto; and (iv) delivers such additional documentation as the Voting Members shall reasonably require to so admit such new Member to the Company.

Upon the admission of a new Member or Members, as the case may be, to the Company, the capital accounts of Members, and the calculations that are based on the capital accounts, shall be adjusted appropriately.

**Section 2.8 Vesting Schedule.** The Voting and Ownership Interests of Joseph Kennedy shall become fully vested upon his provision of credit of three million dollars (\$3,000,000.00) or more on terms satisfactory to the Company. Once such terms are agreed to, Kennedy shall immediately and automatically vest in his entire Voting and Ownership Interests as set forth in Exhibit A. The Voting and Ownership Interests of Penders and Winmill are stated as a total possible, and are each subject to vesting upon the successful conclusion of each full calendar from the date hereof year as follows: Penders and Winmill shall each immediately vest in one-quarter of a percent (.25%) upon execution of this Operating Agreement. Subject to Penders and Winmill's continued provision of services in a manner satisfactory to the reasonable professional standards of a majority of the Voting Members, each shall vest in Voting and Ownership Interests at the rate of point one eight seven five of a percent (.1875%) at the conclusion of the first full calendar year, and an additional point four three seven five of a percent (.4375%) per annum for the following three (3) years. Such vesting shall be subject to the terms of the Vesting and Acceleration Agreement. Prior to them becoming vested, all Winmill and Penders unvested Voting and Ownership Interests percentages shall be allocated evenly between Pouya Mohajer and Shane Terry, assuming their continued Membership with the Company, otherwise allocated among all Voting Members in proportion to each Member's Voting and Ownership Interest percentage, to ensure a total of 100% of the Voting and Ownership Interests are allocated at all times ("Allocated Unvested Shares"). As Penders and Winmill vest in the Allocated Unvested Shares, they shall immediately and automatically be reallocated to Penders and Winmill.

With regard to any Ownership Interests granted by the Company after the execution of this Operating Agreement, such Ownership Interests shall be reallocated from existing Members as follows: all such interests shall be subtracted from the Ownership Interest of Pej Bady until such time Bady's Ownership Interest has been reduced to thirty-eight percent (38%). In the event any further or more Ownership Interests are granted by the Company, such Ownership Interests shall be sourced by taking a proportional share of the dilutable Ownership Interests of the Members. All Members whose Ownership Interests are dilutable shall have their Ownership Interest percentages reduced in proportion to their Ownership Interests relative to all other dilutable Members' Ownership Interests. Ownership Interests designated as nondilutable will not decrease.

With regard to any Voting Interests granted by the Company after the execution of this Operating Agreement, such Voting Interests shall be reallocated from existing Members as follows: all such interests shall be subtracted in equal parts from the Voting Interests of Pouya Mohajer and Shane

Terry until such time Mohajer and Terry's respective Ownership Interests have been reduced to nineteen percent (19%). In the event any further or more Voting Interests are granted by the Company, such Voting Interests shall be sourced by taking a proportional share of the dilutable Voting Interests of the Members. All Members whose Voting Interests are dilutable shall have their Voting Interest percentages reduced in proportion to their Ownership Interests relative to all other dilutable Members' Voting Interests. Voting Interests designated as nondilutable will not decrease.

**Section 2.9 Anti-Dilution.** Certain of the Members' Ownership Interests will be denoted as being non-dilutable. In the event the Company issues additional Ownership Interests, or reallocates Ownership Interests among the Members (either, a "Dilutive Transaction"), the Non-dilutable Ownership Interests shall remain constant as a percentage of the total outstanding Ownership Interests before and after the Dilutive Transaction.

### ARTICLE III CAPITAL ACCOUNTS

**3.1 Capital Accounts.** A separate capital account shall be maintained for each Member's ownership interest in Class A Voting Capital (the "Voting Capital Account") and Class B Nonvoting Capital (the "Nonvoting Capital Account").

The capital account of each Member shall be increased by (i) the amount of any cash and the fair market value of any property contributed to the Company by such Member (net of any liability secured by such contributed property that the Company is considered to assume or take subject to), (ii) the amount of income or profits allocated to such Member.

The capital account or accounts of each Member shall be reduced by (i) the amount of any cash and the fair market value of any property distributed to the Member by the Company (net of liabilities secured by such distributed property that the Member is considered to assume or take subject to on account of his ownership interest), (ii) the amount of expenses or loss allocated to the Member. If any property other than cash is distributed to a Member, the Capital Accounts of the Members shall be adjusted as if the property had instead been sold by the Company for a price equal to its fair market value and the proceeds distributed.

Guaranteed Payments ("Guaranteed Payments") for salary, wages, fees, payments on loans, approved invoices, rents, etc., may be made to the Members. Guaranteed Payments shall not be deemed to be distributions to the Members on account of their Ownership Interests, and shall not be charged to the Members' capital accounts.

No Member shall be obligated to restore any negative balance in his Capital Account. No Member shall be compensated for any positive balance in his Capital Account except as otherwise expressly provided herein. The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2) and shall be interpreted and applied in a manner consistent with such Regulations. The Members agree that the initial Capital Accounts of the Members on the date hereof are as set forth in Exhibit A, or shall be made as such within 30 days of the Effective Date.

**3.2 Additional Contributions.** If, at any time or times hereafter, the Voting Members

shall determine that additional capital is required by the Company, the Voting Members shall determine the amount of such additional capital and the anticipated time such additional capital will be required and whether such additional capital shall be provided by the Members by way of additional Capital Contributions or by way of loans from Members. No Member shall be obligated, at any time, to guarantee or otherwise assume or become liable for any obligations of the Company or to make any additional Capital Contributions advances or loans to the Company, unless such obligations are specifically accepted and agreed to by such Member.

The capital accounts of the Members, and the calculations that are based on the capital accounts, shall be adjusted appropriately to reflect any transfer of an interest in the Company, distributions, or additional capital contributions.

**3.3 Withdrawal and Return of Capital.** No Member may withdraw any portion of the capital of the Company, and no Member shall be entitled to the return of any contribution to the capital except upon majority vote of the Voting Members. The return of Capital Contributions shall have priority over any distributions to the members and shall be made within the sole discretion of a majority of the Voting Members.

**3.4 Interest on Capital Contributions.** Interest on all Capital Contributions made by the Voting Members shall accrue at a rate of 8% from the date of the contribution until fully paid. This shall apply to all contributions made by the Voting Members regardless of the timing of the Capital Contribution. Specifically it is understood that significant sums have been paid or will be paid by the Voting Members in order to effectuate the goals and purposes of the Company. All said contributions shall be repaid in full with interest, as provided for herein, in accordance with the provisions of Section 3.3.

## **ARTICLE IV MANNER OF ACTING**

**4.1 Officers and Agents of the Company.** The Voting Members may authorize any Member or Members of the Company, or other individuals or entities, whether or not a Member, to take action on behalf of the Company, as the Voting Members deem appropriate. Any Member may lend money to and receive loans from the Company, act as an employee, independent contractor, lessee, lessor, or surety of the company, and transact any business with the Company that could be carried out by someone who is not a Member; and the Company may receive from or pay to any Member remuneration, in the form of wages, salary, fees, rent, interest, or any form that the Voting Members deem appropriate.

The Voting Members may appoint officers of the Company who, to the extent provided by the Voting Members, may have and may exercise all the powers and authority of the Members or Managers in the conduct of the business and affairs of the Company. The officers of the Company may consist of a President, a Treasurer, a Secretary, or other officers or agents as may be elected or appointed by the Voting Members. The Voting Members may provide rules for the appointment, removal, supervision and compensation of such officers, the scope of their authority, and any other matters relevant to the positions. The officers shall act in the name of the Company and shall supervise its operation, within the scope of their authority, under the direction and management of the Voting Members.

Any action taken by a duly authorized officer, pursuant to authority granted by the Voting Members in accordance with this Agreement, shall constitute the act of and serve to bind the

Company, and each Member hereby agrees neither to dispute such action nor the obligation of the Company created thereby.

**4.2 Authority to Bind the Company.** Notwithstanding the foregoing, no Member without a majority vote consisting of 60% of the Voting Members' interest in the Company, shall have the authority to engage in the following transactions:

- (a) Borrowing money in the Company's name;
- (b) Transferring, settling or releasing any claim of the Company, except upon payment in full;
- (c) Mortgaging any of the Company's property, or pledging any property of the Company as security for any loan;
- (d) Selling or leasing any of the Company's property other than in the ordinary course of business;
- (e) Knowingly causing anything to be done whereby any of the Company's property may be subjected to seizure, attachment or forfeiture or the Company's ownership or possession of any such property may be put at risk;
- (f) The sale, exchange or other disposition of all, or substantially all, of the Company's assets occurring as part of a single transaction or plan, or in multiple transactions over a six month period, except in the orderly liquidation and winding up of the business of the Company upon its duly authorized dissolution;
- (g) The merger of the Company with another partnership, corporation, limited liability company or other entity; and
- (h) Agreeing to or executing any check, draft or other evidence of indebtedness of the Company, obligating the Company to pay in the aggregate an amount greater than One Thousand Dollars (\$1,000.00). Notwithstanding the foregoing, the Chief Executive Officer can agree to or execute any check, draft or other evidence of indebtedness of the Company, obligating the Company to pay in the aggregate an amount more than Ten Thousand Dollars (\$10,000.00).

**4.3 Meetings of Voting Members.** No regular, annual, special or other meetings of Voting Members are required to be held. Any action that may be taken at a meeting of Voting Members may be taken without a meeting by written consent in accordance with the Act. Meetings of the Voting Members, for any purpose or purposes, may be called at any time by a majority of the Voting Members, or by the President of the Company, if any. The Voting Members may designate any place as the place of meeting for any meeting of the Voting Members. If no designation is made, the place of meeting shall be the principal place of business of the Company.

**4.4 Notice of Meetings.** In the event that a meeting of the Voting Members is called,

written notice stating the place, day and hour of the meeting and the purpose or purposes for which the meeting is called shall be delivered not less than five nor more than sixty business days before the date of the meeting unless otherwise provided, either personally or by mail, by or at the direction of the Members calling the meeting, to each Voting Member. Notice of a meeting need not be given to any Voting Member who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Voting Member.

**4.5 Record Date.** For the purpose of determining Voting Members entitled to notice of or to vote at any meeting of Voting Members or any adjournment thereof, the date on which notice of the meeting is provided shall be the record date for such determination of the Voting Members. When a determination of Voting Members has been made as provided in this Section, such determination shall apply to any adjournment thereof.

**4.6 Quorum.** Members holding at least 66% of the Voting Capital in the Company represented in person, by telephonic participation, or by proxy, shall constitute a quorum at any meeting of Voting Members. In the absence of a quorum at any such meeting, a majority of the Voting Members so represented may adjourn the meeting from time to time for a period not to exceed sixty days without further notice. However, if the adjournment is for more than sixty days, or if after the adjournment a new record date is fixed for another meeting, a notice of the adjourned meeting shall be given to each Voting Member. The Voting Members present at a duly organized meeting may continue to transact business only as previously provided on the agenda until adjournment, notwithstanding the withdrawal during such meeting of that number of Voting Members whose absence would cause less than a quorum.

**4.7 Voting.** If a quorum is present, a majority vote of the Voting Members so represented shall be the act of the Members or Managers, unless the vote of a lesser or greater proportion or number is otherwise required by the Act, by the Certificate or by this Agreement.

## ARTICLE V

### ALLOCATIONS AND DISTRIBUTIONS

**5.1 Allocations of Profits and Losses.** Subject to applicable law and any limitations elsewhere in this Agreement, Profits and Losses, after deducting Guaranteed Payments, shall be allocated among the Members in proportion to their Percentage Ownership Interests. Any special allocations necessary to comply with the requirements set forth in Internal Revenue Code Section 704 and the corresponding Regulations, including, without limitation, the qualified income offset and minimum gain chargeback provisions contained therein, shall be made if the Voting Members deem these actions to be appropriate.

**5.2 Distributions.** Subject to applicable law and any limitations elsewhere in this Agreement below, the Voting Members shall determine the amount and timing of all distributions of cash, or other assets, by the Company. Except as otherwise provided in this Agreement, all distributions shall be made as follows:

Distributions:

- Eighty percent (80%) of each distribution will be allocated among all of the Members, as follows (the "Distribution Interests"):

Pejman Bady	38%
Pouya Mohajer	25.25%
Shane Terry	25.25%
Jennifer Goldstein	7%
Joseph Kennedy	1*%
John Penders	1.75%
Ryan Winmill	1.75%

and

- Twenty percent (20%) of each distribution shall be allocated to satisfy any contractual obligations owed by the Company to consultants, vendors, advisors or others with whom the Company has an appropriate written agreement providing for such distributions (“Distributions Partners”); in the event less than 20% of the Distribution has been allocated to Distributions Partners, the unallocated percentage shall be allocated to the Members in proportion to their Percentage Distribution Interests.

Except as otherwise provided in this Agreement, the decision as to whether to make distributions shall be within the sole discretion of the Voting Members.

With regard to any Distribution Interests granted by the Company after the execution of this Operating Agreement, such Distribution Interests shall be reallocated from existing Members as follows: all such interests shall be subtracted in equal parts from the Distribution Interests of Pouya Mohajer and Shane Terry until such time Mohajer and Terry’s respective Distribution Interests have been reduced to nineteen percent (19%). In the event any further or more Voting Interests are granted by the Company, such Voting Interests shall be sourced by taking a proportional share of the dilutable Voting Interests of the Members. All Members whose Voting Interests are dilutable shall have their Voting Interest percentages reduced in proportion to their Distribution Interests relative to all other dilutable Members’ Voting Interests. Distribution Interests designated as nondilutable will not decrease.

All such distributions shall be made only to the Members who, according to the books and records of the Company, are the holders of record on the actual date of distribution. The Voting Members may base a determination that a distribution of cash may be made on a balance sheet, profit and loss statement, cash flow statement of the Company or other relevant information. Neither the Company nor the Members shall incur any liability for making distributions.

**Vesting Schedule.** The Distribution Interests of Joseph Kennedy shall become fully vested upon his provision of credit of three million dollars (\$3,000,000.00) or more on terms satisfactory to the Company. Once such terms are agreed to, Kennedy shall immediately and automatically vest in his entire Distribution Interests as set forth in Exhibit A.

**5.3 Form of Distribution.** No Member has the right to demand and receive any distribution from the Company in any form other than money. No Member may be compelled to



accept from the Company a distribution of any asset in kind in lieu of a proportionate distribution of money being made to other Members except on the dissolution and winding up of the Company.

**5.4 Non-Compete Agreement.** The Members agree that they will not at any time within one (1) year from the earlier of (1) the termination of the Member's Voting Interests for any reason or (2) the termination of this Agreement: directly or indirectly engage in or prepare to engage in, or to have any ownership interest in any business, venture or entity that engages in, or is preparing to engage in, business or activities that directly compete with the services provided by the Company, unless the Member is already engaged in such business or venture at the time this Agreement is entered into, unless such matter is agreed upon in writing by a majority of the disinterested Voting Members. Subject to the foregoing, the departing Member shall only be precluded from competing in any county in which any of the following have occurred: (1) the Company has an in process or pending application; (2) the Company has received licenses to operate any medical marijuana facility; and (3) the Company sells or delivers marijuana and marijuana products (each, a "Competing County"). For purposes of this provision, any county in which the Company's only sale or delivery was related exclusively to Auntie Dolores products shall not be deemed a Competing County unless another provision hereof applies. The other Members may override this provision is by an agreement in writing executed by a majority of the disinterested Voting Members.

## ARTICLE VI

### TRANSFER AND ASSIGNMENT OF INTERESTS

**6.1 Resignation of Membership and Return of Capital.** For a period of two (2) years after the Articles of Organization for the Company are filed ("the filing"), no Member may voluntarily resign his membership in the Company, and no Member shall be entitled to any return of capital from the company, except upon the written consent of all of the other Voting Members. During the third year after the filing, a Member may voluntarily resign his membership, but such Member shall be entitled to receive from the Company only the book value of his Ownership Interest, adjusted for profits and losses to the date of resignation, unless otherwise agreed by written consent of all of the other Voting Members. Subsequent to the third year after filing, a Member may voluntarily resign his membership and shall be entitled to receive from the Company the fair market value of his Ownership Interest, adjusted for profits and losses to the date of resignation. Fair market value may be determined informally by unanimous agreement of all of the Voting Members, including the resigning Member. In the absence of an informal agreement as to fair market value, the Voting Members shall hire an appraiser to determine fair market value. The cost of any appraisal shall be deducted from the fair market value to which the resigning Member is entitled. The other Voting Members may elect, by written notice that is provided to the resigning Member within thirty (30) days after the resignation date, for the Company to purchase the resigning Member's Interest (whether the interest is being purchased at book value or fair market value) in four (4) equal annual installments, with the first installment

being due sixty (60) days after the Member's resignation.

**6.2 Expulsion or Death of a Member.** A Member's interest in the Company may be terminated or expelled only upon agreement of the Disinterested Voting Members by a vote of 60% or more of Disinterested Voting Interests. Expulsion may only be made by a majority vote of 60% or more of the Disinterested Voting Interests that the expelled member was not acting in the best interest of the Company or was otherwise acting in a manner that was contrary to the purpose of the Company. For purposes of this provision, the "Disinterested Voting Members" shall be those Members who's membership in the Company is not then being voted upon, and "Disinterested Voting Interests" shall be the total percentage of the Ownership Interests held by the Disinterested Voting Members. By means of example only, if the Members sought to expel Member A, who owned a 20% Voting Interest, the Disinterested Voting Members would be all Members other than Member A, and the vote would require 60% of the 80% Disinterested Voting Interests to carry. In order to terminate a Member's interest a meeting of the Voting Members must be held in accordance with the provisions of Section 4.3.

Upon the expulsion or death of a Member, the Member's successor-in-interest, estate or beneficiary or beneficiaries, as the case may be, shall be entitled to receive from the Company, in exchange for all of the former Member's Ownership Interest, the fair market value of that Member's Ownership Interest, adjusted for profits and losses to the date of the expulsion or death. Fair market value may be determined informally by a unanimous good-faith agreement of all of the Voting Members. In the absence of an informal agreement as to fair market value, the Voting Members shall hire an appraiser to determine fair market value. The cost of any appraisal shall be deducted from the fair market value to which the former Member or the former Member's successor-in-interest, estate or beneficiary or beneficiaries is or are entitled. The Voting Members may elect, by written notice that is provided to the expelled or deceased Member's successor-in-interest, estate or beneficiary or beneficiaries, within thirty (30) days after the Member's expulsion or death, to purchase the former Member's Ownership Interest over a one-year (1 year) period, in four (4) equal installments, with the first installment being due sixty (60) days after the Member's expulsion or date of death. Unless otherwise agreed unanimously by the Voting Members, prior to the completion of such purchase, the former Member's successor-in-interest, estate or beneficiary or beneficiaries, shall have no right to become a Member or to participate in the management of the business and affairs of the Company as a Member or Manager, and shall only have the rights of an Assignee and be entitled only to receive the share of profits and the return of capital to which the former Member would otherwise have been entitled. The Company, or the other Voting Members, in its or their discretion, may purchase insurance on the lives of any of the Members, with the company or the purchasing Member named as the beneficiary, as the purchaser may decide, and use all or any of the proceeds from such insurance as a source of proceeds from which the deceased Member's Membership Ownership Interest may be purchased by the Company.

**6.3 Restrictions on Transfer.** Except (i) as otherwise provided in this Article or (ii) upon the unanimous consent of all of the other Voting Members, no Member shall sell, hypothecate, pledge, assign or otherwise transfer, with or without consideration, any part or all of his Ownership Interest in the Company to any other person or entity (a "Transferee"), without first offering (the "Offer") that portion of his or her Ownership Interest in the Company subject to the contemplated transfer (the "Offered Interest") first to the Company, and secondly, to the other Voting Members, at the purchase price (hereinafter referred to as the "Transfer Purchase Price") and in the manner as prescribed in the Offer.

The Offering Member shall make the Offer first to the Company by written notice (hereinafter referred to as the "Offering Notice"). Within twenty (20) days (the "Company Offer Period") after receipt by the Company of the Offering Notice, the Company shall notify the Offering Member in writing (the "Company Notice"), whether or not the Company shall accept the Offer and shall purchase all but not less than all of the Offered Interest. If the Company accepts the Offer to purchase the Offered Interest, the Company Notice shall fix a closing date not more than twenty-five (25) days (the "Company Closing Date") after the expiration of the Company Offer Period.

In the event the Company decides not to accept the Offer, the Offering Member or the Company, at his or her or its election, shall, by written notice (the "Remaining Member Notice") given within that period (the "Member Offer Period") terminating ten (10) days after the expiration of the Company Offer Period, make the Offer of the Offered Interest to the other Voting Members, each of whom shall then have a period of twenty-five (25) days (the "Member Acceptance Period") after the expiration of the Member Offer Period within which to notify in writing the Offering Member whether or not he or she intends to purchase all but not less than all of the Offered Interest. If two (2) or more Voting Members of the Company desire to accept the Offer to purchase the Offered Interest, then, in the absence of an agreement between them, such Voting Members shall have the right to purchase the Offered Interest in proportion to their respective Percentage Voting Interests. If the other Voting Members intend to accept the Offer and to purchase the Offered Interest, the written notice required to be given by them shall fix a closing date not more than sixty (60) days after the expiration of the Member Acceptance Period (hereinafter referred to as the "Member Closing Date").

The aggregate dollar amount of the Transfer Purchase Price shall be payable in cash on the Company Closing Date or on the Member Closing Date, as the case may be, unless the Company or the purchasing Voting Members shall elect by written notice that is delivered to the Offering Member, prior to or on the Company Closing Date or the Member Closing Date, as the case may be, to purchase such Offered Interest in four (4) equal annual installments, with the first installment being due on the Closing Date.

If the Company or the other Voting Members fail to accept the Offer or, if the Offer is accepted by the Company or the other Voting Members and the Company or the other Voting Members fail to purchase all of the Offered Interest at the Transfer Purchase Price within the time and in the manner specified, then the Offering Member shall be free, for a period (hereinafter referred to as the "Free Transfer Period") of sixty (60) days from the occurrence of such failure, to transfer the Offered Interest to a Transferee; provided, however, that if all of the other Voting Members other than the Offering Member do not approve of the proposed transfer by unanimous written consent, the Transferee of the Offered Interest shall have no right to become a Member or to participate in the management of the business and affairs of the Company as a Member or Manager, and shall only have the rights of an Assignee and be entitled to receive the share of profits and the return of capital to which the Offering Member would otherwise have been entitled. A Transferee shall be admitted as a Member of the Company, and as a result of which he or she shall become a substituted Member, with the rights that are consistent with the Membership Interest that was transferred, only if such new Member (i) is approved unanimously by the Voting Members; (ii) delivers to the Company his required capital contribution; (iii) agrees in writing to be bound by the terms of this Agreement by becoming a party hereto.

If the Offering Member shall not transfer the Offered Interest within the Free Transfer Period, his or her right to transfer the Offered Interest free of the foregoing restrictions shall thereupon cease

and terminate.

**6.4 Involuntary Transfer of a Membership Interest.** A creditor's charging order or lien on a Member's Membership Interest, bankruptcy of a Member resulting in an encumbrance or transfer of the Member's Membership Interest, or other involuntary transfer of Member's Membership Interest, shall constitute a material breach of this Agreement by such Member. The creditor, transferee or other claimant, shall only have the rights of an Assignee, and shall have no right to become a Member, or to participate in the management of the business and affairs of the Company as a Member or Manager under any circumstances, and shall be entitled only to receive the share of profits and losses, and the return of capital, to which the Member would otherwise have been entitled. The Voting Members, including a Voting Member whose interest is the subject of the charging order, lien, bankruptcy, or involuntary transfer, may unanimously elect, by written notice that is provided to the creditor, transferee or other claimant, at any time, to purchase all or any part of Membership Interest that was the subject of the creditor's charging order, lien, bankruptcy, or other involuntary transfer, at a price that is equal to one-half (1/2) of the book value of such interest, adjusted for profits and losses to the date of purchase. The Members agree that such valuation is a good-faith attempt at fixing the value of the interest, after taking into account that the interest does not include all of the rights of a Member or Manager, and after deducting damages that are due to the material breach of this Agreement.

## ARTICLE VII

### ACCOUNTING, RECORDS AND REPORTING

**7.1 Books and Records.** The Company shall maintain complete and accurate accounts in proper books of all transactions of or on behalf of the Company and shall enter or cause to be entered therein a full and accurate account of all transactions on behalf of the Company. The Company's books and accounting records shall be kept in accordance with such accounting principles (which shall be consistently applied throughout each accounting period) as the Voting Members may determine to be convenient and advisable. The Company shall maintain at its principal office all of the following:

A current list of the full name and last known business or residence address of each Member in the Company set forth in alphabetical order, together with, for each Member, the Class A Voting Capital account and Class B Nonvoting Capital account, including entries to these accounts for contributions and distributions; the Ownership Interest, Percentage Ownership and Voting Interests; a copy of the Certificate and any and all amendments thereto together with executed copies of any powers of attorney pursuant to which the Certificate or any amendments thereto have been executed; copies of the Company's federal, state and local income tax or information returns and reports, if any, for the six most recent taxable years; a copy of this Agreement and any and all amendments hereto together with executed copies of any powers of attorney pursuant to which this Agreement or any amendments thereto have been executed; copies of the financial statements of the Company, if any, for the six most recent Fiscal Years; the Company's books and records as they relate to the internal affairs of the Company for at least the current and past four Fiscal Years; true and full information regarding the status of the business and financial condition of the Company; and true and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and which each Member has agreed to contribute in the future, and the date on

which each became a Member.

**7.2 Inspection of Books and Records.** Each Member has the right, on reasonable request for purposes reasonably related to the interest of the person as a Member or a Manager, to: (a) inspect and copy during normal business hours any of the Company's records described in Section 7.1; and (b) obtain from the Company promptly after their becoming available a copy of the Company's federal, state and local income tax or information returns for each Fiscal Year.

**7.3 Accountings.** As soon as is reasonably practicable after the close of each Fiscal Year, the Voting Members shall make or cause to be made a full and accurate accounting of the affairs of the Company as of the close of that Fiscal Year and shall prepare or cause to be prepared a balance sheet as of the end of such Fiscal Year, a profit and loss statement for that Fiscal Year and a statement of Members' equity showing the respective Capital Accounts of the Members as of the close of such Fiscal Year and the distributions, if any, to Members during such Fiscal Year, and any other statements and information necessary for a complete and fair presentation of the financial condition of the Company, all of which the Manager shall furnish to each Member. In addition, the Company shall furnish to each Member information regarding the Company necessary for such Member to complete such Member's federal and state income tax returns. The Company shall also furnish a copy of the Company's tax returns to any Member requesting the same. On such accounting being made, profits and losses during such Fiscal Year shall be ascertained and credited or debited, as the case may be, in the books of account of the Company to the respective Members as herein provided.

**7.4 Filings.** The Voting Members, at Company expense, shall cause the income tax returns for the Company to be prepared and timely filed with the appropriate authorities. The Voting Members, at Company expense, shall also cause to be prepared and timely filed with appropriate federal and state regulatory and administrative bodies amendments to, or restatements of, the Certificate and all reports required to be filed by the Company with those entities under the Act or other then current applicable laws, rules, and regulations. If the Company is required by the Act to execute or file any document and fails, after demand, to do so within a reasonable period of time or refuses to do so, any Member may prepare, execute and file that document with the Nevada Secretary of State.

**7.5 Bank Accounts.** The Company shall maintain its funds in one or more separate bank accounts in the name of the Company, and shall not permit the funds of the Company to be commingled in any fashion with the funds of any other Person.

**7.6 Tax Matters Partner.** The Voting Members may, in their exclusive discretion, appoint, remove and replace a Tax Matters Partner at any time or times. The Voting Members shall from time to time cause the Company to make such tax elections as they deem to be in the interests of the Company and the Members generally. The Tax Matters Partner, as defined in Internal Revenue Code Section 6231, shall represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by tax authorities, including resulting judicial and administrative proceedings, and shall expend the Company funds for professional services and costs associated therewith.

## **ARTICLE VIII**

### **DISSOLUTION AND WINDING UP**

**8.1 Dissolution.** The Company shall be dissolved, its assets shall be disposed of, and its affairs wound up on the first to occur of: the entry of a decree of judicial dissolution pursuant to

the Act; the majority approval of the Voting Members; or any other event causing a dissolution of a Limited Liability Company under the laws of the State of Nevada.

**8.2 Winding Up.** On the occurrence of an event specified in Section 8.1, the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets and satisfying the claims of its creditors. The Voting Members shall be responsible for overseeing the winding up and liquidation of Company, shall take full account of the assets and liabilities of Company, shall cause such assets to be sold or distributed, and shall cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as provided in Section 9.4. The Voting Members shall give written notice of the commencement of winding up by mail to all known creditors and claimants whose addresses appear on the records of the Company. The Members shall be entitled to reasonable compensation for such services.

**8.3 Distributions in Kind.** All noncash contributions to the Capital Accounts shall be returned to the Member who made such contribution upon dissolution of the Company, to the extent such noncash assets exist and may be legally returned to the contributing Member. Any remaining noncash assets distributed to the Members shall first be valued at their fair market value to determine the profit or loss that would have resulted if such assets were sold for such value. Such profit or loss shall then be allocated pursuant to this Agreement, and the Members' Capital Accounts shall be adjusted to reflect such allocations. The amount distributed and charged against the Capital Account of each Member receiving an interest in a distributed asset shall be the fair market value of such interest (net of any liability secured by such asset that such Member assumes or takes subject to). The fair market value of such asset shall be determined by the Voting Members, or if any Voting Member objects, by an independent appraiser (and any such appraiser must be recognized as an expert in valuing the type of asset involved) selected by a Majority of the Voting Members.

**8.4 Order of Payment of Liabilities on Dissolution.** After a determination that all known debts and liabilities of the Company in the process of winding up, including, without limitation, debts and liabilities to Members who are creditors of the Company, have been paid or adequately provided for, the remaining assets shall be distributed to the Members in proportion to their Ownership Interests.

**8.5 Adequacy of Payment.** The payment of a debt or liability, whether the whereabouts of the creditor is known or unknown, shall have been adequately provided for if payment thereof shall have been assumed or guaranteed in good faith by one or more financially responsible Persons or by the United States government or any agency thereof, and the provision, including the financial responsibility of the Person, was determined in good faith and with reasonable care by the Members to be adequate at the time of any distribution of the assets pursuant to this Section. This Section shall not prescribe the exclusive means of making adequate provision for debts and liabilities.

**8.6 Compliance with Regulations.** All payments to the Members on the winding up and dissolution of Company shall be strictly in accordance with the positive capital account balance limitation and other requirements of Regulations Section 1.704-1(b)(2)(ii)(d), as the voting Members deem appropriate.

**8.7 Limitations on Payments Made in Dissolution.** Except as otherwise specifically provided in this Agreement, each Member shall only be entitled to look solely to the assets of the Company for the return of such Member's positive Capital Account balance and shall have no recourse for such Member's Capital Contribution or share of profits (on dissolution or otherwise)

against any other Member.

**8.8 Certificate of Cancellation.** The Voting Members conducting the winding up of the affairs of the Company shall cause to be filed in the office of, and on a form prescribed by the Nevada Secretary of State, a certificate of cancellation of the Certificate on the completion of the winding up of the affairs of the Company.

## ARTICLE IX

### EXCULPATION AND INDEMNIFICATION, REPS AND WARRANTIES

**9.1 Exculpation of Members.** Subject to the limitations of section 9.3, no Member shall be liable to the Company or to the other Members for damages or otherwise with respect to any actions taken or not taken, as long as such act or omission was made in good faith and reasonably believed by such Member to be in or not opposed to the best interests of the Company, except to the extent any related loss results from fraud, gross negligence or willful or wanton misconduct on the part of such Member or the material breach of any obligation under this Agreement or of the fiduciary duties owed to the Company or the other Members by such Member.

**9.2 Indemnification by Company.** Subject to the limitations of section 9.3, below, the Company shall indemnify, hold harmless and defend the Members, in their capacity as Members, Managers, or Officers, from and against any loss, expense, damage or injury suffered or sustained by them by reason of any acts or omissions arising out of their activities on behalf of the Company or in furtherance of the interests of the Company, including but not limited to any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim, if the acts or omissions were not performed or omitted fraudulently or as a result of gross negligence or willful misconduct by the indemnified party. Reasonable expenses incurred by the indemnified party in connection with any such proceeding relating to the foregoing matters may be paid or reimbursed by the Company in advance of the final disposition of such proceeding upon receipt by the Company of (i) written affirmation by the Person requesting indemnification of its good-faith belief that it has met the standard of conduct necessary for indemnification by the Company and (ii) a written undertaking by or on behalf of such Person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that such Person has not met such standard of conduct, which undertaking shall be an unlimited general obligation of the indemnified party but need not be secured.

**9.3 Intellectual Property Indemnification.** Notwithstanding the foregoing, each Member will indemnify, defend and hold harmless the other Member and any of its Affiliates, customers, officers, directors, employees, agents, assigns, and successors for any loss, damage, expense, costs (including, but not limited to, fees for attorneys and other professionals) or liability arising out of or in connection with a claim for intellectual property infringement or misappropriation of any patent, copyright, trade secret or other intellectual property right of a third party.

The indemnity obligations under this section are conditioned upon the Party seeking indemnification (the "Indemnified Party") (a) giving the other Party (the "Indemnifying Party") prompt Notice of such claim; (b) cooperating with the Indemnifying Party, at the Indemnifying Party's expense in the defense of such claim; and (c) giving the Indemnifying Party the right to

control the defense and settlement of any such claim, except that the Indemnifying Party shall not enter into any settlement or consent to judgment that affects the Indemnified Party's rights or interests without the Indemnified Party's prior written approval.

**9.4 Insurance.** The Company shall have the power to purchase and maintain insurance on behalf of any Person who is or was a Member or an agent of the Company against any liability asserted against such Person and incurred by such Person in any such capacity, or arising out of such Person's status as a Member or an agent of the Company, whether or not the Company would have the power to indemnify such Person against such liability under Section 10.1 or under applicable law.

## **ARTICLE X**

### **INTELLECTUAL PROPERTY**

**10.1 Definition of Intellectual Property.** "Intellectual Property" means all intellectual property rights in the United States or any foreign jurisdiction throughout the world (whether registered or not) including, without limitation, all of the following: (i) all patents and utility models and applications therefore, and all reissues, divisions, re-examinations, renewals, extensions, provisional's, continuations and continuations-in-part thereof, and equivalent or similar rights in inventions and discoveries, including without limitation, invention disclosures; (ii) all trade secrets and other rights in Technology, data, know-how and confidential or proprietary information; (iii) mask works, mask work registrations and applications therefore, and all other rights corresponding thereto throughout the world; (iv) all copyrights, copyrights registrations and applications therefore and all other rights corresponding thereto; (v) all industrial designs and any registrations and applications therefore; (vi) all rights in all trade names, logos, common law trademarks and service marks, trademark and service mark registrations and applications therefore; and (vii) any similar, corresponding or equivalent rights to any of the foregoing anywhere in the world.

**10.2 Ownership of Intellectual Property.** The Parties acknowledge that any and all Intellectual Property created, used or embodied in or in connection with the Project, including without limitation any modifications or improvements made by the Parties based upon ideas, suggestions or proposals communicated between the Parties, are and shall remain the sole and exclusive property of the originating Party, and the other Party shall not during or at any time after the term of this Agreement in any way question or dispute the ownership of any such exclusive ownership rights.

**10.3 Definition of Marks.** "Mark(s)" means the trademarks, service marks, trademark and service mark applications, trade dress, trade names, logos, insignia, symbols, designs or other marks identifying a Party or its products.

**10.4 No Rights in Marks.** Nothing in this Agreement should be construed to grant either Party any rights in the Marks of the other Party. The Parties acknowledge, however, that each Party may use the name of the other Party and the name of their Products in advertising and marketing the Products or the Parties, themselves. The Products will be affixed with appropriate copyright and trademark notices sufficient to give Notice as to the rights of the Parties in their respective products.

**10.5 Confidentiality.** If, during the term, a Party receives or has access to Confidential Information belonging to the other Party, the Parties will be bound to keep all such information confidential. Confidential Information may only be used for purposes related to this Agreement and the Party receiving the confidential information must keep it confidential using the same degree of care that it exercises with respect to its own information of like importance, but in no event less than reasonable care.



## ARTICLE XI

### DISPUTE RESOLUTION

**11.1 Disputes Among Members.** The Members agree that in the event of any dispute or disagreement solely between or among any of them arising out of, relating to or in connection with this Agreement or the Company or its organization, formation, business or management ("Member Dispute"), the Members shall use their best efforts to resolve any dispute arising out of or in connection with this Agreement by good-faith negotiation and mutual agreement. The Members shall meet at a mutually convenient time and place to attempt to resolve any such dispute.

However, in the event that the Members are unable to resolve any Member Dispute, such parties shall first attempt to settle such dispute through a non-binding mediation proceeding. In the event any party to such mediation proceeding is not satisfied with the results thereof, then any unresolved disputes shall be finally settled in accordance with an arbitration proceeding. In no event shall the results of any mediation proceeding be admissible in any arbitration or judicial proceeding.

**11.2 Mediation.** Mediation proceedings shall be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association (the "AAA") in effect on the date the notice of mediation was served, other than as specifically modified herein, and shall be non-binding on the parties thereto.

Any Member may commence a mediation proceeding by serving written notice thereof to the other Members, by mail or otherwise, designating the issue(s) to be mediated and the specific provisions of this Agreement under which such issue(s) and dispute arose. The initiating party shall simultaneously file two copies of the notice with the AAA, along with a copy of this Agreement. A Member may withdraw from the Member Dispute by signing an agreement to be bound by the results of the mediation, to the extent the mediation results are accepted by the other Members as provided herein. A Member who withdraws shall have no further right to participate in the Member Dispute.

The Members shall select one neutral third party AAA mediator (the "Mediator") with expertise in the area that is in dispute. If a Mediator has not been selected within five (5) business days thereafter, then a Mediator shall be selected by the AAA in accordance with the Commercial Mediation Rules of the AAA.

The Mediator shall schedule sessions, as necessary, for the presentation by all Members of their respective positions, which, at the option of the Mediator, may be heard by the Mediator jointly or in private, without any other members present. The mediation proceeding shall be held in the city that is the company's principal place of business or such other place as agreed by the Mediator and all of the Members. The Members may submit to the Mediator, no later than ten (10) business days prior to the first scheduled session, a brief memorandum in support of their position.

The Mediator shall make written recommendations for settlement in respect of the dispute, including apportionment of the mediator's fee, within ten (10) business days of the last scheduled session. If any Member involved is not satisfied with the recommendation for settlement, he or she may commence an arbitration proceeding.

**11.3 Arbitration.** Arbitration proceedings shall be conducted under the Rules of Commercial Arbitration of the AAA (the "Rules"). A Member may withdraw from the Member

Dispute by signing an agreement to be bound by the results of the arbitration. A Member who withdraws shall have no further right to participate in the Member Dispute.

The arbitration panel shall consist of one arbitrator. The Members shall select one neutral third party AAA arbitrator (the "Arbitrator") with expertise in the area that is in dispute. If an Arbitrator has not been selected within five (5) business days thereafter, then an Arbitrator shall be selected by the AAA in accordance with the Commercial Arbitration Rules of the AAA. The arbitration proceeding shall be held in the city that is the company's principal place of business or such other place as agreed by the Arbitrator and all of the Members. Any arbitrator who is selected shall disclose promptly to the AAA and to both parties any financial or personal interest the arbitrator may have in the result of the arbitration and/or any other prior or current relationship, or expected or discussed future relationship, with the Members or their representatives. The arbitrator shall promptly conduct proceedings to resolve the dispute in question pursuant to the then existing Rules. To the extent any provisions of the Rules conflict with any provision of this Section, the provisions of this Section shall control.

In any final award and/or order, the arbitrator shall apportion all the costs (other than attorney's fees which shall be borne by the party incurring such fees) incurred in conducting the arbitration in accordance with what the arbitrator deems just and equitable under the circumstances.

Discovery shall not be permitted in such arbitration except as allowed by the rules of arbitration, or as otherwise agreed to by all the parties of the Member Dispute. Notwithstanding, the Members agree to make available to one another and to the arbitrator, for inspection and photocopying, all documents, books and records, if determined by the arbitration panel to be relevant to the dispute, and by making available to one another and to the arbitration panel personnel directly or indirectly under their control, for testimony during hearings if determined by the arbitration panel to be relevant to the dispute. The Members agree, unless undue hardship exists, to conduct arbitration hearings to the greatest extent possible on consecutive business days and to strictly observe time periods established by the Rules or by the arbitrator for the submission of evidence and of briefs. Unless otherwise agreed to by the Members, a stenographic record of the arbitration proceedings shall be made and a transcript thereof shall be ordered for each Member, with each party paying an equal portion of the total cost of such recording and transcription.

The arbitrator shall have all powers of law and equity, which it can lawfully assume, necessary to resolve the issues in dispute including, without limiting the generality of the foregoing, making awards of compensatory damages, issuing both prohibitory and mandatory orders in the nature of injunctions and compelling the production of documents and witnesses for presentation at the arbitration hearings on the merits of the case. The arbitration panel shall neither have nor exercise any power to act as amicable compositeur or ex aequo et bono; or to award special, indirect, consequential or punitive damages. The decision of the arbitration panel shall be in written form and state the reasons upon which it is based. The statutory, case law and common law of the State of Nevada shall govern in interpreting their respective rights, obligations and liabilities arising out of or related to the transactions provided for or contemplated by this Agreement, including without limitation, the validity, construction and performance of all or any portion of this Agreement, and the applicable remedy for any liability established thereunder, and the amount or method of computation of damages which may be awarded, but such governing law shall not include the law pertaining to conflicts or choice of laws of Nevada; provided however, that should the parties refer a dispute arising out of or in connection with an ancillary agreement or an agreement between some or all of the Members which specifically references this Article, then

the statutory, case law and common law of the State whose law governs such agreement (except the law pertaining to conflicts or choice of law) shall govern in interpreting the respective rights, obligations and liabilities of the parties arising out of or related to the transactions provided for or contemplated by such agreement, including, without limitation, the validity, construction and performance of all or any portion of such agreement, and the applicable remedy for any liability established thereunder, and the amount or method of computation of damages which may be awarded.

Any action or proceeding subsequent to any Award rendered by the arbitrator in the Member Dispute, including, but not limited to, any action to confirm, vacate, modify, challenge or enforce the arbitrator's decision or award shall be filed in a court of competent jurisdiction in the same county where the arbitration of the Member Dispute was conducted, and Nevada law shall apply in any such subsequent action or proceeding.

## **ARTICLE XII**

### **MISCELLANEOUS**

**12.1 Notices.** Except as otherwise expressly provided herein, any notice, consent, authorization or other communication to be given hereunder shall be in writing and shall be deemed duly given and received when delivered personally, when transmitted by facsimile if receipt is acknowledged by the addressee, one business day after being deposited for next-day delivery with a nationally recognized overnight delivery service, or three business days after being mailed by first class mail, charges and postage prepaid, properly addressed to the party to receive such notice at the address set forth in the Company's records.

**12.2 Severability.** If any provision of this Agreement, or the application of such provision to any Person or circumstance, shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to Persons or circumstances other than those to which it is held to be invalid or unenforceable, shall not be affected thereby.

**12.3 Binding Effect.** Subject to Article VII, this Agreement shall bind and inure to the benefit of the parties and their respective Successors.

**12.4 Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**12.5 Entire Agreement.** This Agreement contains the entire agreement of the parties and supersedes all prior or contemporaneous written or oral negotiations, correspondence, understandings and agreements between or among the parties, regarding the subject matter hereof.

**12.6 Further Assurances.** Each Member shall provide such further information with respect to the Member as the Company may reasonably request, and shall execute such other and further certificates, instruments and other documents, as may be necessary and proper to implement, complete and perfect the transactions contemplated by this Agreement.

**12.7 Headings; Gender; Number; References.** The headings of the Sections hereof are solely for convenience of reference and are not part of this Agreement. As used herein, each gender includes each other gender, the singular includes the plural and vice versa, as the context

may require. All references to Sections and subsections are intended to refer to Sections and subsections of this Agreement, except as otherwise indicated.

**12.8 Parties in Interest.** Except as expressly provided in the Act, nothing in this Agreement shall confer any rights or remedies under or by reason of this Agreement on any Persons other than the Members and their respective Successors nor shall anything in this Agreement relieve or discharge the obligation or liability of any third Person to any party to this Agreement, nor shall any provision give any third Person any right of subrogation or action over or against any party to this Agreement.

**12.9 Amendments.** All amendments to this Agreement shall be in writing and signed by all of the Members to the agreement at the time of the amendment.

**12.10 Attorneys' Fees.** In any dispute between or among the Company and one or more of the Members, including, but not limited to, any Member Dispute, the prevailing party or parties in such dispute shall be entitled to recover from the non-prevailing party or parties all reasonable fees, costs and expenses including, without limitation, attorneys' fees, costs and expenses, all of which shall be deemed to have accrued on the commencement of such action, proceeding or arbitration. Attorneys' fees shall include, without limitation, fees incurred in any post-award or post-judgment motions or proceedings, contempt proceedings, garnishment, levy, and debtor and third party examinations, discovery, and bankruptcy litigation, and prevailing party shall mean the party that is determined in the arbitration, action or proceeding to have prevailed or who prevails by dismissal, default or otherwise.

**12.11 Remedies Cumulative.** Subject to Article XI, remedies under this Agreement are cumulative and shall not exclude any other remedies to which any Member may be lawfully entitled.

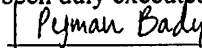
**12.12 Jurisdiction and Venue/Equitable Remedies.** The Company and each Member hereby expressly agrees that if, under any circumstances, any dispute or controversy arising out of or relating to or in any way connected with this Agreement shall, notwithstanding Article XI, be the subject of any court action at law or in equity, such action shall be filed exclusively in the courts of the State of Nevada or of the United States of America with jurisdiction over any county of Nevada as selected by the Member that is the plaintiff in the action, or that initiates the proceeding or arbitration. Each Member agrees not to commence any action, suit or other proceeding arising from, relating to, or in connection with this Agreement except in such a court and each Member irrevocably and unconditionally consents and submits to the personal and exclusive jurisdiction of such courts for the purposes of litigating any such action, and hereby grants jurisdiction to such courts and to any appellate courts having jurisdiction over appeals from such courts or review of such proceedings. Because the breach of the provisions of this Section would cause irreparable harm and significant injury to the Company and the other Members, which would be difficult to ascertain and which may not be compensable by damages alone, each Member agrees that the Company and the other Members will have the right to enforce the provisions of this Section by injunction, specific performance or other equitable relief in addition to any and all other remedies available to such party or parties without showing or proving any actual damage to such parties. Members will be entitled to recover all reasonable costs and expenses, including but not limited to all reasonable attorneys' fees, expert and consultants' fees, incurred in connection with the enforcement of this Section.

**12.13 Authority.** This Agreement constitutes a legal, valid and binding agreement of the Member, enforceable against the Member in accordance with its terms. The Member is

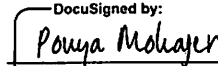
empowered and duly authorized to enter into this Agreement (including the power of attorney herein) under every applicable governing document, partnership agreement, trust instrument, pension plan, charter, certificate of incorporation, bylaw provision or the like. The Person, if any, signing this Agreement on behalf of the Member is empowered and duly authorized to do so by the governing document or trust instrument, pension plan, charter, certificate of incorporation, bylaw provision, board of directors or stockholder resolution or the like.

**12.14 Indemnification by Members in Breach.** Each Member hereby agrees to indemnify and defend the Company, the other Members and each of their respective employees, agents, partners, members, shareholders, officers and directors and hold them harmless from and against any and all claims, liabilities, damages, costs and expenses (including, without limitation, court costs and attorneys' fees and expenses) suffered or incurred on account of or arising out of any breach of this Agreement by that Member.

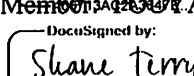
IN WITNESS WHEREOF, this Limited Liability Company Operating Agreement has been duly executed by or on behalf of the parties hereto as of the date first above written.

  
Member: PEYMAN BADRY

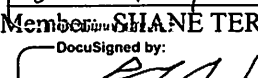
  
Member: JENNIFER GOLDSTEIN

  
Member: POUYA MOHAJER

  
Member: JOSEPH KENNEDY

  
Member: SHANE TERRY

Member: JOHN PENDERS

  
Member: RYAN WINMILL

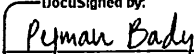
## NUVEDA, LLC

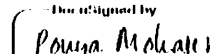
## LISTING OF MEMBERS

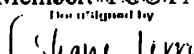
NAME:	ADDRESS:	PERCENTAGE INTERESTS VOTING/OWNERSHIP INTERESTS/DISTRIBUTION:
Pejman Bady	PO Box 6255 Pahrump, NV 89041	46.5%/46.5%/38%
Pouya Mohajer	2700 Las Vegas Blvd. #2709 Las Vegas, NV 89109	21%/21%/25.25%
Shane Terry	4575 Dean Martin Drive #1401 Las Vegas, NV 89103	21%/21%/25.25%
Jennifer Goldstein	200 Hoover Street #1113 Las Vegas, NV 89101	7%*/7%*/7%*
Joe Kennedy	11115 Kilkerran Ct. Las Vegas, NV 89141	1%*/1%*/1%*
John Penders	29 Marshall Terrace Wayland, MA 01778	1.75%*/1.75%*/1.75%
Ryan Winmill	412 Princess Street Alexandria VA 222314	1.75%*/1.75%*/1.75%


\*Nondilutable interests once vested. As if this writing, the Ownership, Voting and Distribution Shares of Goldstein, Kennedy, Winmill and Penders are designated as Nondilutable

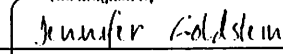
Member Listing as of this 16th day of July, 2014

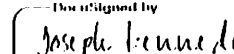
DocuSigned by:  
  
 Member: PEJMAN BADY

DocuSigned by:  
  
 Member: POUYA MOHAJER

DocuSigned by:  
  
 Member: SHANE TERRY

DocuSigned by:  
  
 Member: RYAN WINMILL

DocuSigned by:  
  
 Member: JENNIFER GOLDSTEIN

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 Member: JOSEPH KENNEDY

Member: JOHN PENDERS

**NUVEDA, LLC  
CAPITAL CONTRIBUTIONS**

Pursuant to ARTICLE III, the Members' initial contribution to the Company capital is stated to be one million dollars (\$1,000,000.00). The description and each individual portion of this initial contribution is as follows, which amounts shall be allocated to the Capital Accounts for each Member:

Description	Value
Member: PEJ BADCY	\$440,000.00
Member: POUYA MOHAJER	\$440,000.00
Member: SHANE TERRY	\$120,000.00

SIGNED AND AGREED this 16th day of July, 2014.

DocuSigned by:  
Pejman Bady  
Member: PEJMAN BADCY

DocuSigned by:  
Pouya Mohajer  
Member: POUYA MOHAJER

DocuSigned by:  
Shane Terry  
Member: SHANE TERRY

DocuSigned by:  
Ryan Winmill  
Member: RYAN WINMILL

DocuSigned by:  
Jennifer Goldstein  
Member: JENNIFER GOLDSTEIN

DocuSigned by:  
Joseph Kennedy  
Member: JOSEPH KENNEDY

Member: JOHN PENDERS

empowered and duly authorized to enter into this Agreement (including the power of attorney herein) under every applicable governing document, partnership agreement, trust instrument, pension plan, charter, certificate of incorporation, bylaw provision or the like. The Person, if any, signing this Agreement on behalf of the Member is empowered and duly authorized to do so by the governing document or trust instrument, pension plan, charter, certificate of incorporation, bylaw provision, board of directors or stockholder resolution or the like.

**12.14 Indemnification by Members in Breach.** Each Member hereby agrees to indemnify and defend the Company, the other Members and each of their respective employees, agents, partners, members, shareholders, officers and directors and hold them harmless from and against any and all claims, liabilities, damages, costs and expenses (including, without limitation, court costs and attorneys' fees and expenses) suffered or incurred on account of or arising out of any breach of this Agreement by that Member.

IN WITNESS WHEREOF, this Limited Liability Company Operating Agreement has been duly executed by or on behalf of the parties hereto as of the date first above written.

\_\_\_\_\_  
Member: PEJMAN BADY

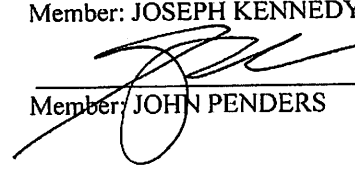
\_\_\_\_\_  
Member: JENNIFER GOLDSTEIN

\_\_\_\_\_  
Member: POUYA MOHAJER

\_\_\_\_\_  
Member: JOSEPH KENNEDY

\_\_\_\_\_  
Member: SHANE TERRY

\_\_\_\_\_  
Member: JOHN PENDERS

 16 JULY 2014

\_\_\_\_\_  
Member: RYAN WINMILL



NUVEDA, LLC

LISTING OF MEMBERS

NAME:	ADDRESS:	PERCENTAGE INTERESTS VOTING/OWNERSHIP INTERESTS/DISTRIBUTION:
Pejman Bady	PO Box 6255 Pahrump, NV 89041	46.5%/46.5%/38%
Pouya Mohajer	2700 Las Vegas Blvd. #2709 Las Vegas, NV 89109	21%/21%/25.25%
Shane Terry	4575 Dean Martin Drive #1401 Las Vegas, NV 89103	21%/21%/25.25%
Jennifer Goldstein	200 Hoover Street #1113 Las Vegas, NV 89101	7%*/7%*/7%*
Joe Kennedy	11115 Kilkerran Ct. Las Vegas, NV 89141	1%*/1%*/1%*
John Penders	29 Marshall Terrace Wayland, MA 01778	1.75%*/1.75%*/1.75%
Ryan Winmill	412 Princess Street Alexandria VA 222314	1.75%*/1.75%*/1.75%

\*Nondilutable interests once vested. As if this writing, the Ownership, Voting and Distribution Shares of Goldstein, Kennedy, Winmill and Penders are designated as Nondilutable

Member Listing as of this 16 day of JULY, 2014

\_\_\_\_\_  
Member: PEJMAN BADY

\_\_\_\_\_  
Member: JENNIFER GOLDSTEIN

\_\_\_\_\_  
Member: POUYA MOHAJER

\_\_\_\_\_  
Member: JOSEPH KENNEDY

\_\_\_\_\_  
Member: SHANE TERRY

\_\_\_\_\_  
Member: JOHN PENDERS

\_\_\_\_\_  
Member: RYAN WINMILL

**NUVEDA, LLC  
CAPITAL CONTRIBUTIONS**

Pursuant to ARTICLE III, the Members' initial contribution to the Company capital is stated to be one million dollars (\$1,000,000.00). The description and each individual portion of this initial contribution is as follows, which amounts shall be allocated to the Capital Accounts for each Member:

Description	Value
Member: PEJ BADY	\$440,000.00
Member: POUYA MOHAJER	\$440,000.00
Member: SHANE TERRY	\$120,000.00

SIGNED AND AGREED this 16 day of JULY, 2014.

\_\_\_\_\_  
Member: PEJMAN BADY

\_\_\_\_\_  
Member: JENNIFER GOLDSTEIN

\_\_\_\_\_  
Member: POUYA MOHAJER

\_\_\_\_\_  
Member: JOSEPH KENNEDY

\_\_\_\_\_  
Member: SHANE TERRY

\_\_\_\_\_  
Member: JOHN PENDERS

\_\_\_\_\_  
Member: RYAN WINMILL

# EXHIBIT 5

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## **Purchase and Sale Agreement for Shane Terry's Ownership Interest in NuVeda and NuVeda-Managed Licenses**

Clark NMSD, LLC ("Clark") is an active Nevada domestic Limited- Liability Company with resident agent Sandy Kindler, 2171 River Plate Drive, Pahrump, Nevada 89048 and is the owner of two Dispensary license(s) issued by the State of Nevada Department of Health and Human Services, Nevada Division of Public and Behavioral Health and the Department of Taxation (along with other government entities and subdivisions, "Nevada") with resident agent Sandy Kindler, 2171 River Plate Drive, Pahrump, Nevada 89048 ("Kindler"). NuVeda, LLC ("NuVeda") is the sole manager of Clark. The Clark Dispensary licenses are identified specifically by the following State of Nevada Establishment numbers: 2502 5985 3578 6823 7824 and 9409 0342 9554 6702 0377.

Clark Natural Medicinal Solutions, LLC ("Clark Natural") is an active Nevada domestic Limited- Liability Company with resident agent Kindler. Clark Natural is the owner one Cultivation license and one Production license issued by the Nevada. NuVeda is the sole manager of Clark Natural. The Clark Natural Cultivation license is identified specifically by the following State of Nevada Establishment number: 6499 5797 7556 7012 2923. The Clark Natural Production license is identified specifically by the following State of Nevada Establishment number: 5447 7437 9374 7929 7460.

Nye Natural Medical Solutions LLC ("Nye") is an active Nevada domestic Limited-Liability Company with resident agent Kindler. Nye is the owner of a Cultivation license and Production license issued by Nevada. NuVeda is the sole manager of Nye. The Nye Cultivation license is identified specifically by the following State of Nevada Establishment number: 4073 3091 6294 5475 1109. The Nye Production license is identified specifically by the following State of Nevada Establishment number: 9160 4693 9161 6650 7699.

Shane Terry ("Seller") is registered with Nevada as the owner of a twenty-one percent (21%) owner in NuVeda, Clark, Clark Natural and Nye (the "Interest"). Seller desires to sell the Interest, as-is, to Brian C. Padgett ("Padgett") or his designee, with no warranties or representations.

BCP 7, LLC ("Buyer") is an active Nevada domestic Limited Liability Company with resident agent Brian C. Padgett, 611 S. 6<sup>th</sup> Street, Las Vegas, Nevada 89101 whose manager is the owner of Dispensary, Cultivation and Production license(s) in Nevada.

Seller hereby agrees to sell the Interest to Buyer and Buyer agrees to purchase the Interest for the following consideration and on the following terms:

1 of 5  
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ST  
Substantially reduced

Purchase Price: Buyer shall acquire Seller's Interest for a total purchase price of \$1.75 million (the "Purchase Price"). The Purchase Price is payable as follows:

Initial Payment: \$500,000.00 in good and payable U.S. funds shall be paid to Seller on or before June 15, 2018.

Monthly Payments: \$1.25 million (the "Balance") is due on or before June 15, 2028 with payments due monthly until paid in full. Monthly Payments shall be made on or before the first day of the month in an amount not less than the interest accrued on the outstanding balance at an interest rate of 18%. Monthly Payments shall commence May 1, 2018; however, the first payment shall be paid no later than May 3, 2018.

Prepayment: There shall be no prepayment penalty charged to Buyer if he elects to pay off the Balance, together with any accrued interest thereon, after the first year of Monthly Payments.

Acceleration: There shall be acceleration of the outstanding Balance and any unpaid interest accrued thereon upon 1) sale or transfer of the Interest to a vehicle not owned by Buyer, or any beneficial rights thereunder, from Buyer to a third party (other than CWNV, LLC); or 2) a default of a payment obligations, which shall result from any failure to timely pay the Initial Down Payment or any Monthly Payments on the Balance following notice of failure emailed to Padgett and no cure within 10 business days thereof.

Until otherwise directed in writing to Padgett, delivery of the funds shall be delivered to Shane Terry, c/o Erika Pike Turner, Garman Turner Gordon LLP, 650 White Drive, Suite 100, Las Vegas, Nevada.

#### Litigation, Releases and Cooperation:

Buyer acknowledges that there are adverse claims to the Interest, which are the subject of litigation pending in American Arbitration Association Case No. 01-15-0005-8574 (the "NuVeda Arbitration") and District Court Case No. A-15-728510-B (the "District Court Case").

Upon execution of this Agreement and receipt of the first Monthly Payment:

- 1) Seller shall take any and all action necessary to affirmatively release any Temporary Restraining Order or Preliminary Injunction preventing transfer of the Interest to Buyer or CWNV, LLC and Seller shall take affirmative action to support CW Nevada, LLC's withdrawal of the pending evidentiary hearing in the District Court Case, and 2) Seller shall assign any and all claims and rights in the NuVeda

2.45  
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Arbitration and District Court Case to Buyer.

Other than the obligations outlined herein, Buyer and Seller agree to full mutual releases for any claims, rights or demands on behalf of themselves and their affiliates and further agree to cooperate with one another to effectuate the parties' intention to have Buyer step in the shoes of Seller for all purposes relating to the Interest and be free and clear of adverse claims related thereto. Inclusive, Buyer agrees to secure the full release of Terry from the claims asserted against him in the 4Front litigation pending at American Arbitration Association Case No. 01-17-0002-9611. Further, upon execution of this Purchase Agreement, Seller agrees that he shall not pursue any allegations or claims he has made that CW Nevada, LLC has breached the terms of its Membership Interest Purchase Agreement made with NuVeda. Seller shall also cooperate with CW Nevada, LLC in its defense of such claims at the sole cost and expense of Buyer.

Transfer: Following execution of this Agreement and receipt of the first Monthly Payment, Seller agrees to sign any and all documents provided to him by Buyer that are necessary to support the transfer of the Interest to Buyer. Until Seller receives the Initial Payment, these signed documents shall be held by attorney Amanda Connor. Upon Seller receiving the Initial Payment, the documents shall be released to Buyer. Thereafter, Seller shall sign any and all further documents as needed to process the transfer of the Interest to Buyer.

Other than Seller executing documents provided by Buyer and providing reasonable cooperation related thereto, Buyer is solely responsible for obtaining approvals of the transfer of Interest to Buyer. Further, Buyer is solely responsible for consequences to NuVeda, CWNV, LLC or others claiming rights in the Interest, and Buyer agrees to indemnify Seller and hold him harmless for any related adverse action.

If Interest relating to Clark is transferred to CWNV, LLC as a result of pending applications prior to the Initial Payment to Seller, this does not affect Buyer's obligation to make the Initial Payment or otherwise perform under this Agreement.

Guaranty: Padgett agrees to personally guaranty all payment and other performance obligations due to Seller herein.

The Parties hereto acknowledge their intent and agreement to use all reasonable means to resolve any dispute over interpretation or enforcement of the parties' duties and obligations as articulated in this Purchase and Sale Agreement. In the event any material dispute cannot be resolved informally the parties shall litigate the issue(s) in the business court of Clark County, State of Nevada in the Eighth Judicial District. Nevada Law governs any dispute, and attorneys' fees and costs 3.45

shall be awarded to the prevailing party.

The Parties acknowledge that there is no other agreement and no other term incorporated into this Purchase and Sale Agreement other than what is expressed herein.

Dated this 30<sup>th</sup> day April, 2018

BUYER:

BCP 7, LLC

By its Manager:



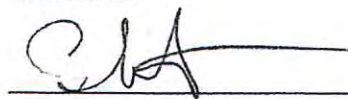
Name:

GUARANTOR:



Brian C. Padgett

SELLER:



Shane Terry

4 of 5



**ADDENDUM #1 TO Purchase and Sale Agreement for Shane Terry's  
Ownership Interest in NuVeda and NuVeda-Managed Licenses**

1. All capitalized terms are as defined in the above-referenced Agreement. No terms of the Agreement are amended, save and except that: Buyer and Guarantor stipulate to Seller's allocation of the Purchase Price to \$1,350,000 for the purchase of the Interest and \$400,000 for the value of the releases provided by Buyer and Guarantor.

*Purchase price is substantially reduced*

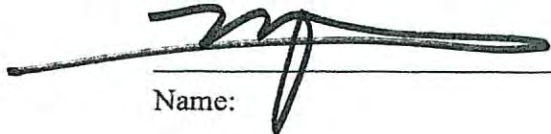
*YJP*

Dated this 30<sup>th</sup> day April, 2018

BUYER:

BCP 7, LLC

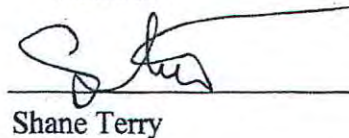
By its Manager:

  
Name:

GUARANTOR:

  
Brian C. Padgett

SELLER:

  
Shane Terry

*526*  
*Q*



**Assignment of Interests**

Pursuant to the terms of that certain agreement between Shane Terry and BCP 7, LLC dated April 30, 2018, Mr. Terry hereby assigns all claims alleged in AAA Case No. 01-15-0005-8574 (the "Case") to BCP 7, LLC with Brian Padgett as its resident agent. The effective date of such assignment is May 2, 2018.

As set forth in the arbitration demand on file in the Case, Shane Terry was purportedly expelled as a member of NuVeda, LLC under Section 6.2 of the NuVeda, LLC Operating Agreement on March 10, 2016. Section 6.2 of the NuVeda, LLC Operating Agreement expressly contemplates a member's successor-in-interest being entitled to receive from NuVeda, LLC in exchange for all of the member's former interest the value of that terminated interest. In addition, Mr. Terry has alleged claims for damages against NuVeda, LLC, Pej Bady and Pouya Mohajer for breach of the Operating Agreement, including Sect. 6.2, as well as breach of the implied covenant of good faith and fair dealing, breach of fiduciary duty and intentional and/or negligent misrepresentations. These claims are being assigned as-is with no warranties as whether they are legally assignable or otherwise viable as a matter of fact or law.

Assignor

Shane Terry

Assignee

BCP 7, LLC


By: \_\_\_\_\_

5/2/18

# EXHIBIT 6

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Subject: RE: Terry et al. v. NuVeda et al.- Arbitration Case No. A-15-728510-B

 **Erika Turner** <eturner@gtg.legal>

Fri, May 4, 2018, 10:58 AM

to Nikki Baker, AAA Lance Tanaka, Anna Diallo, Julia Melnar, Matthew Dushoff, Kristina R. Cole, Scott D. Fleming,

You are viewing an attached message. Law Office of Mitchell Stipp Mail can't verify the authenticity of attached messages.

Arbitrator Baker,

On behalf of Shane Terry:

1. Motion to Substitute.

Please be advised that Mr. Terry has sold all of his rights and interests relative to NuVeda, LLC to third party BCP 7, LLC, resident agent Brian C. Padgett, 611 S. 6<sup>th</sup> Street, Las Vegas, NV, 89101 (“Buyer”). Inclusive in those rights and interests sold to the Buyer is an assignment of those claims alleged herein. The written agreement reflecting Mr. Terry’s agreement with Buyer will be sent to you under separate cover for *in camera* review.

Under NRCP 25(c), in case of any transfer of interest, the person to whom the interest is transferred may be properly substituted in the action. Substitution of parties here is appropriate so that Mr. Terry’s claims may be prosecuted in the name of the new real party in interest- Buyer. See NRCP 17(a) (providing that every action SHALL be prosecuted in the name of the real party in interest). The “real party in interest” is the person who has a right to enforce the claim and who has a significant interest in the litigation. See *Arguello v. Sunset Station, Inc.*, 252 P.3d 206, 208 (Nev. 2011); *Painter v. Anderson*, 620 P.2d 1254, 1255-56 (Nev. 1980). Generally, the assignee of a contractual right is the real party in interest as opposed to the assignor. *Easton Bus. Opportunities, Inc. v. Town Exec. Suites-E Marketplace, LLC*, 230 P.3d 827, 831-32 (Nev. 2010); *First Interstate Bank of Cal. V. HCT, Inc.*, 828 P.2d 405, 408 (Nev. 1992).

Here, there should be no impediment to the requested substitution of Buyer for Mr. Terry, as Buyer now has the sole right to prosecute claims pendent to Mr. Terry’s rights and interests relative to NuVeda and make decisions relative thereto, pursuant to Buyer/Mr. Terry’s voluntary agreement wherein Mr. Terry agreed to assign all rights and interests relative to NuVeda, LLC to Buyer, including the pendent claims. Further, Respondents have repeatedly argued that Mr. Terry has no rights under the Operating Agreement that survive his termination on March 10, 2016; thus, Respondents should be judicially estopped from making a contrary argument now.

2. Motion to Withdraw.

Upon substitution of Buyer as real-party-in-interest, I move to withdraw as counsel in this matter for all purposes. Buyer’s counsel, Amy Sudgen, Esq., is cc’d on this email.

Thank you,

Erika

**Erika Pike Turner**  
Partner

GARMAN | TURNER | GORDON

P 725 777 3000 | D 725 244 4573  
E eturner@gtg.legal

# EXHIBIT 7

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From: **Brian Padgett** brian@briancpadgett.com  
Subject: Terry/NuVeda case number 01-15-0005-8574  
Date: June 5, 2018 at 7:41 PM

BP

To: nbaker@petersonbaker.com

Cc: pejman bady pbady@me.com, Pouya Mohajer pouyamohajer@gmail.com, Joseph Kennedy joe90275@gmail.com, Matthew T. Dushoff mdushoff@klnvada.com, Jason Wiley jwiley@wileypetersenlaw.com, Amy Sugden amy@briancpadgett.com

Dear Arbitrator Baker:

I hereby dismiss all claims of myself, CWNevada, BCP Holdings 7, LLC and Shane Terry (all right, title and interest) against Bady, Mohajer, and NuVeda and its subsidiaries (Clark NMSD, Clark Natural Medicinal Solutions, and Nye Natural Medicinal Solutions) with prejudice.

Please initiate necessary proceedings to dismiss my claims.

Ms. Sugden shall oversee the process and may sign on my behalf any necessary paperwork.

**Brian C. Padgett**

Law Offices of Brian C. Padgett  
611 South 6th Street  
Las Vegas, Nevada 89101  
(702) 304-0123  
[www.briancpadgett.com](http://www.briancpadgett.com)



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# EXHIBIT 8

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Subject: RE: BCP 7



**Nikki Baker** <nbaker@petersonbaker.com>

Tue, Oct 9, 2018, 9:59 AM

to Jason Wiley, David Feuerstein, Matthew T. Dushoff, AAA Lance Tanaka, Amy Sugden, Kristina R. Cole, Scott D.

You are viewing an attached message. Law Office of Mitchell Stipp Mail can't verify the authenticity of attached messages.

Counsel:

Based on the below email string and my orders regarding Ms. Goldstein’s request for discovery, BCP Holding 7, LLC is hereby DISMISSED from this arbitration.

Mr. Tanaka, BCP Holding 7, LLC may be removed from the caption.

Additionally, based on the below emails, I will extend the time for the parties to provide to me proposed new deadlines related to a new arbitration hearing date to **5:00 p.m. PST on Monday, October 15**. Absent exceptional circumstances, which do not include ongoing settlement discussions, this deadline will not be extended again.

Thank you,

Nikki

**Nikki Baker, Esq.**  
Peterson Baker, PLLC  
702.786.1001

**From:** Jason Wiley <jwiley@wileypetersenlaw.com>  
**Sent:** Tuesday, October 09, 2018 8:52 AM  
**To:** 'David Feuerstein' <david@dfmklaw.com>; Nikki Baker <nbaker@petersonbaker.com>; 'Matthew T. Dushoff' <mdushoff@knevada.com>; 'AAA Lance Tanaka' <LanceTanaka@adr.org>  
**Cc:** "Amy Sugden" <amy@briancpadgett.com>; 'Kristina R. Cole' <kcole@knevada.com>; 'Scott D. Fleming' <sfleming@knevada.com>  
**Subject:** RE: BCP 7

Arbitrator Baker:

I can confirm Mr. Feuerstein’s comments regarding the parties’ negotiations and ongoing efforts to schedule arbitration dates and other deadlines.

JMW

**Jason M. Wiley, Esq.**  
**Partner**



1050 Indigo Drive  
Suite 130  
Las Vegas, Nevada 89145  
Office 702.910.3329|Direct 702.909.5487|Mobile 702.845.7401  
jwiley@wileypetersenlaw.com

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**From:** David Feuerstein <david@dfmklaw.com>  
**Sent:** Monday, October 8, 2018 2:39 PM  
**To:** Nikki Baker <nbaker@petersonbaker.com>; Jason Wiley <jwiley@wileypetersenlaw.com>; 'Matthew T. Dushoff' <mdushoff@knevada.com>; 'AAA Lance Tanaka' <LanceTanaka@adr.org>

NUVEDA'S APPENDIX 0159



AMERICAN  
ARBITRATION  
ASSOCIATION®

INTERNATIONAL CENTRE  
FOR DISPUTE RESOLUTION®

Lance Tanaka  
Vice President  
1400 16th Street, Suite 400  
Denver, CO 80202  
Telephone: (303)831-0824  
Fax: (646)640-1840

October 9, 2018

Matthew T. Dushoff, Esq.  
Kolesar & Leatham, Chtd.  
400 South Rampart Boulevard, Suite 400  
Las Vegas, NV 89145-5725  
Via Email to: mdushoff@klnevada.com

David Feuerstein  
Feuerstein Kulick LLP  
205 East 42nd Street, 20th Floor  
New York, NY 10017  
Via Email to: david@dfmklaw.com

Jason M. Wiley  
Wiley Petersen  
1050 Indigo Drive, Suite 130  
Las Vegas, NV 89145  
Via Email to: jwiley@wileypetersenlaw.com

Case Number: 01-15-0005-8574

Pouya Mohajer and Pejman Bady;  
-vs-  
Jennifer Goldstein  
-vs-  
Nuveda, LLC

Dear Parties:

This will confirm that BCP 7, LLC has been dismissed as a party in this matter, in accordance with the Arbitrator's Ruling of October 9, 2018. Counsel for BCP 7, LLC is copied on this letter however they have been removed from the case and will no longer receive correspondence concerning this matter.

Sincerely,

/s/

Lance K Tanaka  
Vice President  
Direct Dial: (303)831-0824  
Email: LanceTanaka@adr.org  
Fax: (646)640-1840

cc: Amy Sudgen  
Kristina Cole  
Brian C. Padgett  
Anne M. Landis  
Scott Fleming, Esq.  
Nikki Baker, Esq.

It/bs