

IN THE SUPREME COURT OF THE STATE OF NEVADA

JDD, LLC; TCS PARTNERS, LLC; JOHN
SAUNDERS; and TREVOR SCHMIDT,

Petitioners,

vs.

THE HONORABLE TIMOTHY C.
WILLIAMS, EIGHTH JUDICIAL DISTRICT
COURT IN AND FOR THE COUNTY OF
CLARK,

Respondent,

-and-

ITEM 9 LABS CORP. f/k/a Airware Labs
Corp. and Crown Dynamics Corp.; ITEM 9
PROPERTIES, LLC; STRIVE
MANAGEMENT, LLC f/k/a Strive Life;
VIRIDIS GROUP I9 CAPITAL, LLC;
VIRIDIS GROUP HOLDINGS, LLC;
SNOWELL HOLDINGS, LLC; ANDREW
BOWDEN; DOUGLAS BOWDEN; BRYCE
SKALLA; and CHASE HERSCHMAN,

Real Parties in Interest.

Case No.:

District Court Electronically Filed
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Elizabeth A. Brown
Clerk of Supreme Court

APPENDIX TO PETITIONER'S WRIT OF MANDAMUS

Volume 2 (Part 1) of 4 – Pages PA_0248-0356

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Counsel for Petitioners

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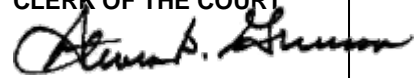
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MAFC

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Mukunda Shanbhag (*pro hac vice*)

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**DISTRICT COURT
CLARK COUNTY, NEVADA**

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual;
and TREVOR SCHMIDT, an individual,

Plaintiffs,

v.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation, et al.,

Defendants.

Case No. A-20-811232-B

Dept. No. 16

HEARING REQUESTED

**DEFENDANT SNOWELL
HOLDINGS, LLC'S MOTION FOR
ATTORNEYS' FEES**

Snowell Holdings, LLC ("Snowell") submits the following application for attorney's fees related to its motion to dismiss, which the Court granted on February 24, 2021. This application is supported by the Declaration of Justin M. Brandt (Ex. A) and the itemized statement of fees (Ex. A-1). As discussed below, Snowell requests a total award of \$19,145.00 in attorney's fees pursuant to N.R.S. § 18.010(2)(b).

I. Introduction

On December 1, 2020, Snowell filed its motion to dismiss on the grounds that Nevada lacked personal jurisdiction over Snowell. By way of background, Snowell is an Ohio entity that

1 has no contacts in Nevada and owns no interest in any Nevada companies or any of the
2 Defendant entities.

3 On November 17, 2020, Snowell's counsel informed Plaintiffs that it had no contacts
4 with Nevada and that it would seek dismissal and reimbursement of its attorney's fees if it was
5 forced to address this deficiency through the Court.

6 Plaintiffs initially agreed to dismiss Snowell but reneged on their agreement just days
7 later. This forced Snowell to brief and argue its motion at considerable expense. Notably,
8 Plaintiffs provided no law or facts in opposition to Snowell's motion, and instead argued that
9 they should be excused from meeting their burden to show personal jurisdiction.

10 Indeed, the claims against Snowell were without reasonable grounds and Plaintiff was
11 fully aware of Snowell's lack of contacts with Nevada. The attorney's fees caused by Plaintiffs'
12 conduct include those incurred in connection with Snowell's motion to dismiss, as well as fees
13 incurred in pursuing reimbursement of fees.

14 **II. Legal argument**

15 **A. Snowell is entitled to an award of attorney's fees because Plaintiffs'** 16 **claims were brought and maintained without reasonable ground.**

17 This Court may award attorney's fees for a motion to dismiss if Plaintiffs' claims were
18 brought or maintained without reasonable ground or to harass the prevailing party; and courts
19 must liberally construe this standard in favor of awarding fees. N.R.S. 18.010(2)(b); *see also*
20 *Davis v. Beling*, 128 Nev. 301, 321 (Nev. 2012) (attorney's fees may be awarded if permitted
21 by statute, rule, or contract), N.R.S. 18.010(3) (providing that the court may award attorney fees
22 without written motion). The inquiry for whether Plaintiffs' claims are groundless is based upon
23 the actual facts, not hypothetical facts favoring the plaintiff's allegations. *Bergmann v. Boyce*,
24 856 P.2d 560, 563 (Nev. 1993) (superseded by statute on other grounds).

25 An award of attorney's fees is especially warranted if Plaintiffs disregarded facts when
26 naming Snowell as a defendant. *See Allianz Ins. Co. v. Gagnon*, 860 P.2d 720, 724-25 (Nev.

1 1993) (holding that a claim is groundless if it is “disrespectful” of truth or accuracy).

2 On November 17, 2020, Plaintiffs and their counsel were informed that Snowell had no
3 contacts with Nevada and was not involved in any of the alleged events. On November 20, 2020,
4 Plaintiffs agreed to dismiss Snowell. But to Snowell’s surprise, Plaintiffs reneged on this
5 agreement a few days later even though they still could not proffer any evidence to support
6 personal jurisdiction. Indeed, Plaintiffs’ Opposition confirms as much. Snowell’s inclusion in
7 this lawsuit was groundless and served only to harass.

8 **B. The claimed attorney’s fees are reasonable.**

9
10 In Nevada, an attorney’s fees award must be reasonable under the *Brunzell* factors:
11 (1) the qualities of the advocate: his ability, his training, education, experience,
12 professional standing and skill; (2) the character of the work to be done: its
13 difficulty, its intricacy, its importance, time and skill required, the responsibility
14 imposed and the prominence and character of the parties where they affect the
15 importance of the litigation; (3) the work actually performed by the lawyer: the
16 skill, time and attention given to the work; (4) the result: whether the attorney was
17 successful and what benefits were derived.

18 *Brunzell v. Golden Gate Nat’l Bank*, 85 Nev. 345, 349 (Nev. 1969).

19 **1. Qualities of the advocates.**

20 Justin M. Brandt is lead counsel for Snowell and a founding partner of the law firm of
21 Bianchi & Brandt. He is licensed to practice in Arizona, California, and New Mexico, and has
22 over six years of business litigation experience. He has an outstanding reputation in the
23 community, having been featured as a Top 40 Under 40 by the Phoenix Business Journal and
24 MJ Venture magazine. He was also recognized in Southwest Super Lawyers from 2018 to 2021.
25 He has been actively involved in conferring with opposing counsel regarding Snowell, briefing
26 related to Snowell’s motion to dismiss, and preparation for the hearings related to the motion.
He has also been the primary point of contact for the client. Mr. Brandt’s hourly rate was
reasonable in light of his ability, training, education, experience, professional standing, and
skills.

1 Mukunda Shanbhag is an associate at Bianchi & Brandt. He is licensed to practice in
2 Arizona and Colorado, has over two years of litigation experience, including drafting motions,
3 participating in hearings and navigating discovery, and was a law clerk for much of law school.
4 Mr. Shanbhag graduated with a M.A. in Modern History and International Relations from the
5 University of Saint Andrews in Scotland and received his J.D. (*cum laude*) from Arizona State
6 University's Sandra Day O'Connor College of Law. Under Mr. Brandt's supervision, Mr.
7 Shanbhag's role included researching and drafting portions of Snowell's Motion to Dismiss and
8 Reply, communicating and conferring with opposing counsel, and attending and arguing
9 Snowell's motion to dismiss before the Court. Mr. Shanbhag's hourly rate was reasonable in
10 light of his ability, training, education, experience, professional standing, and skills.

11 Candace C. Herling is a partner at Messner Reeves, LLP. She is licensed to practice in
12 Nevada and has over six years of litigation experience. Ms. Herling was local counsel for
13 Snowell in Nevada and participated in drafting the briefing for Snowell's Motion to Dismiss and
14 preparing for and attending hearings regarding the same. Ms. Herling received a B.A. in
15 Communications, an M.A.T. from La Sierra University and received her J.D. (*cum laude*) from
16 Thomas Jefferson School of Law. Ms. Herling's hourly rate was reasonable in light of her
17 ability, training, education, experience, professional standing, and skills.

18 **2. The character of the work.**

19 Snowell's motion involved analysis of law and facts regarding general and specific
20 personal jurisdiction. Although the facts strongly supported Snowell's motion, counsel spent
21 significant time and effort conferring with Plaintiffs' counsel and requesting Snowell's
22 dismissal.

23 Moreover, Plaintiffs' Opposition was completely devoid of legal support, requiring a
24 measured and nuanced Reply from Snowell. Snowell's counsel also prepared for and attended
25 a hearing on Plaintiffs' requested extension of time for their opposition to Snowell's motion, as
26 well as two separate hearings regarding the merits of the motion.

3. The work actually performed.

Attached as Exhibit A is the Declaration of Justin M. Brandt, which provides detailed descriptions of tasks performed by Bianchi & Brandt and Messner Reeves LLP, regarding Snowell's motion, including the amount of time spent on each task. (Ex. A, Decl. of Justin M. Brandt). Snowell requests the following attorney's fees: incurred in connection with the motion to dismiss, in the amount of \$15,620.00; and incurred in connection with this application for attorney's fees, in the amount of \$3,525.00.

4. The result obtained.

On February 24, 2021, this Court granted Snowell’s motion and dismissed it from the lawsuit for lack of personal jurisdiction. *See Bergmann*, 856 P.2d at 563 (stating a court may award attorney’s fees under N.R.S. 18.010(2)(b) for a successful motion to dismiss). *See* Order on file herein.

III. Conclusion

The amount sought by Snowell reflects the services related to fees incurred in pursuing dismissal from a lawsuit that has nothing to do with Snowell. As early as November 17, 2020, Snowell informed Plaintiffs' counsel that the company had no contacts with Nevada and was not involved in any of the alleged events. While Plaintiffs initially agreed to dismiss Snowell, they reneged on their agreement and instead forced Snowell to brief and argue its motion to dismiss at considerable expense.

Accordingly, Snowell requests this Court award it the sum of \$19,145.00 in attorney's fees against Defendants, jointly and severally.

DATED: March 24, 2021.

BIANCHI & BRANDT

/s/ Justin M. Brandt
Justin M. Brandt, Esq.
Mukunda Shanbhag, Esq.
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Scottsdale, AZ 85253

{04719373 / 1}

*Pro Hac Vice Attorneys for Defendants
Burton, Lemons, and Snowell*

MESSNER REEVES LLP

/s/ Candace C. Herling
Candace C. Herling, Esq.
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*Attorneys for Defendants Burton,
Lemons, and Snowell*

CERTIFICATE OF SERVICE

On this 24th day of March, 2021, pursuant to Administrative Order 14-2 and Rule 9 of the NEFCR, I caused the foregoing **DEFENDANT SNOWELL HOLDINGS, LLC'S MOTION FOR ATTORNEYS' FEES** to be transmitted to the person(s) identified in the E-Service List for this captioned case in Odyssey E-File & Serve of the Eighth Judicial District Court, County of Clark, State of Nevada. A service transmission report reported service as complete and a copy of the service transmission report will be maintained with the document(s) in this office.

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Attorney for Plaintiffs

All parties registered through the Court's e-file system.

/s/ Tya Frabett
Employee of MESSNER REEVES LLP

EXHIBIT A

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Burton, Lemons, and Snowell*

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cherling@messner.com
*Attorneys for Defendants Burton,
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**DISTRICT COURT
CLARK COUNTY, NEVADA**

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual;
and TREVOR SCHMIDT, an individual,

Plaintiffs,

v.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation, et al.,

Defendants.

Case No. A-20-811232-C

Dept. No. 26

**DECLARATION OF
JUSTIN M. BRANDT IN SUPPORT
OF SNOWELL HOLDING, LLC'S
APPLICATION FOR ATTORNEY'S
FEES RE: MOTION TO DISMISS**

Justin M. Brandt declares as follows:

1. I am a shareholder at the law firm of Bianchi & Brandt. Bianchi & Brandt represents Snowell Holdings, LLC ("Snowell") in this matter. I have personal knowledge of the facts stated herein and submit this Declaration in support of Snowell's Motion for Attorney's Fees.

2. Attached to this Declaration as Exhibit A-1 is an itemized compilation of all time expended by Bianchi & Brandt and Messner Reeves, LLP, for which Snowell seeks recovery from Plaintiffs pursuant to N.R.S. 18.010(2)(b). This detailed description of time

1 provides the following information: the identity of the timekeeper who worked on the tasks
2 related to the Motion to Dismiss and the Motion for Attorney's Fees; the amount of time
3 expended (measured in tenths of an hour); a brief description of the work performed on a daily
4 basis; and the date the work was performed. The information contained in Exhibit A-1 was
5 compiled from actual billings that were prepared and maintained by Bianchi & Brandt and
6 Messner Reeves in the regular course of business.

7 3. Under the fee agreements between Snowell and Bianchi & Brandt and Snowell
8 and Messner Reeves, Snowell is responsible for all fees and costs as they are incurred. These
9 fee agreements specify that fees will be billed to Snowell on an hourly-rate basis in accordance
10 with the stated hourly rate for the particular attorney performing the work.

11 4. Fees incurred for this matter were billed at the following rates for each attorney:
12 Justin M. Brandt at \$375.00 per hour, Mukunda Shanbhag at \$325.00 per hour, and Candace
13 C. Herling of Messner Reeves at \$350.00 per hour. The billing rates charged to Snowell by
14 Bianchi & Brandt and Messner Reeves in this matter were reasonable.

15 5. I have reviewed the time and evaluated the efforts necessary to represent
16 Snowell's interests in obtaining dismissal for lack of personal jurisdiction and believe these
17 amounts are reasonable and appropriate. The other attorneys who worked on this matter have
18 reviewed and approved the time and charges set forth in Exhibit A-1 and concluded they were
19 reasonable and necessary under the circumstances. The attorneys involved in this case have
20 outstanding reputations in the community and are actively involved in professional
21 organizations and activities.

22 6. I am a shareholder at Bianchi & Brandt. I received a B.A. in Business
23 Economics and Accounting from the University of California, Santa Barbara. I am graduate of
24 the University of San Diego School of Law. I am duly licensed to practice law in Arizona,
25 California, and New Mexico. I have been practicing business litigation for over six years. I
26 have an outstanding reputation representing clients in these industries, having been featured as

1 a Top 40 Under 40 by the Phoenix Business Journal and MJ Venture magazine. I am also
2 recognized in Southwest Super Lawyers from 2018 to 2021. I have been actively involved in
3 preparing the Motion to Dismiss and related filings. I have also served as the primary point of
4 contact with the client. My standard billing rate for 2021 is \$500.00 per hour, but for this
5 matter my billing rate was discounted to \$375.00 per hour.

6 7. Mukunda Shanbhag is an associate at Bianchi & Brandt. He is licensed to
7 practice in Arizona and Colorado, has over two years of litigation experience, including
8 drafting motions, participating in hearings and navigating discovery, and was a law clerk for
9 much of law school. Mr. Shanbhag graduated with a M.A. in Modern History and International
10 Relations from the University of Saint Andrews in Scotland and received his J.D. (*cum laude*)
11 from Arizona State University's Sandra Day O'Connor College of Law. Under my
12 supervision, Mr. Shanbhag's role included researching and drafting portions of Snowell's
13 Motion to Dismiss and Reply, communicating and conferring with opposing counsel, and
14 attending and arguing Snowell's Motion to Dismiss before the Court. Mr. Shanbhag's hourly
15 rate was reasonable in light of his ability, training, education, experience, professional
16 standing, and skills.

17 8. Candace C. Herling is an associate at Messner Reeves. She is licensed to
18 practice in Nevada and has over six years of litigation experience. Ms. Herling was local
19 counsel for Snowell in Nevada and participated in drafting the briefing for Snowell's Motion
20 to Dismiss and preparing for and attending hearings regarding the same. Ms. Herling received
21 a B.A. in Communications and an M.A.T. from La Sierra University and received her J.D.
22 (*cum laude*) from Thomas Jefferson School of Law. Ms. Herling's hourly rate was reasonable
23 in light of her ability, training, education, experience, professional standing, and skills.

24 9. The total attorney's fees requested in this Motion are \$19,145.00. Of those
25 requested fees: \$15,620.00 is related to the Motion to Dismiss; and \$3,525.00 is related to fees
26 incurred in pursuing recovery of fees through this Application for Attorney's Fees.

10. The fees sought cover services including: (a) research and preparation of the Motion to Dismiss and related filings; (b) various communications with Snowell regarding the status of the Motion to Dismiss and related issues; (c) communication with Plaintiffs and their counsel regarding the Motion to Dismiss, including meet and confer efforts for the same; (d) reviewing Plaintiffs' Opposition to the Motion to Dismiss; (e) preparing for and attending hearings on and related to the Motion to Dismiss; (f) research and preparation of the Motion for Attorney's Fees; and (g) miscellaneous services identified in Exhibit A-1.

11. I believe the services performed and the fees charged by Bianchi & Brandt and Messner Reeves, as reflected in Exhibit A-1, were (and are) necessary and reasonable in view of the nature of this litigation. The fees reflected in Exhibit A-1 are only those directly and reasonably: (a) caused by Plaintiffs' refusal to dismiss Snowell despite having no evidence supporting personal jurisdiction over Snowell in Nevada; and (b) incurred in connection with this Application for Attorney's Fees.

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

DATED: March 17, 2021.

BIANCHI & BRANDT

/s/ Justin M. Brandt
Justin Brandt, Esq.
6710 Scottsdale Rd., Ste. 210
Scottsdale, AZ 85253

EXHIBIT A-1

Exhibit A-1

Category of Requested Attorney's Fees	Hours	Amount
Motion to Dismiss Snowell Holdings	45.5	\$15,620.00
Application for Attorney's Fees	10.4	\$3,525.00
Total	55.9	\$19,145.00

Timekeepers

JMB Justin M. Brandt
MS Mukunda Shanbhag
CCH Candace C. Herling

Bianchi & Brandt Attorney Fees

Date	Initials	Description	Hours	Rate	Amount
11/11/2020	JMB	Continue reviewing complaint for purposes of determining personal jurisdiction over Snowell Holdings and viability of motion to dismiss (.7).	.7	\$375.00	\$262.50
11/13/2020	MS	Research Nevada jurisprudence concerning jurisdiction over out of state defendants (1.6); begin drafting Snowell's Motion to Dismiss for lack of personal jurisdiction (.2).	1.8	\$325.00	\$585.00
11/16/2020	JMB	Ongoing correspondence with H. Smith regarding dismissal of Snowell for lack of personal jurisdiction (.3).	.3	\$375.00	\$112.50
11/16/2020	MS	Draft Motion to Dismiss Snowell for lack of personal jurisdiction (2.7); outline Declaration of L. Lemons for purposes of Motion to Dismiss (.3).	3.0	\$325.00	\$975.00
11/17/2020	MS	Research Nevada jurisprudence regarding general and specific jurisdiction (1.0); continue drafting Motion to Dismiss (2.1); phone call with opposing counsel regarding the dismissal of claims against Snowell for lack of jurisdiction (.4).	3.5	\$325.00	\$1,137.50
11/18/2020	MS	Revise the Declaration of L. Lemons (.3); ongoing correspondence with L. Lemons regarding his Declaration (.5).	.8	\$325.00	\$260.00
11/19/2020	MS	Email opposing counsel for an update regarding Snowell's dismissal (.3).	.3	\$325.00	\$97.50
11/23/2020	MS	Ongoing communications with opposing counsel regarding dismissal of Snowell (.5).	.5	\$325.00	\$162.50
11/26/2020	MS	Continue drafting Motion to Dismiss and request for attorney's fees (2.0).	2.0	\$325.00	\$650.00
11/30/2020	JMB	Revise and supplement Motion to Dismiss (1.5).	1.5	\$375.00	\$562.50
12/1/2020	JMB	Ongoing correspondence with Plaintiffs' counsel regarding dismissal of Snowell and acceptance of service for D. Burton (.4).	.4	\$375.00	\$150.00
12/3/2020	JMB	Ongoing correspondence with Plaintiffs' counsel regarding request for extension on response time to motion to dismiss (.3).	.3	\$375.00	\$112.50
12/8/2020	MS	Analyze Plaintiffs' Motion for Extension of Time to respond to the Motion to Dismiss (.1).	.1	\$325.00	\$32.50
12/9/2020	JMB	Attend hearing on motion to withdraw and motion to extend response deadlines for	1.1	\$375	\$412.50

		motion to dismiss (.9); update with local counsel regarding same (.2).			
1/19/2021	MS	Analyze Plaintiffs' Opposition to Snowell's Motion to Dismiss (.3); draft a detailed client update regarding Plaintiffs' Opposition (.4); draft a Reply in support of Snowell's Motion to Dismiss (3.5); telephone phone call C. Herling in preparation for hearing on Motion to Dismiss (.5).	4.7	\$325.00	\$1,527.50
1/19/2021	JMB	Prepare for hearing on Snowell's motion to dismiss (.8); revise Snowell's Reply in support of its Motion to Dismiss (.5).	1.3	\$450.00	\$585.00
1/20/2021	MS	Review filings by the parties to prepare for the upcoming hearing (.4); attend hearing on Snowell's Motion to Dismiss (1.5); email clients that the hearing had been continued (.1).	2.0	\$325.00	\$650.00
2/24/2021	MS	Prepare for oral argument on Snowell's Motion to Dismiss (1.1); attend hearing and argue Snowell's Motion to Dismiss (1.5).	2.6	\$325.00	\$845.00
3/1/2021	MS	Draft an email to client updating them on the Court's ruling on Defendants' Motions to Dismiss (.4).	.4	\$325.00	\$130.00
3/10/2021	MS	Analyze billing related to Snowell's Motion to Dismiss (.8); draft the Motion for Attorney's Fees (3.9).	4.7	\$325.00	\$1,527.50
3/11/2021	MS	Analyze C. Herling's billing related to Snowell's Motion to Dismiss (.8); revise and supplement the Motion for Attorney's Fees (2.0).	2.8	\$325.00	\$910.00
3/16/2021	JMB	Revise Motion for Attorney's Fees and supporting exhibits (2.9).	2.9	\$375.00	\$1,087.50
TOTALS			Hours: 37.7	Billed Amount: \$12,775.00	

Messner Reeves LLP Attorney Fees

Date	Initials	Description	Hours	Rate	Amount
11/25/2020	CCH	Exchange emails with Justin Brandt, Esq. and Mukunda Shanbhag, Esq. re: potential Motion to Dismiss and request for attorneys' fees (.2).	.2	\$350.00	\$70.00
12/1/2020	CCH	Exchange emails with Justin Brandt, Esq. and Mukunda Shanbhag, Esq. re: filing Snowell Holdings, LLC's Motion to Dismiss and accepting service for Donald Burton and Larry Lemons (.3).	.3	\$350.00	\$105.00
12/1/2020	CCH	Update and finalize Snowell Holdings, LLC's Motion to Dismiss (1.0).	1.0	\$350.00	\$350.00
12/2/2020	CCH	Review and evaluate Clerk's Notice of Hearing to determine necessary follow-up (.2).	.2	\$350.00	\$70.00
12/8/2020	CCH	Telephone conference with Justin Brandt, Esq. re: strategy related to mandatory hearing on Plaintiff's Ex Parte Motion to Extend Time to Oppose our Motion to Dismiss and Plaintiff's Motion to Withdraw as Counsel (.4).	.4	\$350.00	\$140.00
12/8/2020	CCH	Prepare for mandatory hearing on Plaintiffs' Ex Parte Motion to Extend Deadlines and Withdraw as Counsel; includes review of all pleadings and outline for oral argument (2.4).	2.4	\$350.00	\$840.00
12/8/2020	CCH	Telephone conference with Justin Brandt, Esq. re: strategy related to Plaintiffs' Ex Parte Motion to Extend Deadlines (.4).	.4	\$350.00	\$140.00
12/8/2020	CCH	Review and evaluate Notice of Entry of Plaintiffs' Ex Parte Motion to Extend Time to File an Opposition to Defendant Snowell Holdings, LLC's Motion to Dismiss and for An Order Shortening Time (.2).	.2	\$350.00	\$70.00
12/9/2020	CCH	Attend mandatory hearing Plaintiffs' Ex Parte Motion to Extend Deadlines and Motion to Withdraw as Counsel (2.3).	2.3	\$350.00	\$805.00
12/10/2020	CCH	Analyze draft Order to determine necessary amendments (.3).	.3	\$350.00	\$105.00
12/11/2020	CCH	Review and evaluate Order Granting Plaintiffs Motion to Extend Time and Withdraw from Case (.2).	.2	\$350.00	\$70.00

12/30/2020	CCH	Prepare Notice of Non-Opposition to Defendant Snowell Holdings, LLC's Motion to Dismiss (.6).	.6	\$350.00	\$210.00
1/6/2021	CCH	Telephone conference with Counsel for Marimed re: outstanding Motions and non-oppositions (.3).	.3	\$350.00	\$105.00
1/11/2021	CCH	Prepare draft Order granting Defendant Snowell Holdings, LLC's Motion to Dismiss (.3).	.3	\$350.00	\$105.00
1/19/2021	CCH	Review pleadings and prepare outline in preparation for oral argument and hearings on pending Motion to Dismiss (.9).	.9	\$350.00	\$315.00
1/19/2021	CCH	Analyze and assess Opposition to Motion to Dismiss to ascertain legal argument contained therein and accuracy of authority cited in preparation for Reply (.8).	.8	\$350.00	\$280.00
1/20/2021	CCH	Update and finalize Reply in Support of Snowell Holdings, LLC's Motion to Dismiss (1.0).	1.0	\$350.00	\$350.00
1/20/2021	CCH	Attend mandatory hearing on Defendants Snowell Holdings, LLC and Marimed's Motions to Dismiss (3.5).	3.5	\$350.00	\$1,225.00
2/1/2021	CCH	Review and evaluate Clerk's Notice of Hearing (.2).	.2	\$350.00	\$70.00
2/24/2021	CCH	Prepare for and attend mandatory hearing on Snowell's Motion to Dismiss (2.7).	2.7	\$350.00	\$945.00
TOTALS		Hours: 18.2		Amount Billed: \$6,370	

Heather S. Herling

CLERK OF THE COURT

Justin M. Brandt (*pro hac vice*)
Mukunda Shanbhag (*pro hac vice*)

BIANCHI & BRANDT
6710 Scottsdale Rd., Ste. 210
Scottsdale, AZ 85253
Telephone: 480.531.1800
justin@bianchibrandt.com
mukunda@bianchibrandt.com
Attorneys for Defendants
Burton, Lemons, and Snowell

Candace C. Herling (NV SBN: 13503)
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cherling@messner.com
Attorneys for Defendants Burton,
Lemons, and Snowell

DISTRICT COURT
CLARK COUNTY, NEVADA

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual;
and TREVOR SCHMIDT, an individual,

Plaintiffs,

v.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation, et al.,

Defendants.

Case No. A-20-811232-B

Dept. No. 16

ORDER GRANTING DEFENDANT
SNOWELL HOLDING, LLC'S
MOTION TO DISMISS

THIS MATTER concerning Defendant, SNOWELL HOLDING, LLC'S Motion to Dismiss First Amended Complaint having come on for hearing before the Honorable Timothy C. Williams, on the 24th day of February, 2021, with attorneys Mukunda Shanbhag, Esq., Justin M. Brandt, Esq. and Candace C. Herling, Esq. appearing on behalf of Defendant SNOWELL HOLDING, LLC, and attorney Lee I. Iglody, Esq., appearing on behalf of Plaintiffs, JDD, LLC, TCS Partners, LLC, JOHN SAUNDERS, and TREVOR SCHMIDT, and the Court having considered the pleadings and moving papers on file therein as well as the arguments of counsel:

1 **THE COURT FINDS**, that a party may move for dismissal of claims for lack of
2 personal jurisdiction under Nev.R.Civ.P. 12(b)(2). Personal jurisdiction requires either
3 “substantial” or “continuous and systemic” contacts with the forum state (general personal
4 jurisdiction) or contacts related to the allegations in the lawsuit (specific personal jurisdiction).
5 *Trump v. Eighth Jud. Dist. Ct., In and For the Cnty. of Clark*, 857 P.2d 740, 747 (Nev. 1993).
6 When personal jurisdiction is challenged, Plaintiffs bear the burden of introducing evidence
7 sufficient to make a *prima facie* showing of personal jurisdiction. *Id.* at 743.

8 **THE COURT FURTHER FINDS**, that no general personal jurisdiction exists over
9 Snowell. The Amended Complaint failed to plead facts sufficient to show that Snowell has
10 sufficient contacts in Nevada to support specific personal jurisdiction.

11 **THE COURT FURTHER FINDS**, that Plaintiffs failed to meet their evidentiary
12 burden to make a *prima facie* showing of personal jurisdiction to overcome Snowell Holding,
13 LLC’s challenge to specific personal jurisdiction and the facts presented show that Snowell
14 Holding, LLC is an Ohio entity with no contacts in Nevada.

15 **NOW THEREFORE, IT IS HEREBY ORDERED**, Snowell Holding LLC’s Motion
16 to Dismiss for lack of personal jurisdiction is **GRANTED**.
17

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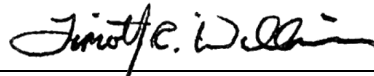
24
25 . . .
26

1 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Plaintiffs'
2 claims in the First Amended Complaint as to Snowell Holding, LLC's are **DISMISSED**
3 **WITHOUT PREJUDICE**, in their entirety.

4 **IT IS SO ORDERED.**

5 Dated this _____ day of _____, 2021.

Dated this 30th day of March, 2021



HONORABLE TIMOTHY WILLIAMS

C0A F6F 22CD E35B
Timothy C. Williams
District Court Judge

ZJ

6 *Respectfully Submitted By:*

7 DATED this 24th day of March, 2021.

8 **BIANCHI & BRANDT**

9 /s/ Mukunda Shanbhag
10 Justin M. Brandt (*pro hac vice*)
11 Mukunda Shanbhag (*pro hac vice*)
12 6710 Scottsdale Rd., Ste. 210
13 Scottsdale, AZ 85253 Telephone:
14 480.531.1800
15 justin@bianchibrandt.com
16 mukunda@bianchibrandt.com
17 *Attorneys for Defendants*
18 *Burton, Lemons, and Snowell*

19 **MESSNER REEVES LLP**

20 /s/ Candace Herling
21 Candace C. Herling (NV SBN: 13503)
22 8945 W. Russel Rd., Ste. 300
23 Las Vegas, NV 89148
24 Telephone: 702.363.5100
25 cherling@messner.com
26 *Attorneys for Defendants Burton,*
Lemons, and Snowell

1
2 *Approved as to form and content:*

3 DATED this 23rd day of March,

4 2021. **IGLODY LAW**

5 /s/ Lee Igloody
LEE I. IGLODY
Nevada Bar No. 7757
6 *Attorneys for Plaintiffs JDD, LLC,*
7 *TCS Partners, LLC, John Saunders,*
8 *And Trevor Schmidt*

9 DATED this 22nd day of March, 2021.

10 **GABROY LAW OFFICES**

11 /s/ Christian Gabroy
CHRISTIAN GABROY, ESQ.
12 Nevada Bar No. 8805
13 KAINE MESSER, ESQ.
14 Nevada Bar No. 14240
15 *Attorneys for Defendant*
The Harvest Foundation
Attorneys for Defendant Sara Gullickson

16 DATED this 22nd day of March, 2021.

17 **SMITH LARSEN & WIXOM**

18 /s/ Karl Nielson
MICHAEL B. WIXOM, ESQ.
19 Nevada Bar No. 2812
20 KARL L. NIELSON, ESQ.
21 Nevada Bar No. 5082
22 *Attorneys for Defendants Item 9 Labs Corp,*
Item 9 Properties, LLC, Strive Management, L.L.C.,
23 *Viridis Group 19 Capital, LLC,*
24 *Viridis Group Holdings, LLC,*
Andrew Bowden, Douglas Bowden, Bryce Skalla,
Jeffrey Rassas, and Chase Herschman

DATED this 23rd day of March, 2021.

THE WRIGHT LAW GROUP, P.C.

/s/ John Wright
JOHN HENRY WRIGHT, ESQ.
Nevada Bar No. 6182
Attorneys for Defendants MARIMED, INC.,
ROBERT FIREMAN and JON LEVINE

DATED this 23rd day of March, 2021.

BARRETT & MATURA, P.C.

/s/ Kevin Barrett
KEVIN C. BARRETT, ESQ.
Nevada Bar No. 8959
Attorneys for Defendant
The Harvest Foundation

From: Christian Gabroy <christian@gabroy.com>
Sent: Monday, March 22, 2021 2:26 PM
To: Candace C. Herling
Cc: Lee Iglody, Esq.; John Wright; kmesser@gabroy.com; Karl L. Nielson; mbw@slwlaw.com; Kevin Barrett; Andrelle Stanley; Dayana Shakerian; Tya Frabott
Subject: Re: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

consent. thank you.

On Mon, Mar 22, 2021 at 1:32 PM Candace C. Herling <CHerling@messner.com> wrote:

Good Afternoon,

Please see the attached *Order Granting Defendant Snowell Holdings, LLC's Motion to Dismiss Amended Complaint* in the above-referenced case. If the Order meets with your approval, please provide your consent to affix your e-signature on the same.

Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace



Candace C. Herling

Attorney

Messner Reeves LLP

8945 W. Russell Road | Suite 300

Las Vegas, NV 89148

One East Liberty Street | Suite 600

Reno, NV 89501

From: Karl L. Nielson <kln@slwlaw.com>
Sent: Monday, March 22, 2021 2:43 PM
To: Candace C. Herling; Lee Iglody, Esq.; John Wright; christian@gabroy.com; kmesser@gabroy.com; Mike Wixom; Kevin Barrett; Andrelle Stanley; Dayana Shakerian; Tya Frabott
Cc: Stine, Lauren Elliott; Mindy Warner; Stahl, Christian G.
Subject: RE: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

You may use my e-signature on this Order.

Karl L. Nielson, Esq.
Smith Larsen & Wixom
1935 Village Center Circle
Las Vegas, NV 89134
Tel: (702) 252-5002
Fax: (702) 252-5006
Email: kln@slwlaw.com
<https://slwlaw.com>

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From: Candace C. Herling <CHerling@messner.com>
Sent: Monday, March 22, 2021 1:31 PM
To: Lee Iglody, Esq. <lee@iglody.com>; John Wright <john@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Karl L. Nielson <kln@slwlaw.com>; Mike Wixom <mbw@slwlaw.com>; Kevin Barrett <kbarrett@barrettmatura.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Tya Frabott <tfrabott@messner.com>
Subject: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD
Importance: High

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Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace

Candace C. Herling

From: Kevin Barrett <kbarrett@barrettmatura.com>
Sent: Tuesday, March 23, 2021 9:46 AM
To: Candace C. Herling
Subject: RE: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

You can sign for me.

Thanks

Kevin

Kevin C. Barrett, Esq.



Barrett & Matura, P.C.
7575 W. Vegas Drive
Suite 150c
Las Vegas, Nevada 89128
Main: 702.833.1033
Direct: 602.792.5715
Fax: 602.792.5710
Email: kbarrett@barrettmatura.com

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In accordance with 31 C.F.R. Section 10.35(b)(4), this message has not been prepared and may not be relied upon by any person for protection against any federal tax penalty.

From: Candace C. Herling <CHerling@messner.com>
Sent: Monday, March 22, 2021 1:31 PM
To: Lee Iglody, Esq. <lee@iglody.com>; John Wright <john@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Karl L. Nielson <kln@slwlaw.com>; mbw@slwlaw.com; Kevin Barrett <kbarrett@barrettmatura.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Tya Frabott <tfrabott@messner.com>
Subject: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD
Importance: High

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Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace



Candace C. Herling
Attorney

Messner Reeves LLP
8945 W. Russell Road | Suite 300
Las Vegas, NV 89148

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Reno, NV 89501

702.363.5100 *main* | 702.363.5101 *fax*
cherling@messner.com
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DENVER | DENVER TECH CENTER | LAS VEGAS | LOS ANGELES | NEW YORK
NEWPORT BEACH | PHOENIX | RENO | SALT LAKE CITY | SILICON VALLEY

Disclaimer

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From: Lee Iglody, Esq. <lee@iglody.com>
Sent: Tuesday, March 23, 2021 7:58 PM
To: Candace C. Herling
Cc: Tya Frabott
Subject: Re: FW: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Yes, I approve.

Kind regards,

Lee Iglody, Esq.
2580 St Rose Pkwy #330
Henderson, Nevada 89074
O: (702) 425-5366
C: (702) 561-9934
lee@iglody.com
www.iglodylaw.com



The IRS requires us to inform you that any tax information or advice is not intended and cannot be used to avoid tax penalties or promote, recommend or market any tax related matters. Also, this email contains confidential communications. If you received this email in error, notify the sender immediately. Thank you.

On Tue, Mar 23, 2021 at 12:19 PM Candace C. Herling <CHerling@messner.com> wrote:

Mr. Iglody,

It appears you may be the only person that has yet to respond. May we affix your e-signature to the Order?

Otherwise, please let me know if you “refuse to sign” and we will go ahead and submit.

Thanks,

Candace

Candace C. Herling

Attorney

Messner Reeves LLP

8945 W. Russell Road | Suite 300

Las Vegas, NV 89148

One East Liberty Street | Suite 600

Reno, NV 89501

702.363.5100 *main* | 702.363.5101 *fax*

cherling@messner.com

messner.com

From: Candace C. Herling

Sent: Monday, March 22, 2021 1:31 PM

To: Lee Iglody, Esq. <lee@iglody.com>; John Wright <john@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Karl L. Nielson <kln@slwlaw.com>; mbw@slwlaw.com; Kevin Barrett <kbarrett@barrettmatura.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Tya Frabott <tfrabott@messner.com>

Subject: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Importance: High

Good Afternoon,

Please see the attached *Order Granting Defendant Snowell Holdings, LLC's Motion to Dismiss Amended Complaint* in the above-referenced case. If the Order meets with your approval, please provide your consent to affix your e-signature on the same.

Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace

From: Candace C. Herling
Sent: Tuesday, March 23, 2021 1:30 PM
To: John Wright
Cc: Tya Frabott
Subject: RE: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Thanks!

Candace C. Herling
Attorney

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One East Liberty Street | Suite 600
Reno, NV 89501

702.363.5100 *main* | 702.363.5101 *fax*
cherling@messner.com
messner.com

From: John Wright <john@wrightlawgroupnv.com>
Sent: Tuesday, March 23, 2021 1:30 PM
To: Candace C. Herling <CHerling@messner.com>
Cc: Tya Frabott <tfrabott@messner.com>
Subject: RE: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Yes you may

John Henry Wright, Esq.
The Wright Law Group, P.C.
2340 Paseo Del Prado, Suite D-305
Las Vegas, Nevada 89102
Telephone: (702) 405-0001
Facsimile: (702) 405-8454
john@wrightlawgroupnv.com



From: Candace C. Herling <CHerling@messner.com>
Sent: Tuesday, March 23, 2021 1:29 PM
To: John Wright <john@wrightlawgroupnv.com>
Cc: Tya Frabott <tfrabott@messner.com>
Subject: FW: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Hi John, Would you please provide consent to affix your e-sig?

Thanks,

CH

Candace C. Herling
Attorney

Messner Reeves LLP
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Las Vegas, NV 89148

One East Liberty Street | Suite 600
Reno, NV 89501

702.363.5100 *main* | 702.363.5101 *fax*
cherling@messner.com
messner.com

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To: Lee Iglody, Esq. <lee@iglody.com>; John Wright <john@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Karl L. Nielson <kln@slwlaw.com>; mbw@slwlaw.com; Kevin Barrett <kbarrett@barrettmatura.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Tya Frabott <tfrabott@messner.com>
Subject: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD
Importance: High

Good Afternoon,

Please see the attached *Order Granting Defendant Snowell Holdings, LLC's Motion to Dismiss Amended Complaint* in the above-referenced case. If the Order meets with your approval, please provide your consent to affix your e-signature on the same.

Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace



Candace C. Herling
Attorney

1 **CSERV**

2
3 DISTRICT COURT
CLARK COUNTY, NEVADA

4
5
6 JDD, LLC, Plaintiff(s)

CASE NO: A-20-811232-B

7 vs.

DEPT. NO. Department 16

8 Larry Lemons, Defendant(s)

9
10 **AUTOMATED CERTIFICATE OF SERVICE**

11 This automated certificate of service was generated by the Eighth Judicial District
12 Court. The foregoing Order Granting Motion was served via the court's electronic eFile
13 system to all recipients registered for e-Service on the above entitled case as listed below:

14 Service Date: 3/30/2021

15 Robert Rabbat rrabbat@enensteinlaw.com

16 Christian Gabroy christian@gabroy.com

17 Michael Wixom mbw@slwlaw.com

18 Karl Nielson kln@slwlaw.com

19 Barbara Clark bclark@albrightstoddard.com

20 Mindy Warner mwarner@slwlaw.com

21 Traci Bixenmann traci@johnaldrichlawfirm.com

22 Kaine Messer kmesser@gabroy.com

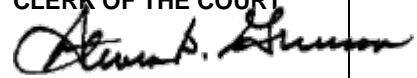
23 Lee Iglody lee@iglody.com

24 John Wright efile@wrightlawgroupnv.com

25 Candace Herling cherling@messner.com

26
27
28
PA_0277

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2	Jessica Gandy	Jgandy@messner.com
3	Tya Frabott	Tfrabott@messner.com
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16	Mukunda Shanbhag	mukunda@bianchibrandt.com
17	Christian Stahl	christian.stahl@quarles.com
18		
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28		



NEOJ

Justin M. Brandt, Esq. (pro hac vice)
Mukunda Shanbhag, Esq. (pro hac vice)

BIANCHI & BRANDT

6710 Scottsdale Rd., Ste. 210
Scottsdale, AZ 85253

P: (480) 531-1800

Email: justin@bianchibrandt.com
mukunda@bianchibrandt.com

and

Candace C. Herling, Esq.
Nevada State Bar No. 13503
MESSNER REEVES LLP
8945 W. Russell Rd., Ste. 300
Las Vegas, NV 89148
P: (702) 363-5100

Email: cherling@messner.com

Attorneys for Defendants

Donald Burton, Larry Lemons and Snowell Holdings, LLC

DISTRICT COURT

CLARK COUNTY, NEVADA

JDD, LLC, a Nevada Limited Liability Company; TCS
PARTNERS, LLC, a Nevada Limited Liability
Company; JOHN SAUNDERS, an individual; and
TREVOR SCHMIDT, an individual,

Plaintiff,

vs.

MARIMED INC. f/k/a WORLDS ONLINE, INC. a
Delaware Corporation; ITEM 9 LABS CORP. f/k/a
AIRWARE LABS CORP. AND CROWN DYNAMICS
CORP., a Delaware Corporation; ITEM 9
PROPERTIES LLC, a Nevada Limited Liability
Company; THE HARVEST FOUNDATION LLC f/k/a,
a Nevada Limited Liability Company a/k/a THE
HARVEST FOUNDATION, LLC; STRIVE
MANAGEMENT LLC d/b/a STRIVE LIFE, a Nevada
Limited Liability Company; STRIVE WELLNESS OF
NEVADA, LLC d/b/a STRIVE LIFE, a Nevada Limited
Liability Company; STRIVE WELLNESS OF
NEVADA 2 LLC d/b/a STRIVE LIFE, a Nevada
Limited Liability Company; VIRIDIS GROUP I9

Case No. A-20-811232-B

Dept. No. 16

NOTICE OF ENTRY
OF ORDER GRANTING
DEFENDANT SNOWELL
HOLDINGS, LLC'S MOTION TO
DISMISS

CAPITAL, LLC, an Arizona Limited Liability Company; VIRIDIS GROUP HOLDINGS, LLC, an Arizona Limited Liability Company; SNOWELL HOLDINGS, LLC, an Ohio Limited Liability Company; ROBERT FIREMAN, an individual; JON LEVINE, an individual; ANDREW BOWDEN, an individual; DOUGLAS BOWDEN, an individual; BRYCE SKALLA, an individual; JEFFREY RASSAS, an individual; DONALD BURTON, an individual; LARRY LEMONS, an individual; JEFFREY YOKIEL, an individual; JEROME YOKIEL, an individual; SARA GULLICKSON, an individual; CHASE HERSCHMAN, an individual; DOE INDIVIDUALS I through X, and ROE BUSINESS ENTITIES XI through XX, inclusive,

Defendants.

PLEASE TAKE NOTICE that an Order Granting Defendant Snowell Holdings, LLC's Motion to Dismiss was entered on the 30th day of March, 2021, regarding the above-entitled matter. A filed stamped copy is attached hereto.

DATED this 30th day of March, 2021.

MESSNER REEVES LLP

/s/ Candace Herling

CANDACE C. HERLING, ESQ. (NBN 13503)
8945 West Russell Road, Suite 300
Las Vegas, Nevada 89148
P: (702) 363-5100
F: (702) 363-5101

E-mail: cherling@messner.com

Attorneys for Defendants

*Donald Burton, Larry Lemons and
Snowell Holdings, LLC*

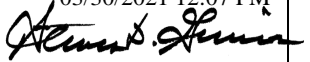
1 **CERTIFICATE OF SERVICE**

2 On this 5th day of March, 2021, pursuant to Administrative Order 14-2 and Rule 9 of the
3 NEFCR, I caused the foregoing **NOTICE OF ENTRY OF ORDER GRANTING DEFENDANT**
4 **SNOWELL HOLDINGS, LLC'S MOTION TO DISMISS** to be transmitted to the person(s)
5 identified in the E-Service List for this captioned case in Odyssey E-File & Serve of the Eighth
6 Judicial District Court, County of Clark, State of Nevada. A service transmission report reported
7 service as complete and a copy of the service transmission report will be maintained with the
8 document(s) in this office.

9
10 Lee I. Iglody, Esq. (NBN 7757)
11 2580 St Rose Pkwy., Suite 330
12 Henderson, Nevada 89074
13 P: (702) 425-5366
14 Email: Lee@Iglody.com
15 *Attorney for Plaintiffs*

All parties registered through the Court's e-file system.

16 */s/ Tya Frabett*
17 Employee of MESSNER REEVES LLP
18
19
20
21
22
23
24
25
26
27
28


CLERK OF THE COURT

Justin M. Brandt (*pro hac vice*)
Mukunda Shanbhag (*pro hac vice*)
BIANCHI & BRANDT
6710 Scottsdale Rd., Ste. 210
Scottsdale, AZ 85253
Telephone: 480.531.1800
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Attorneys for Defendants
Burton, Lemons, and Snowell

Candace C. Herling (NV SBN: 13503)
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Telephone: 702.363.5100
cherling@messner.com
Attorneys for Defendants Burton,
Lemons, and Snowell

DISTRICT COURT
CLARK COUNTY, NEVADA

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual;
and TREVOR SCHMIDT, an individual,

Plaintiffs,

v.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation, et al.,

Defendants.

Case No. A-20-811232-B

Dept. No. 16

ORDER GRANTING DEFENDANT
SNOWELL HOLDING, LLC'S
MOTION TO DISMISS

THIS MATTER concerning Defendant, SNOWELL HOLDING, LLC'S Motion to Dismiss First Amended Complaint having come on for hearing before the Honorable Timothy C. Williams, on the 24th day of February, 2021, with attorneys Mukunda Shanbhag, Esq., Justin M. Brandt, Esq. and Candace C. Herling, Esq. appearing on behalf of Defendant SNOWELL HOLDING, LLC, and attorney Lee I. Iglody, Esq., appearing on behalf of Plaintiffs, JDD, LLC, TCS Partners, LLC, JOHN SAUNDERS, and TREVOR SCHMIDT, and the Court having considered the pleadings and moving papers on file therein as well as the arguments of counsel:

1 **THE COURT FINDS**, that a party may move for dismissal of claims for lack of
2 personal jurisdiction under Nev.R.Civ.P. 12(b)(2). Personal jurisdiction requires either
3 “substantial” or “continuous and systemic” contacts with the forum state (general personal
4 jurisdiction) or contacts related to the allegations in the lawsuit (specific personal jurisdiction).
5 *Trump v. Eighth Jud. Dist. Ct., In and For the Cnty. of Clark*, 857 P.2d 740, 747 (Nev. 1993).
6 When personal jurisdiction is challenged, Plaintiffs bear the burden of introducing evidence
7 sufficient to make a *prima facie* showing of personal jurisdiction. *Id.* at 743.

8 **THE COURT FURTHER FINDS**, that no general personal jurisdiction exists over
9 Snowell. The Amended Complaint failed to plead facts sufficient to show that Snowell has
10 sufficient contacts in Nevada to support specific personal jurisdiction.

11 **THE COURT FURTHER FINDS**, that Plaintiffs failed to meet their evidentiary
12 burden to make a *prima facie* showing of personal jurisdiction to overcome Snowell Holding,
13 LLC’s challenge to specific personal jurisdiction and the facts presented show that Snowell
14 Holding, LLC is an Ohio entity with no contacts in Nevada.

15 **NOW THEREFORE, IT IS HEREBY ORDERED**, Snowell Holding LLC’s Motion
16 to Dismiss for lack of personal jurisdiction is **GRANTED**.
17

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20 . . .

21
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23 . . .

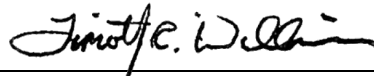
24
25 . . .
26

1 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Plaintiffs'
2 claims in the First Amended Complaint as to Snowell Holding, LLC's are **DISMISSED**
3 **WITHOUT PREJUDICE**, in their entirety.

4 **IT IS SO ORDERED.**

5 Dated this _____ day of _____, 2021.

Dated this 30th day of March, 2021



HONORABLE TIMOTHY WILLIAMS

C0A F6F 22CD E35B
Timothy C. Williams
District Court Judge

ZJ

6 *Respectfully Submitted By:*

7 DATED this 24th day of March, 2021.

8 **BIANCHI & BRANDT**

9 /s/ Mukunda Shanbhag
10 Justin M. Brandt (*pro hac vice*)
11 Mukunda Shanbhag (*pro hac vice*)
12 6710 Scottsdale Rd., Ste. 210
13 Scottsdale, AZ 85253 Telephone:
14 480.531.1800
15 justin@bianchibrandt.com
16 mukunda@bianchibrandt.com
17 *Attorneys for Defendants*
18 *Burton, Lemons, and Snowell*

19 **MESSNER REEVES LLP**

20 /s/ Candace Herling
21 Candace C. Herling (NV SBN: 13503)
22 8945 W. Russel Rd., Ste. 300
23 Las Vegas, NV 89148
24 Telephone: 702.363.5100
25 cherling@messner.com
26 *Attorneys for Defendants Burton,*
Lemons, and Snowell

1
2 *Approved as to form and content:*

3 DATED this 23rd day of March,

4 2021. **IGLODY LAW**

5 /s/ Lee Igloody
LEE I. IGLODY
6 Nevada Bar No. 7757
7 *Attorneys for Plaintiffs JDD, LLC,*
TCS Partners, LLC, John Saunders,
And Trevor Schmidt

8
9 DATED this 22nd day of March, 2021.

10 **GABROY LAW OFFICES**

11 /s/ Christian Gabroy
CHRISTIAN GABROY, ESQ.
12 Nevada Bar No. 8805
13 KAINE MESSER, ESQ.
14 Nevada Bar No. 14240
Attorneys for Defendant
The Harvest Foundation
15 *Attorneys for Defendant Sara Gullickson*

16 DATED this 22nd day of March, 2021.

17 **SMITH LARSEN & WIXOM**

18 /s/ Karl Nielson
MICHAEL B. WIXOM, ESQ.
19 Nevada Bar No. 2812
20 KARL L. NIELSON, ESQ.
Nevada Bar No. 5082
21 *Attorneys for Defendants Item 9 Labs Corp,*
Item 9 Properties, LLC, Strive Management, L.L.C.,
22 *Viridis Group 19 Capital, LLC,*
Viridis Group Holdings, LLC,
23 *Andrew Bowden, Douglas Bowden, Bryce Skalla,*
24 *Jeffrey Rassas, and Chase Herschman*

DATED this 23rd day of March, 2021.

THE WRIGHT LAW GROUP, P.C.

/s/ John Wright
JOHN HENRY WRIGHT, ESQ.
Nevada Bar No. 6182
Attorneys for Defendants MARIMED, INC.,
ROBERT FIREMAN and JON LEVINE

DATED this 23rd day of March, 2021.

BARRETT & MATURA, P.C.

/s/ Kevin Barrett
KEVIN C. BARRETT, ESQ.
Nevada Bar No. 8959
Attorneys for Defendant
The Harvest Foundation

From: Christian Gabroy <christian@gabroy.com>
Sent: Monday, March 22, 2021 2:26 PM
To: Candace C. Herling
Cc: Lee Iglody, Esq.; John Wright; kmesser@gabroy.com; Karl L. Nielson; mbw@slwlaw.com; Kevin Barrett; Andrelle Stanley; Dayana Shakerian; Tya Frabott
Subject: Re: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

consent. thank you.

On Mon, Mar 22, 2021 at 1:32 PM Candace C. Herling <CHerling@messner.com> wrote:

Good Afternoon,

Please see the attached *Order Granting Defendant Snowell Holdings, LLC's Motion to Dismiss Amended Complaint* in the above-referenced case. If the Order meets with your approval, please provide your consent to affix your e-signature on the same.

Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace



Candace C. Herling

Attorney

Messner Reeves LLP

8945 W. Russell Road | Suite 300

Las Vegas, NV 89148

One East Liberty Street | Suite 600

Reno, NV 89501

From: Karl L. Nielson <kln@slwlaw.com>
Sent: Monday, March 22, 2021 2:43 PM
To: Candace C. Herling; Lee Iglody, Esq.; John Wright; christian@gabroy.com; kmesser@gabroy.com; Mike Wixom; Kevin Barrett; Andrelle Stanley; Dayana Shakerian; Tya Frabott
Cc: Stine, Lauren Elliott; Mindy Warner; Stahl, Christian G.
Subject: RE: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

You may use my e-signature on this Order.

Karl L. Nielson, Esq.
Smith Larsen & Wixom
1935 Village Center Circle
Las Vegas, NV 89134
Tel: (702) 252-5002
Fax: (702) 252-5006
Email: kln@slwlaw.com
<https://slwlaw.com>

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From: Candace C. Herling <CHerling@messner.com>
Sent: Monday, March 22, 2021 1:31 PM
To: Lee Iglody, Esq. <lee@iglody.com>; John Wright <john@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Karl L. Nielson <kln@slwlaw.com>; Mike Wixom <mbw@slwlaw.com>; Kevin Barrett <kbarrett@barrettmatura.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Tya Frabott <tfrabott@messner.com>
Subject: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD
Importance: High

Good Afternoon,

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Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace

Candace C. Herling

From: Kevin Barrett <kbarrett@barrettmatura.com>
Sent: Tuesday, March 23, 2021 9:46 AM
To: Candace C. Herling
Subject: RE: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

You can sign for me.

Thanks

Kevin

Kevin C. Barrett, Esq.



Barrett & Matura, P.C.
7575 W. Vegas Drive
Suite 150c
Las Vegas, Nevada 89128
Main: 702.833.1033
Direct: 602.792.5715
Fax: 602.792.5710
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From: Candace C. Herling <CHerling@messner.com>
Sent: Monday, March 22, 2021 1:31 PM
To: Lee Iglody, Esq. <lee@iglody.com>; John Wright <john@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Karl L. Nielson <kln@slwlaw.com>; mbw@slwlaw.com; Kevin Barrett <kbarrett@barrettmatura.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Tya Frabott <tfrabott@messner.com>
Subject: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD
Importance: High

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Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace



Candace C. Herling
Attorney

Messner Reeves LLP
8945 W. Russell Road | Suite 300
Las Vegas, NV 89148

One East Liberty Street | Suite 600
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702.363.5100 *main* | 702.363.5101 *fax*
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DENVER | DENVER TECH CENTER | LAS VEGAS | LOS ANGELES | NEW YORK
NEWPORT BEACH | PHOENIX | RENO | SALT LAKE CITY | SILICON VALLEY

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From: Lee Iglody, Esq. <lee@iglody.com>
Sent: Tuesday, March 23, 2021 7:58 PM
To: Candace C. Herling
Cc: Tya Frabott
Subject: Re: FW: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Yes, I approve.

Kind regards,

Lee Iglody, Esq.
2580 St Rose Pkwy #330
Henderson, Nevada 89074
O: (702) 425-5366
C: (702) 561-9934
lee@iglody.com
www.iglodylaw.com



The IRS requires us to inform you that any tax information or advice is not intended and cannot be used to avoid tax penalties or promote, recommend or market any tax related matters. Also, this email contains confidential communications. If you received this email in error, notify the sender immediately. Thank you.

On Tue, Mar 23, 2021 at 12:19 PM Candace C. Herling <CHerling@messner.com> wrote:

Mr. Iglody,

It appears you may be the only person that has yet to respond. May we affix your e-signature to the Order?

Otherwise, please let me know if you “refuse to sign” and we will go ahead and submit.

Thanks,

Candace

Candace C. Herling

Attorney

Messner Reeves LLP

8945 W. Russell Road | Suite 300

Las Vegas, NV 89148

One East Liberty Street | Suite 600

Reno, NV 89501

702.363.5100 *main* | 702.363.5101 *fax*

cherling@messner.com

messner.com

From: Candace C. Herling

Sent: Monday, March 22, 2021 1:31 PM

To: Lee Iglody, Esq. <lee@iglody.com>; John Wright <john@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Karl L. Nielson <kln@slwlaw.com>; mbw@slwlaw.com; Kevin Barrett <kbarrett@barrettmatura.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Tya Frabott <tfrabott@messner.com>

Subject: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Importance: High

Good Afternoon,

Please see the attached *Order Granting Defendant Snowell Holdings, LLC's Motion to Dismiss Amended Complaint* in the above-referenced case. If the Order meets with your approval, please provide your consent to affix your e-signature on the same.

Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace

From: Candace C. Herling
Sent: Tuesday, March 23, 2021 1:30 PM
To: John Wright
Cc: Tya Frabott
Subject: RE: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Thanks!

Candace C. Herling
Attorney

Messner Reeves LLP
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Las Vegas, NV 89148

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Reno, NV 89501

702.363.5100 *main* | 702.363.5101 *fax*
cherling@messner.com
messner.com

From: John Wright <john@wrightlawgroupnv.com>
Sent: Tuesday, March 23, 2021 1:30 PM
To: Candace C. Herling <CHerling@messner.com>
Cc: Tya Frabott <tfrabott@messner.com>
Subject: RE: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Yes you may

John Henry Wright, Esq.
The Wright Law Group, P.C.
2340 Paseo Del Prado, Suite D-305
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Telephone: (702) 405-0001
Facsimile: (702) 405-8454
john@wrightlawgroupnv.com



From: Candace C. Herling <CHerling@messner.com>
Sent: Tuesday, March 23, 2021 1:29 PM
To: John Wright <john@wrightlawgroupnv.com>
Cc: Tya Frabott <tfrabott@messner.com>
Subject: FW: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD

Hi John, Would you please provide consent to affix your e-sig?

Thanks,

CH

Candace C. Herling
Attorney

Messner Reeves LLP
8945 W. Russell Road | Suite 300
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One East Liberty Street | Suite 600
Reno, NV 89501

702.363.5100 *main* | 702.363.5101 *fax*
cherling@messner.com
messner.com

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To: Lee Iglody, Esq. <lee@iglody.com>; John Wright <john@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Karl L. Nielson <kln@slwlaw.com>; mbw@slwlaw.com; Kevin Barrett <kbarrett@barrettmatura.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Tya Frabott <tfrabott@messner.com>
Subject: CASE NO. A-20-811232-B / JDD v. Snowell et al. - Order Granting MTD
Importance: High

Good Afternoon,

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Otherwise, please do not hesitate to contact me with any questions or concerns.

Thanks,

Candace



Candace C. Herling
Attorney

1 **CSERV**

2
3 DISTRICT COURT
4 CLARK COUNTY, NEVADA

5
6 JDD, LLC, Plaintiff(s)

CASE NO: A-20-811232-B

7 vs.

DEPT. NO. Department 16

8 Larry Lemons, Defendant(s)

9
10 **AUTOMATED CERTIFICATE OF SERVICE**

11 This automated certificate of service was generated by the Eighth Judicial District
12 Court. The foregoing Order Granting Motion was served via the court's electronic eFile
13 system to all recipients registered for e-Service on the above entitled case as listed below:

14 Service Date: 3/30/2021

15 Robert Rabbat

rrabbat@enensteinlaw.com

16 Christian Gabroy

christian@gabroy.com

17 Michael Wixom

mbw@slwlaw.com

18 Karl Nielson

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19 Barbara Clark

bclark@albrightstoddard.com

20 Mindy Warner

mwarner@slwlaw.com

21 Traci Bixenmann

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22 Kaine Messer

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23 Lee Iglody

lee@iglody.com

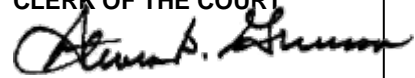
24 John Wright

efile@wrightlawgroupnv.com

25 Candace Herling

cherling@messner.com

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3	Tya Frabott	Tfrabott@messner.com
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OPPM

Lee I. Iglody, Esq.
Nevada Bar #: 7757
2580 St Rose Pkwy., Suite 330
Henderson, Nevada 89074
Tel: (702) 425-5366
Email: Lee@Iglody.com
Attorney for Plaintiffs

DISTRICT COURT

CLARK COUNTY, NEVADA

JDD, LLC, a Nevada limited liability company; TCS
Partners, LLC, a Nevada limited liability company;
JOHN SAUNDERS, an individual; and TREVOR
SCHMIDT, an individual

Plaintiffs,

vs.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation; ITEM 9 LABS CORP. f/k/a
Airware Labs Corp. and Crown Dynamics Corp., a
Delaware corporation; ITEM 9 PROPERTIES LLC, a
Nevada limited liability company; THE HARVEST
FOUNDATION LLC f/k/a, a Nevada limited liability
company a/k/a THE HARVEST FOUNDATION,
LLC; STRIVE MANAGEMENT L.L.C. d/b/a Strive
Life, a Nevada limited liability company; STRIVE
WELLNESS OF NEVADA, LLC d/b/a Strive Life, a
Nevada limited liability company; STRIVE
WELLNESS OF NEVADA 2 L.L.C. d/b/a Strive
Life, a Nevada limited liability company; VIRIDIS
GROUP I9 CAPITAL, LLC, an Arizona limited
liability company; VIRIDIS GROUP HOLDINGS,
LLC, an Arizona limited liability company;
SNOWELL HOLDINGS, LLC, an Ohio limited
liability company; ROBERT FIREMAN, an
individual; JON LEVINE, an individual; ANDREW
BOWDEN, an individual; DOUGLAS BOWDEN, an
individual; BRYCE SKALLA, an individual;
JEFFREY RASSAS, an individual; DONALD
BURTON, an individual; LARRY LEMONS, an
individual; JEFFREY YOKIEL, an individual;
JEROME YOKIEL, an individual; SARA
GULLICKSON, an individual; CHASE
HERSCHMAN, an individual; DOE INDIVIDUALS
I through X, and ROE BUSINESS ENTITIES XI
through XX, inclusive,

Defendants.

CASE NO.: A-20-811232-C

DEPT. NO.: XXVI

**PLAINTIFFS' OPPOSITION TO
DEFENDANTS SNOWELL
HOLDINGS' MOTION FOR FEES**

Hearing date: May 12, 2021

Hearing time: 9:00 a.m.

1 Plaintiffs, JDD, LLC; TCS Partners, LLC; JOHN SAUNDERS; and TREVOR SCHMIDT,
2 by and through undersigned counsel, hereby opposes the Motion for Fees filed by Defendant
3 Snowell Holdings, LLC (“Snowell”).

4 **MEMORANDUM**

5 **I. INTRODUCTION**

6 Defendant Snowell inappropriately seeks fees for being hailed into court as a result of the
7 actions of its sole member and manager, Larry Lemons. Snowell claims that since the Court
8 accepted its representations as true, and Plaintiffs’ as false, after no discovery of any kind, it is
9 appropriate to issue an award of attorneys fees. This is incorrect.

10 This Court granted Snowell’s motion to dismiss *without prejudice*. At some point
11 Plaintiffs will finally be able to commence discovery and actually piece together what happened to
12 the approximately \$750,000.00 they entrusted to Larry Lemons (the sole member and manager of
13 Snowell Holdings) and Donald Burton.

14 Further, Plaintiffs were not permitted to conduct limited discovery on the jurisdiction issue
15 with Snowell; therefore, it is inappropriate for the Court to award fees for allegedly “groundless”
16 claims against Snowell, since no determination has been made regarding the complicity of
17 Snowell Holdings and Larry Lemons.

18 Plaintiffs respectfully request the Court deny the motion for fees, or at least stay a decision
19 until after Plaintiffs finally have their chance to conduct discovery.

20 **II. FACTUAL BACKGROUND**

21 **The TCS Agreement**

22 In or about the beginning of 2015, Plaintiff Trevor Schmidt learned of Harvest—a Clark
23 County, Nevada, limited liability company that holds a special use permit and two licenses for
24 recreational and medical cannabis cultivation—and met two of its owners and officers, Donald
25

1 Burton and Larry Lemons. Compl. ¶¶ 8, 15-16, 32. Schmidt then toured the Harvest facility and
2 expressed interest in investing in its operations and becoming part of the company. *Id.* ¶ 33.

3 On or about January 22, 2015, after negotiations with Burton and Lemon, Schmidt, as the
4 managing member of Plaintiff TCS Partners, LLC (“TCS”), entered into a Membership Interest
5 Sales Agreement (“TCS Agreement”) with Burton and Lemons, who were acting as officers of
6 Harvest. *Id.* ¶ 34. A true and accurate copy of the TCS Agreement is attached to Plaintiffs’ First
7 Amended Complaint as Exhibit 1. *Id.* ¶ 36 & Ex. 1.

9 Under Section 1 of the TCS Agreement, Burton and Lemons agreed to transfer 9.9% of the
10 total membership interests in Harvest to Schmidt in exchange for Schmidt’s payment of
11 \$371,250.00. *Id.* ¶ 35. Section 1 of the TCS Agreement stated that, upon the transfer of the 9.9%
12 interest to TCS, the other members of Harvest would retain the following percentages of the total
13 ownership interests: Burton would own 25.05%; Lemons would own 25.05%; Jeffrey Yokiell
14 would own 30%; and Jerome Yokiell would own 10%. *Id.* ¶ 36 & Ex. 1 at 1.

16 Additionally, under Section 4 of the TCS Agreement, Burton and Lemons, as officers of
17 Harvest, agreed that there would be no additional transfer of any equity or membership interest in
18 Harvest for a period of twelve months, to prevent TCS’s 9.9% membership from being diluted. *Id.*
19 ¶ 37. Further, under Sections 5 and 6 of the TCS Agreement, TCS would be entitled to a pro rata
20 share of any distributions of profits and would have the right to vote as a member of Harvest
21 pursuant to Harvest’s operating agreement. *Id.* ¶ 38 & Ex. 1 at 2.

23 Also, Burton and Lemons reaffirmed that they would continue as Harvest’s CEO and
24 COO, respectively, and as managing members. *Id.* Finally, under Section 8 of the TCS
25 Agreement, Harvest’s operating agreement and all other governing documents were to be revised
26 to reflect TCS’s 9.9% membership interest, with a copy of the TCS Agreement to be attached
27 thereto. *Id.* ¶ 39 & Ex. 1 at 2.

1 On or about January 22, 2015, TCS performed all of its obligations under the TCS
2 Agreement by wiring the full \$371,250.00 to Harvest. *Id.* ¶ 40.

3 **The JDD Agreement**

4 In or about 2016, Plaintiff John Saunders learned of Harvest and expressed interest in
5 becoming part of the company to Burton, Lemons, and Schmidt. *Id.* ¶ 41. In or about 2016, as
6 managing member of Plaintiff JDD, LLC, Saunders entered into an agreement with Burton and
7 Lemon, acting in their respective capacities as CEO and COO of Harvest and as members of
8 Harvest, to purchase 9.9% of the Harvest membership interests (the “JDD Agreement”). *Id.* ¶ 42.
9 Although this deal was not memorialized in a fully integrated writing like the TCS Agreement,
10 Saunders engaged in a series of negotiations with Burton and Lemons—via text, emails, and other
11 documents—to purchase his 9.9% interest, and all members of Harvest approved or otherwise
12 ratified the JDD Agreement. *Id.* ¶¶ 43-45.

13
14 Under the JDD Agreement, JDD agreed to pay \$370,000.00 to Harvest for 9.9% of the
15 total membership interests in Harvest, and, like TCS, JDD was expressly granted the rights to vote
16 and receive distributions. *Id.* ¶ 46. Moreover, under the JDD Agreement, Saunders was appointed
17 as Harvest’s Chief Financial Officer, was to be paid an annual salary of \$70,000.00, and was to be
18 given an active role in Harvest’s operations. *Id.* ¶ 47.

19
20 As with the TCS Agreement, the JDD Agreement required Harvest’s other members,
21 except TCS, to transfer portions of their own respective membership interests to JDD. *Id.* ¶ 48.
22 Thus, the new distribution of membership interests was to be:
23

- 24 • Burton would own 24.1%;
- 25 • Lemons (either individually or through Snowell Holdings, LLC) would own 24.1%;
- 26 • Jeffrey Yokiell would own 22%;
- 27 • Jerome Yokiell would own 10%;
- 28

- TCS would own 9.9%; and
- JDD would own 9.9%.

Id. ¶ 49.

Moreover, as part of the JDD Agreement, TCS and JDD's interests were to remain undiluted by any future sale or transfer of interests by other members. *Id.* ¶ 50. In fact, TCS and JDD retained a right of first refusal to purchase any of the other Harvest members' ownership interests, if any owner proposed the sale or transfer of his or her respective membership interests. *Id.* ¶ 51.

Also, as part (the "Exclusive Authorizations Rights") of the JDD Agreement, Burton and Lemons (acting as CEO and COO of Harvest, respectively) agreed that Harvest would not sell any of Harvest's assets, including its licenses, or make any additional marijuana deal regarding Harvest's operations in Nevada, without the express prior written authorization of both JDD and TCS. *Id.* ¶ 52. Finally, TCS and JDD were to receive a pro rata share of any cash distributions that Harvest would make to its members, as the JDD Agreement closely mirrored the terms of the TCS agreement. *Id.* ¶ 53.

On or about May 6, 2016, JDD made a partial payment of \$200,000.00 to Harvest under the JDD Agreement. *Id.* ¶ 56. On or about June 17, 2016, JDD paid the remaining \$170,000 to Harvest, as the JDD Agreement required. *Id.* ¶ 57.

Plaintiffs' Exclusion from Harvest

Initially, Burton and Lemons actively involved Plaintiffs in drafting an amended operating agreement for Harvest and kept Plaintiffs apprised of Harvest's operations. *Id.* ¶ 60. In fact, in or around 2016, Saunders attended the Third Annual Marijuana Business and Conference Expo (the "2016 Conference") in Las Vegas with Burton and Lemons. *Id.* ¶¶ 61, 89.

1 In or about mid-2016, Burton and Lemons became less responsive and more
2 confrontational with regard to the proposed amended Harvest operating agreement. *Id.* ¶ 64. Then
3 Burton and Lemons began excluding Plaintiffs from Harvest’s business operations altogether. *Id.*
4 ¶ 65. Specifically, Saunders attempted to participate in Harvest’s operations as CFO, but Burton
5 and Lemons repeatedly excluded him. *Id.* at ¶ 66. Additionally, Burton and Lemons refused
6 Plaintiffs’ multiple requests to review Harvest’s books and records, in violation of both Harvest’s
7 operating agreement and NRS 86.241, claiming that the books and records were not “ready” for
8 review. *Id.* ¶ 67.

10 In or around 2017, after several unsuccessful attempts to reconcile with Burton and
11 Lemons and to participate in the operations of the business, Plaintiffs demanded that Harvest buy
12 out their entire membership interests. *Id.* ¶ 68. For several months afterward, Burton and Lemons
13 claimed to be working on a plan to do so—but they never provided any concrete plan. *Id.* ¶ 69.

15 Although Plaintiffs were frustrated by Burton’s and Lemons’s unfulfilled promises, they
16 nonetheless continued to attempt to amicably resolve the dispute without resorting to litigation. *Id.*
17 ¶ 70. In or about the beginning of 2018, however, Burton and Lemons became unresponsive to
18 Plaintiffs’ requests. *Id.* ¶ 71.

19 In or about 2018, Plaintiffs began to suspect that Defendants were deliberately concealing
20 Harvest’s financial situation from Plaintiffs, and that Harvest might lack the means to buy out
21 their membership interests. *Id.* ¶ 72. Plaintiffs renewed their demand for Harvest’s books and
22 records, and in or about August of 2018, Burton finally resumed communications with Plaintiffs
23 and told them that the books and records were “ready” for review and that their buyout requests
24 had been “submitted.” *Id.* ¶¶ 73-74.

26 After months of difficulty in arranging the inspection, Saunders finally was given access to
27 Harvest’s books and records—and discovered that Harvest had *failed to keep any books and*
28 *records since its inception.* *Id.* ¶¶ 75-78. And Harvest’s bookkeeper revealed that all of Harvest’s

1 transactions had been conducted with cash, with Burton and Lemons personally removing it from
2 and depositing it in a safe box in the office. *Id.* ¶ 79.

3 After that, Saunders worked with Harvest’s office manager to implement proper financial
4 records. *Id.* ¶ 80. For the next several months, Saunders continued to attempt to fulfill his role as
5 CFO and to assist in the business’s operations while awaiting his buyout, but Burton and Lemons
6 refused to respond to his calls and emails. *Id.* ¶ 81.

7
8 Finally, in or around September 2019, and in response to Saunders’s request for his 2018
9 K-1 and a demand for the buyout to be finalized, Lemons asked to set up a phone call. *Id.* ¶ 82.
10 Lemons failed to answer his phone and continued to evade Saunders’s calls and emails. *Id.* ¶ 83.
11 Plaintiffs then filed suit.

12 **III. ARGUMENT**

13 A district court *may* award attorneys fees to a “prevailing party” when it finds that the
14 opposing party “brought of maintained [a claim] without reasonable ground[s]” NRS
15 18.010(2)(b); *Patush v. Las Vegas Bistro, LLC*, 135 Nev. Adv. Op. 46, 449 P.3d 467 (2019). To
16 support such a discretionary award, "there must be evidence in the record supporting the
17 proposition that the complaint was brought without reasonable grounds or to harass the other
18 party." *Chowdhry v. NLVH, Inc.*, 109 Nev. 478, 486, 851 P.2d 459, 464 (1993).

19
20 Here, Plaintiffs had reasonable grounds to name Snowell, an entity that has as its sole
21 member and manager the very man who defrauded them, Larry Lemons. Absent discovery,
22 Plaintiffs should not be penalized for the current inability to substantiate Snowell’s involvement
23 without detailed specificity. Plaintiffs reasonably believed and alleged that Snowell was part of
24 Defendant Lemons’s web of deceit. There is no evidence in the record that the Plaintiffs
25 intentionally made false allegations or disregarded the truth prior to naming Snowell.
26
27
28

1 This Court, after considering arguments of counsel, granted Snowell's motion to dismiss,
2 without prejudice. The Court was not persuaded that the complaint had recited sufficient facts to
3 allow for exercise of the Court's jurisdiction over Snowell.

4 The Court accepted the representations of Lemons in his supporting declaration.
5 Discovery on the issue of specific jurisdiction was not permitted; hence, as of the timing of this
6 motion, no evidence exists to support the claims of Lemons, except the testimony via affidavit of
7 Lemons, the same Lemons who took Plaintiffs' money and ownership interest in Harvest
8 Foundation.
9

10 Further, because the dismissal was *without prejudice*, Snowell does not meet the
11 "prevailing party" standard. As noted by the Nevada Supreme Court in *145 E. Harmon II Tr. v.*
12 *Residences at MGM Grand - Tower A Owners' Ass'n*, 460 P.3d 455, 459 (Nev. 2020), "[t]he Ninth
13 Circuit distinguishes between dismissals with and without prejudice, explaining that a "dismissal
14 without prejudice does not alter the legal relationship of the parties because the defendant remains
15 subject to the risk of re-filing." *Cadkin v. Loose*, 569 F. 3d 1142, 1148 (9th Cir. 2009)
16 (quoting *Oscar v. Alaska Dep't of Educ. & Early Dev.*, 541 F.3d 978, 981 (9th Cir. 2008)). Here,
17 Snowell is also subject to being brought back into the case once discovery has taken place.
18

19 **IV. CONCLUSION**

20 For the foregoing reasons, Plaintiffs respectfully request the Court deny the motion for
21 fees, or at least hold any such decision in abeyance until some discovery is conducted regarding
22 the central claim that Snowell was involved with Lemons here.
23

24 DATED this 7th day of April, 2021.

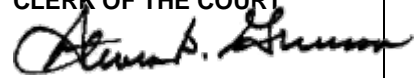
25 Respectfully submitted,

26 /s/ Lee Iglody
27 Lee I. Iglody, Esq.
28 *Attorney for Plaintiffs*

CERTIFICATE OF SERVICE

I hereby certify that on the 7th day of April, 2021, the foregoing **OPPOSITION TO MOTION FOR FEES** was served on the parties via electronic service through Odyssey pursuant to NEFCR 9, NRCP 5(b) and EDCR 7.26.

/s/ Lee Iglody



ACOM
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Attorneys for Plaintiffs

**DISTRICT COURT
CLARK COUNTY, NEVADA**

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual; and
TREVOR SCHMIDT, an individual,

Plaintiffs,

vs.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation; ITEM 9 LABS CORP. f/k/a
Airware Labs Corp. and Crown Dynamics Corp., a
Delaware corporation; ITEM 9 PROPERTIES
LLC, a Nevada limited liability company; THE
HARVEST FOUNDATION LLC f/k/a, a Nevada
limited liability company a/k/a THE HARVEST
FOUNDATION, LLC; STRIVE MANAGEMENT
L.L.C. d/b/a Strive Life, a Nevada limited liability
company; STRIVE WELLNESS OF NEVADA,
LLC d/b/a Strive Life, a Nevada limited liability
company; STRIVE WELLNESS OF NEVADA 2
L.L.C. d/b/a Strive Life, a Nevada limited liability
company; VIRIDIS GROUP I9 CAPITAL, LLC,
an Arizona limited liability company; VIRIDIS
GROUP HOLDINGS, LLC, an Arizona limited
liability company; SNOWELL HOLDINGS, LLC,
an Ohio limited liability company; ROBERT
FIREMAN, an individual; JON LEVINE, an
individual; ANDREW BOWDEN, an individual;
DOUGLAS BOWDEN, an individual; BRYCE
SKALLA, an individual; JEFFREY RASSAS, an
individual; DONALD BURTON, an individual;
LARRY LEMONS, an individual; JEFFREY
YOKIEL, an individual; JEROME YOKIEL, an
individual; SARA GULLICKSON, an individual;
CHASE HERSCHMAN, an individual; DOE
INDIVIDUALS I through X, and ROE
BUSINESS ENTITIES XI through XX, inclusive,

Defendants.

CASE NO.: A-20-811232-C

DEPT. NO.: 26

FIRST AMENDED COMPLAINT

JURY DEMAND

**EXEMPT FROM ARBITRATION
(INJUNCTIVE, DECLARATORY, AND
OTHER EXTRAORDINARY
EQUITABLE RELIEF REQUESTED)**

LAW OFFICES
ALBRIGHT, STODDARD, WARNICK & ALBRIGHT
A PROFESSIONAL CORPORATION
QUAIL PARK, SUITE D-4
801 SOUTH RANCHO DRIVE
LAS VEGAS, NEVADA 89106

PA_0305

**FIRST AMENDED COMPLAINT (JURY DEMANDED) EXEMPT FROM
ARBITRATION (INJUNCTIVE, DECLARATORY,
AND OTHER EXTRAORDINARY EQUITABLE RELIEF REQUESTED)**

COMES NOW, Plaintiffs, JDD, LLC, a Nevada limited liability company (“JDD”); TCS PARTNERS L.L.C., a Nevada limited liability company (“TCS”); JOHN SAUNDERS, an individual (“Saunders”); and TREVOR SCHMIDT, an individual (“Schmidt”) (collectively “Plaintiffs”); and hereby allege against MARIMED INC. f/k/a Worlds Online, Inc., a Delaware corporation (“MariMed”); ITEM 9 LABS CORP. f/k/a Airware Labs Corp. and Crown Dynamics Corp., a Delaware corporation (“Item 9 Labs”); ITEM 9 PROPERTIES LLC, a Nevada limited liability company (“Item 9 Properties”); THE HARVEST FOUNDATION LLC, a/k/a THE HARVEST FOUNDATION, LLC, a Nevada limited liability company (“Harvest”); STRIVE MANAGEMENT L.L.C. d/b/a Strive Life, a Nevada limited liability company (“Strive Management”); STRIVE WELLNESS OF NEVADA, LLC d/b/a Strive Life, a Nevada limited liability company (“Strive Wellness”); STRIVE WELLNESS OF NEVADA 2 L.L.C. d/b/a Strive Life, a Nevada limited liability company (“Strive Wellness 2”); VIRIDIS GROUP I9 CAPITAL, LLC, an Arizona limited liability company (“Viridis Capital”); VIRIDIS GROUP HOLDINGS, LLC, an Arizona limited liability company (“Viridis Holdings”); SNOWELL HOLDINGS, LLC, an Ohio limited liability company (“Snowell Holdings”); ROBERT FIREMAN, an individual (“Fireman”); JON LEVINE, an individual (“Levine”); ANDREW BOWDEN, an individual (“Andrew”); DOUGLAS BOWDEN, an individual (“Douglas”); BRYCE SKALLA, an individual (“Skalla”); JEFFREY RASSAS, an individual (“Rassas”); DONALD BURTON, an individual (“Burton”); LARRY LEMONS, an individual (“Lemons”); JEFFREY YOKIEL, an individual (“Jeffrey”); JEROME YOKIEL, an individual (“Jerome”); SARA GULLICKSON, an individual (“Gullickson”); CHASE HERSCHMAN, an individual (“Hershman”) (collectively “Defendants”), as follows:

PARTIES

1. Plaintiff JDD is a Nevada limited liability company with its principal place of business in Clark County, Nevada.

2. Plaintiff TCS is a Nevada limited liability company, with its principal place of business in Clark County, Nevada.

3. Plaintiff Saunders is an individual residing in Los Angeles, California, and is the managing member of JDD.

4. Plaintiff Schmidt is an individual residing in Clark County, Nevada, and is the managing member of TCS.

5. Upon information and belief, Defendant MariMed is Delaware limited liability company, and is an owner, officer, director, manager, member, and/or is otherwise affiliated with Harvest, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in Clark County, Nevada.

6. Upon information and belief, Defendant Item 9 Labs, is Delaware corporation, and is an owner, officer, director, manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in Clark County, Nevada.

7. Upon information and belief, Defendant Item 9 Properties is a Nevada limited liability company, and is an owner, officer, director, manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in Clark County, Nevada.

8. Upon information and belief, Defendant Harvest is a Nevada limited liability company conducting business in Clark County, Nevada. Upon information and belief, Harvest is the holder of a special use permit and two (2) licenses for recreational and medical cannabis cultivation, with establishment identification numbers, RC086 and C086 ("Harvest Licenses"), and, upon information and belief, is an owner, officer, director, member, and/or manager of Defendants

9. Upon information and belief, Defendant Strive Management is a Nevada limited liability company, and is an owner, officer, director, manager, member, and/or is otherwise affiliated

1 with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive
2 Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing
3 business on behalf of such entities in Clark County, Nevada.

4 10. Upon information and belief, Defendant Strive Wellness is the holder of two (2)
5 licenses for the production and cultivation of medical cannabis, with establishment identification
6 numbers P131 and C206d ("Strive Wellness Licenses"), and is an owner, officer, director, manager,
7 member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive
8 Management, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is
9 regularly doing business on behalf of such entities in Clark County, Nevada.

10 11. Upon information and belief, Strive Wellness 2 is a Nevada limited liability
11 company, and is an owner, officer, director, manager, member, and/or is otherwise affiliated with
12 Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Viridis
13 Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of
14 such entities in Clark County, Nevada.

15 12. Upon information and belief, Defendant Viridis Capital is an Arizona limited liability
16 company, and is an owner, officer, director, manager, member, and/or is otherwise affiliated with
17 Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive
18 Wellness 2, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf
19 of such entities in Clark County, Nevada.

20 13. Upon information and belief, Defendant Viridis Holdings is an Arizona limited
21 liability company, is an owner, officer, director, manager, member, and/or is otherwise affiliated
22 with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive
23 Wellness 2, Viridis Capital, and/or Snowell Holdings, and is regularly doing business on behalf of
24 such entities in Clark County, Nevada.

25 14. Upon information and belief, Defendant Snowell Holdings is an Ohio limited
26 liability company, is an owner, officer, director, manager, member, and/or is otherwise affiliated
27 with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive
28

Wellness 2, and/or Viridis Capital, and is regularly doing business on behalf of such entities in Clark County, Nevada.

15. Upon information and belief, Defendant Burton is an owner, officer, director, manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in Clark County, Nevada.

16. Upon information and belief, Defendant Lemons is an owner, officer, director, manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in Clark County, Nevada.

17. Upon information and belief, Defendant Jerome is an owner, officer, director, manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in Clark County, Nevada.

18. Upon information and belief, Defendant Jeffrey is an owner, officer, director, manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in Clark County, Nevada.

19. Upon information and belief, Defendant Fireman is an owner, officer, director, manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in Clark County, Nevada.

1 20. Upon information and belief, Defendant Levine is an owner, officer, director,
2 manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9
3 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis
4 Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in
5 Clark County, Nevada.

6 21. Upon information and belief, Defendant Andrew is an owner, officer, director,
7 manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9
8 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis
9 Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in
10 Clark County, Nevada.

11 22. Upon information and belief, Defendant Douglas is an owner, officer, director,
12 manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9
13 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis
14 Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in
15 Clark County, Nevada.

16 23. Upon information and belief, Defendant Skalla is an owner, officer, director,
17 manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9
18 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis
19 Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in
20 Clark County, Nevada.

21 24. Upon information and belief, Defendant Rassas is an owner, officer, director,
22 manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9
23 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis
24 Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in
25 Clark County, Nevada.

26 25. Upon information and belief, Defendant Gullickson is an owner, officer, director,
27 manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9
28 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis

1 Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in
2 Clark County, Nevada.

3 26. Upon information and belief, Defendant Herschman is an owner, officer, director,
4 manager, member, and/or is otherwise affiliated with Harvest, MariMed, Item 9 Labs, Item 9
5 Properties, Strive Management, Strive Wellness, Strive Wellness 2, Viridis Capital, Viridis
6 Holdings, and/or Snowell Holdings, and is regularly doing business on behalf of such entities in
7 Clark County, Nevada.

8 27. The true names and capacities, whether individual, corporate, associate, or otherwise,
9 of Defendants Doe Individuals I through X and Roe Business Entities XI through XX, including,
10 without limitation, for example, any involved business entity owned by or affiliated with the named
11 Defendants or any other party whose acts are involved in this matter, are unknown to Plaintiff, who
12 therefore sues said Defendants by such fictitious names. Plaintiffs are informed and believe, and
13 therefore allege, that each of the Defendants designated as Doe Individuals I through X or Roe
14 Business Entities XI through XX is responsible in some manner for the events and occurrences
15 referred to in this First Amended Complaint, and/or owes money to Plaintiffs and/or may be
16 affiliated with one of the other Defendants. Plaintiffs will ask leave of the Court to amend this First
17 Amended Complaint in order to insert the true names and capacities of Doe Individuals I through X
18 and Roe Business Entities XI through XX when the same have been ascertained, and to join said
19 Defendants in this action.

20 28. At all relevant times, Defendants, and each of them, were the agents, ostensible
21 agents, employees, employers, partners, co-owners and/or joint venturers of each other and of their
22 co-defendants, and were acting within the color, purpose and scope of their employment, agency,
23 ownership and/or joint venture and by reasons of such relationships, the Defendants, and each of
24 them, are vicariously and jointly and severally responsible for the acts of omissions of their co-
25 defendants. Furthermore, at all relevant times, Defendants, and each of them expressly, implicitly
26 and/or tacitly authorized, approved, consented to and/or ratified the acts of its agents, servants,
27 employees, co-owners and each other and, as a result thereof, are liable for compensatory and
28 punitive damages.

JURISDICTION AND VENUE

29. This Court has subject matter jurisdiction over the action pursuant to Article VI of the Nevada Constitution.

30. The Court has personal jurisdiction over the Defendants in accordance with NRS 14.060 and 14.065.

31. Venue is proper in the Eight Judicial District Court in accordance with NRS 13.010 and 13.040.

GENERAL ALLEGATIONS

A. TCS Agreement

32. In or about the beginning of 2015, Schmidt learned of Harvest, and came in contact with Burton and Lemons.

33. Thereafter, Schmidt toured the Harvest facility and expressed interest in investing in Harvest's operations and becoming part of the company.

34. On or about January 22, 2015, after negotiations with Burton and Lemon, Schmidt, as the managing member of TCS, entered into a Membership Interest Sales Agreement ("TCS Agreement") with Burton and Lemons, acting as officers of Harvest.

35. Under Section 1 of the TCS Agreement, Burton and Lemons agreed to transfer 9.9% of the total membership interests in Harvest to Schmidt in exchange for Schmidt's payment of \$371,250.00.

36. Moreover, Section 1 of the TCS Agreement stated that upon the transfer of the 9.9% membership interest to TCS, the other members of Harvest would retain the following percentages of the total ownership interests:

- a. Burton would own 25.05%;
- b. Lemons would own 25.05%;
- c. Jeffrey Yokiell would own 30%; and
- d. Jerome Yokiell would own 10%.

A true and correct copy of the TCS Agreement is attached hereto as **Exhibit "1."**

37. Additionally, under Section 4 of the TCS Agreement, Burton and Lemons, as officers of Harvest, agreed that there would be no additional transfer of equity or membership interest in Harvest for a period of twelve (12) months, to prevent TCS's 9.9% membership interest from being diluted.

38. Furthermore, under Sections 5 and 6 of the TCS Agreement, TCS was entitled to a pro rata share of any distributions of profits and was given the right to vote as a member of Harvest pursuant to Harvest's operating agreement; in addition, Burton and Lemons reaffirmed that they would continue as CEO and COO of Harvest, respectively, and as managing members. *Id.* at 2.

39. Finally, under Section 8 of the TCS Agreement, the Operating Agreement and all other governing documents for Harvest were to be revised to reflect TCS's 9.9% membership interest in Harvest, with a copy of the TCS Agreement to be attached thereto. *Id.* at 2.

40. On or about January 22, 2015, TCS performed all of its obligations under the TCS Agreement by wiring the full \$371,250.00 to Harvest.

B. JDD Agreement

41. In or about 2016, Saunders learned of Harvest and expressed interest to Burton, Lemon, and Schmidt to become part of the company.

42. In or about 2016, as the managing member of JDD, Saunders entered into an agreement with Burton and Lemon (acting in their respective capacities as CEO and COO of Harvest), and TCS, as a member of Harvest (holding non-dilutable membership interests), to purchase 9.9% of the Harvest membership interests ("JDD Agreement").

43. While this deal was not memorialized in a fully integrated written contract like the TCS Agreement, *see Exhibit "1,"* Saunders engaged in a serious of negotiations with Burton, Lemons (acting in their respective capacities as CEO and COO of Harvest), and Schmidt (as the managing member of TCS) to purchase his 9.9% interest.

44. These negotiations were conducted through a series of phone calls, and memorialized in numerous text messages, emails, and other documents.

45. Upon information and belief, all members of Harvest approved, or otherwise ratified, the JDD Agreement.

1 46. Under the JDD Agreement, JDD agreed to pay \$370,000.00 to Harvest in exchange
2 for 9.9% of the total membership interests in Harvest, and, like TCS, JDD was expressly granted
3 voting rights and distributions.

4 47. Moreover, under the JDD Agreement, Saunders was appointed as Chief Financial
5 Officer of Harvest, was to be paid an annual salary of \$70,000.00, and was to be given an active
6 role in Harvest's operations.

7 48. As with the TCS Agreement, the JDD Agreement required the other members, except
8 for TCS, to transfer portions of their own respective membership interests to JDD.

9 49. Thus, the new distribution of membership interests was to be as follows:

- 10 a. Burton would own 24.1%;
- 11 b. Lemons (either individually and/or through Snowell Holdings) would own
12 24.1%;
- 13 c. Jeff Yokiell would own 22%; and
- 14 d. Jerome Yokiell would own 10%.
- 15 e. TCS would own 9.9%; and
- 16 f. JDD would own 9.9%.

17 50. Moreover, as part of the JDD Agreement, TCS and JDD's interests were to remain
18 undiluted by any future sale or transfer of interests by the other members.

19 51. In fact, TCS and JDD retained a right of first refusal to purchase any of the other
20 Harvest members' ownership interests, if any member proposed the sale or transfer of his or her
21 respective membership interests.

22 52. Moreover, as part of the JDD Agreement, Burton and Lemons (acting in their
23 respective capacities as CEO and COO of Harvest) agreed that Harvest would not sell any of
24 Harvest's assets, including its licenses, or make any additional Marijuana deal regarding Harvest's
25 operations in the state of Nevada, without the express prior written authorization of both JDD and
26 TCS ("Exclusive Authorization Rights").

1 53. Finally, TCS and JDD were to receive a pro rata share of any cash distributions made
2 by Harvest to its Members, as the JDD Agreement closely mirrored the terms of the TCS Agreement,
3 with regard to both JDD and TCS, and was approved by TCS's managing partner Plaintiff Schmidt.

4 54. Defendants Lemons, Burton, Harvest, Jeffrey agreed to all terms of the JDD
5 Agreement and also agreed that the operating agreement of Harvest would be amended to reflect
6 TCS and JDD's respective 9.9% (totaling 19.8%).

7 55. Upon information and belief, Defendant Jerome ratified or otherwise accepted the
8 JDD Agreement.

9 56. On or about May 6, 2016, JDD made a partial payment of \$200,000.00 to Harvest,
10 under the JDD Agreement.

11 57. On or about June 17, 2016, JDD paid the remaining \$170,000.00 to Harvest, as
12 required by the JDD Agreement.

13 **C. Plaintiffs' Exclusion from Harvest**

14 58. Plaintiffs relied on the above representations made by Burton and Lemons in the TCS
15 and JDD Agreements, as valid and binding contracts.

16 59. Moreover, in or about 2016, Plaintiffs discussed various revisions to the Harvest
17 operating agreement, with Burton and Lemons, including the specific request to amend the Harvest
18 operating agreement to reflect the new membership interests of TCS and JDD.

19 60. Initially, Burton and Lemons actively involved Plaintiffs in the drafting process of
20 the amended operating agreement, and kept Plaintiffs apprised of Harvest's operations.

21 61. In fact, in or around 2016, Saunders even attended the Lemons at the Third Annual
22 Marijuana Business and Conference Expo at the Rio Hotel and Casino in Las Vegas, Nevada ("2016
23 Conference").

24 62. At the 2016 Conference, Saunders met Defendants Fireman and Levine, who were
25 the CEO and CFO, respectively, of Defendant MariMed, and informed them directly that Saunders
26 and Schmidt owned nearly 20% of the membership interests in Harvest.

27 63. Saunders informed Fireman and Levine that he was the CFO and a member of
28 Harvest.

1 64. In or about the middle of 2016, Burton and Lemons became less responsive, and
2 more confrontational with regard to the proposed amended Harvest operating agreement.

3 65. Thereafter, Burton and Lemons began to exclude Plaintiffs from Harvest's business
4 operations all together.

5 66. Specifically, Saunders attempted to participate in the operations of Harvest as CFO,
6 but Saunders was repeatedly excluded by Burton and Lemons.

7 67. Additionally, Burton and Lemons refused Plaintiffs' multiple requests to review
8 Harvest's books and records in violation of both the Harvest operating agreement and NRS 86.241,
9 claiming that the books and records were not "ready" for review

10 68. In or around 2017, after several unsuccessful attempts to reconcile with Burton and
11 Lemons and to participate in the operations of the business, Plaintiffs demanded that Harvest buy
12 out Plaintiffs' entire membership interest (which totaled 19.8% of Harvest's total membership
13 interests).

14 69. For several months thereafter, Burton and Lemons claimed to be working on a plan
15 to buyout TCS and JDD's membership interests, but failed to provide any concrete plan.

16 70. While Plaintiffs were frustrated with Burton and Lemons's unfulfilled promises,
17 Plaintiffs attempted to continue and amicably resolve the dispute without resorting to litigation.

18 71. In or about the beginning of 2018, Burton and Lemons became unresponsive to
19 Plaintiffs' requests.

20 72. In or about 2018, Plaintiffs began to suspect that Defendants were deliberately
21 concealing Harvest's financial situation from Plaintiffs, and that Harvest may not have the means
22 to buy out Plaintiffs' membership interests.

23 73. In or about 2018, Plaintiffs renewed their demand of Burton and Lemons to provide
24 Harvest's books and records, and to follow through with the promised buyout of Plaintiffs'
25 membership interests.

26 74. In or about August 2018, Burton finally began communicating with Plaintiffs, and
27 claimed that the books and records were "ready" for review, and that their requested buyout had
28

1 been “submitted” (though he never clarified who the request had been submitted to, as Burton was
2 purportedly acting as CEO and would have been the one to approve a buyout).

3 75. Nevertheless, for nearly two more months, Burton provided no helpful information
4 beyond a few cryptic responses stating that Saunders could go to inspect the books and records
5 “anytime.”

6 76. After several fruitless attempts by Saunders to schedule a time to visit Harvest’s
7 facility in Las Vegas, Nevada to inspect Harvest’s books and records, Burton finally directed
8 Saunders to speak with the Harvest’s office manager to schedule a time to visit Harvest’s
9 headquarters.

10 77. Thereafter, Saunders scheduled a time to August 2018, Saunders was finally given
11 access to Harvest’s books and records, and travelled to Harvest’s headquarters in Las Vegas,
12 Nevada.

13 78. Upon his arrival, Saunders finally learned why Burton and Lemons had refused his
14 previous requests to inspect the books, as Saunders discovered that Harvest had failed to keep and
15 books or records whatsoever, since its inception.

16 79. Saunders also learned from Harvest’s book keeper that all financial transactions,
17 including paying bills and payroll, were done using cash, and involved Burton and Lemons
18 personally removing and depositing cash into a safe box in the office.

19 80. Thereafter, Saunders worked with Harvest’s office manager to effectively to begin
20 implementing proper financial records, including preparing a cash flow projection template for her
21 to use.

22 81. For the next several months, Saunders continued to attempt to fulfill his role as CFO
23 and to assist in the operations of the business while he awaited his buyout, but Burton and Lemons
24 refused to respond to his calls and emails.

25 82. Finally, in or around September 2019, and in response to Saunders’s request for his
26 2018 K-1 and a demand for the buyout to be finalized, Lemons asked to set up a phone call.

27 83. But, true to form, Lemons failed to answer his phone and continued to evade
28 Saunders’s calls and emails thereafter.

84. Defendants further breached their fiduciary obligations as officers and managing members of Harvest by refusing to provide Plaintiff's with all requisite Schedule K-1 forms, denying their request for copies of Harvest's yearly federal, state and local income tax returns, denying their request to review the books and records of Harvest and/or failing to prepare and maintain adequate books and records for Harvest, in direct violation of NRS 86.241.

D. Conspiracy with MariMed.

85. In or about December 2019, Plaintiffs received a copy of Membership Interest Purchase Agreement entered into between Burton, Lemons, Jeffrey, and MariMed ("MariMed Purchase Agreement"), which had been executed on August 8, 2019. The MariMed Purchase Agreement is attached hereto as **Exhibit "2."**

86. The MariMed Purchase Agreement misrepresented that Burton, Lemons, and Jeffrey were the only members of Harvest and that these three individuals owned 100% of the membership interests in Harvest, and MariMed agreed to pay \$1,200,000 in MariMed's common stock to purportedly purchase 100% of the membership interests of Harvest. *See Exhibit "2"* at 1.

87. In fact, the "Allocation Schedule" of the MariMed Purchase Agreement blatantly misrepresent the true allocation of Harvest membership interests as follows (*see Exhibit B of Exhibit "2"*):

- a. Donald Burton 34.5%
- b. Larry Lemon[sic] 34.5%
- c. Jeffrey Yokiell 31%

88. The MariMed Purchase Agreement is even more egregious due to the fact that Fireman and Levine (respectively, MariMed's CEO and CFO) had actual knowledge of Plaintiffs' interests (as explained *supra*).

89. Specifically, in or around 2016, Levine, Fireman's partner and Chief Financial Officer ("CFO") of MariMed, met with Saunders, Burton, and Lemons at the 2016 Conference and was informed of Plaintiffs' ownership interests.

90. On or about August 8, 2019, unbeknownst to Plaintiff's, Defendants MariMed and Fireman conspired with, and aided and abetted, Defendants Harvest, Burton, and Lemons who

1 breached their fiduciary duties, by covertly entering into a purchase agreement with MariMed (the
2 “MariMed Purchase Agreement”). Such agreement purported to sell MariMed 100% of the
3 ownership interests in Harvest and its valuable Harvest Licenses.

4 91. Not only was the MariMed Purchase Agreement fraudulent and an attempt to convert
5 the membership interests from JDD and TCS, but the MariMed Purchase Agreement was also a
6 clear breach of the TCS and JDD Agreements the Exclusive Authorization Rights granted to TCS
7 and JDD, respectively, in the TCS Agreement and JDD Agreement (as explained *supra*).

8 92. Moreover, according to MariMed’s most recent 10K filing with the SEC, MariMed
9 paid Harvest over \$1,000,000.00 and invested another \$2,200,000 into Harvest which, upon
10 information and belief, was solely used to line the pockets of Burton, Lemons, Jeffrey, and Jerome.

11 **E. Conspiracy with Item 9 Labs and Associated Entities.**

12 93. Upon information and belief, in or about 2019, Burton and Lemons also began
13 conspiring to commit fraud with the other named Defendants.

14 94. Gullickson, Burton, and Lemons are all listed as managing-members of Strive
15 Management and Strive Wellness 2.

16 95. Gullickson and Burton are listed as managing-members of Strive Wellness.

17 96. Only recently, did Plaintiffs learn that Gullickson began appearing as a member, let
18 alone a managing member of Harvest, beginning with the March 2019 annual list filled with the
19 Nevada Secretary of State.

20 97. Such unilateral addition of not only a member, but a managing member, was in clear
21 breach of the Exclusive Authorization Rights granted to TCS and JDD, respectively, in the TCS
22 Agreement and JDD Agreement (as explained *supra*).

23 98. Moreover, all named Defendants had actual or constructive knowledge of Plaintiffs
24 membership interests in Harvest and the associated Exclusive Authorization Rights.

25 99. Moreover, in or about September 12, 2018, and unbeknownst to Plaintiffs and in
26 clear breach of the Exclusive Authorization Rights granted to TCS and JDD, respectively, in the
27
28

1 TCS Agreement and JDD Agreement (as explained *supra*), and upon information and belief, all
2 named Defendants Item 9 Labs, Item 9 Properties, Viridis Capital, Viridis Holdings, Andrew,
3 Douglas, Skalla, and Rassas, Herschman, made a capital contribution of \$1,500,000.00 into Strive
4 Management, LLC, a Nevada limited liability company, the management arm of Defendant Strive
5 Wellness (“Item 9 Agreements”) which owns two (2) other valuable Cannabis licenses in Nye,
6 County.

7
8 100. The Item 9 Agreements were in direct violation of Plaintiffs’ Exclusive
9 Authorization Rights.

10 101. Upon information, this capital was based on a total investment of \$2,700,000.00 from
11 Viridis Capital and Viridis Holdings under a revenue participation agreement.

12 102. Upon information and belief, in exchange for this capital contribution secured by
13 Viridis Capital, Viridis Holdings, Andrew, Douglas, Skalla, Rassas, Item 9 Labs and/or Item 9
14 Properties purchased 20% of the membership interests in Strive Management with the remaining
15 ownership held by Burton, Lemons, and Gullickson.

16
17 103. The Item 9 Agreements also include Item 9 Labs acquiring an additional 31%
18 ownership of Strive Management and Strive Wellness. The Item 9 Agreements also include Item 9
19 Labs investing \$5,500,000.00 in order to construct a facility in Nevada which will be wholly owned
20 by Item 9 Labs and leased to Strive Management.

21
22 104. Upon information and belief, in exchange for the investments contemplated under
23 the Item 9 Agreements, Defendants Viridis Capital, Viridis Holdings, Andrew, and Douglas will
24 receive waterfall revenue participation including 5% of Item 9 Lab’s gross revenue from Nevada
25 operations and scaling down to a lower percentage in perpetuity and that Defendants would own an
26 aggregate of 51% of the Nevada operations which represent tens of millions of dollars. Item 9 Lab’s
27 most recent 10K filing with the SEC, dated January 14, 2020 brazenly represented the breach by
28 describing an Item 9 Lab and Harvest Joint Venture in Nevada.

1 (a) Entering into a Purchase Agreement with MariMed, which entirely neglected to
2 mention and account for Plaintiffs' membership interest in Harvest, as set forth under the TCS
3 Agreement and JDD Agreement;

4 (b) Covertly entering into a Purchase Agreement with MariMed, which falsely
5 represented that Burton, Lemons and Jeffrey collectively owned 100% of the issued and outstanding
6 membership interests in Harvest despite Plaintiffs' membership interests in Harvest, as set forth
7 under the TCS Agreement and JDD Agreement;

8 (c) Thereafter failing to reimburse Plaintiffs for their pro rata investment in Harvest;

9 113. Failing to amend the Purchase Agreement with MariMed to reflect Harvest's proper
10 ownership interest, including but not limited to Plaintiffs' membership interests;

11 114. Upon reasonable demand, NRS 86.241 affords each member of a limited liability
12 company the right to, among other things, (i) obtain complete records regarding the activities and
13 the status of the business and financial condition of the company; and (ii) obtain a copy of the
14 company's federal, state and local income tax returns for each year.

15 115. Despite Plaintiffs' membership interests in Harvest, Defendants refused to provide
16 Saunders and Schmidt with copies of Harvest's yearly federal, state and local income tax returns,
17 failed to prepare and maintain adequate books and records for Harvest, and refused to grant Saunders
18 and Schmidt access to review the books and records of Harvest, in direct violation of the statutory
19 obligations set forth under NRS 86.241.

20 116. Lemons and Burton explicitly breached their respective covenants not to compete
21 and to include Plaintiffs in all marijuana cultivation, distribution, retail, or other ventures in the State
22 of Nevada.

23 117. As a direct and foreseeable consequence of the unlawful, improper, unprivileged,
24 and unjustified conduct of the Defendants named herein Plaintiffs and the shareholders have been
25 damaged in excess of \$15,000.00.

26 118. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute
27 this action, and Defendants should be required to pay reasonable attorneys' fees as well as costs
28 incurred in accordance with the law, including, without limitation, as special damages.

SECOND CLAIM FOR RELIEF
ALTERNATIVELY, UNJUST ENRICHMENT
(Against All Defendants)

119. Plaintiffs repeat, reallege and incorporate by reference each and every allegation contained in the foregoing Paragraphs of this First Amended Complaint as though set forth in full.

120. Upon information and belief, Defendants excluded Plaintiffs from the MariMed Purchase Agreement and/or the Item 9 Agreements, without paying Plaintiffs reasonably equivalent value of the same, to the benefit of Defendants.

121. This cause of action is pleaded only in the alternative, if the Court determines that Plaintiffs breach of contract claim fails.

122. As a direct and foreseeable consequence of the unlawful, improper, unprivileged, and unjustified conduct of the Defendants named herein Plaintiffs and the shareholders have been damaged in excess of \$15,000.00.

123. The actions of the Defendants named herein were deliberate, wanton, willful, and malicious, which justifies an award of punitive damages in favor of Plaintiffs and shareholders, pursuant to NRS 42.005.

124. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute this action, and Defendants should be required to pay reasonable attorneys' fees as well as costs incurred in accordance with the law, including, without limitation, as special damages.

THIRD CLAIM FOR RELIEF
FRAUD - INTENTIONAL MISREPRESENTATION AND INDUCEMENT
(Against Burton, Lemons, and Harvest)

125. Plaintiffs repeat and re-allege herein by reference each and every allegation set forth in the preceding paragraphs of the First Amended Complaint as though fully set forth herein.

126. Pursuant to the TCS Agreement and JDD Agreement, Burton, Lemons, and Harvest represented that Plaintiffs would (1) have a right of first refusal of regarding transfer of any of the membership interests, and (2) that Plaintiffs would be given Exclusive Authorization Rights to approve or deny the purchase, sale, or transfer of any cannabis cultivation, distribution, retail, or other license held by Harvest or any of its individual members, and would be included on any current or future licenses.

1 127. Defendants knew that these false representations were false when they made them
2 and/or made them recklessly and without regard for their truth because, in order to induce Plaintiffs
3 to invest nearly \$750,000.00 in Harvest.

4 128. Plaintiffs were unaware of Burton, Lemons, and Harvest's intention not to perform
5 the promises contained in the TCS Agreement and JDD Agreement, and justifiably relied and acted
6 in reliance upon the false representations.

7 129. As a direct and proximate result of the false representations described herein,
8 Plaintiffs have suffered damages in excess of \$15,000.00.

9 130. The aforementioned conduct of Defendants was willful and constitutes oppression,
10 fraud, and malice, and entitles Plaintiffs to an award of punitive damages, pursuant to NRS 42.005,
11 and to attorney's fees in the amount of NRS 41.600.

12 **FOURTH CLAIM FOR RELIEF**
13 **FRAUD - FRAUDULENT CONCEALMENT**
14 **(Against Burton, Lemons, and Harvest)**

15 131. Burton, Lemons, and Harvest concealed or suppressed one or more material facts
16 from Plaintiffs, regarding the sale of 100% of the membership interests of Harvest to MariMed, and
17 had a duty to disclose such facts to the Plaintiffs (as all the Defendants named herein had actual or
18 constructive knowledge of Plaintiffs' membership interests).

19 132. The Defendants named herein intentionally concealed or suppressed the facts of such
20 sale with the intent to defraud the Plaintiffs out of their membership interests in Harvest.

21 133. Plaintiffs were unaware of the execution of the MariMed Purchase Agreement until
22 after it had been completed, and would have intervened before the deal was consummated had
23 Plaintiffs had such prior knowledge of the impending deal.

24 134. As a direct and proximate result of the aforementioned Defendants' concealment, as
25 described herein, Plaintiffs have suffered damages in excess of \$15,000.00.

26 135. The aforementioned conduct of Defendants was willful and constitutes oppression,
27 fraud, and malice, and entitles Plaintiffs to an award of punitive damages, pursuant to NRS 42.005,
28 and to attorney's fees in the amount of NRS 41.600.

FIFTH CLAIM FOR RELIEF
CONSTRUCTIVE FRAUD
(Against Burton, Lemons, and Harvest)

136. Burton, Lemons, and Harvest, with full knowledge of the legal, equitable, and fiduciary obligations owed to Plaintiffs as managing members, officers, and majority shareholders (and as explained in greater detail herein, *infra* Twelfth Cause of Action).

137. The Defendants named herein breached their legal, equitable, and/or fiduciary duties owed to Plaintiffs, in such a way that Nevada law declares such behavior is fraudulent.

138. As a direct and proximate result of the aforementioned Defendants' concealment, as described herein, Plaintiffs have suffered damages in excess of \$15,000.00.

139. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute this action, and the aforementioned Defendants should be required to pay reasonable attorneys' fees as well as costs incurred in accordance with the law, including, without limitation, as special damages.

SIXTH CLAIM FOR RELIEF
ALTERNATIVELY, NEGLIGENT MISREPRESENTATION
(Against Burton, Lemons, and Harvest)

140. Plaintiffs repeat, reallege and incorporate by reference each and every allegation contained in the foregoing Paragraphs of this First Amended Complaint as though set forth in full.

141. Burton, Lemons, and Harvest supplied false information to induce Plaintiffs to enter into the TCS Agreement and the JDD Agreement, as described in the foregoing paragraphs.

142. Specifically, the Defendants named herein represented that Plaintiffs would (1) have a right of first refusal of regarding transfer of any of the membership interests, and (2) that Plaintiffs would be given Exclusive Authorization Rights to approve or deny the purchase, sale, or transfer of any cannabis cultivation, distribution, retail, or other license held by Harvest or any of its individual members, and would be included on any current or future licenses.

143. Such above representations and associated information was supplied to induce Plaintiffs in making an investment in Harvest.

144. The Defendants named herein failed to exercise reasonable care or competence in obtaining or communicating such information.

1 155. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute
2 this action, and the aforementioned Defendants should be required to pay reasonable attorneys' fees
3 as well as costs incurred in accordance with the law, including, without limitation, as special
4 damages.

5 **EIGHTH CLAIM FOR RELIEF**
6 **BREACH OF FIDUCIARY DUTIES AND**
7 **USURPATION OF CORPORATE OPPORTUNITY**
8 **(Against Burton, Lemons, and Harvest)**

9 156. Plaintiffs repeat and re-allege herein by reference each and every allegation set forth
10 in the preceding paragraphs as though fully set forth herein.

11 157. Burton, Lemons, and Harvest owed fiduciary duties to Plaintiffs, by virtue of their
12 positions as officers, managing-members, and majority shareholders.

13 158. The Defendants named herein owed (and/or continue to owe) Plaintiffs and the
14 Company's shareholders fiduciary duties, which include, but are not limited to, duties of loyalty,
15 care, and the implied covenant of good faith and fair dealing.

16 159. The Defendants named herein were under a duty to act for or give advice for the
17 benefit of Plaintiffs, individually, and the shareholders generally, upon matters within the scope of
18 that relationship.

19 160. The Defendants named herein owed Plaintiffs the duty to use due care or diligence,
20 to act with utmost faith, to exercise ordinary skill, and/or to act with reasonable intelligence.

21 161. The Defendants named herein breached their fiduciary duties to Plaintiffs,
22 specifically, and to the shareholders generally, which caused Plaintiffs and the shareholders losses
23 or injuries.

24 162. Moreover, The Defendants named herein appropriated for their own use, an
25 opportunity that belonged to Harvest and its members, including Plaintiffs. At a minimum all
26 Defendants ratified Defendant Anderson and his co-conspirator's conduct.

27 163. Upon information and belief, the Defendants named herein, used the investments of
28 Plaintiffs to acquire additional cannabis cultivation, distribution, and/or retail licenses, for the use
and benefit of all other Harvest's members, other than Plaintiffs.

1 164. Moreover, the Defendants named herein have breached their agreements with
2 Plaintiffs, who were induced to remain as shareholders and investors as a result of such promises.

3 165. Furthermore, the Board that acted unilaterally by circumventing the requirements of
4 NRS 86.241, the Harvest operating agreement, the TCS Agreement, and the JDD Agreement.

5 166. As a direct and foreseeable consequence of Defendants' unlawful and improper
6 conduct, Plaintiffs have been damaged in excess of \$15,000.00.

7 167. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute
8 this action, and Defendants should be required to pay reasonable attorneys' fees as well as costs
9 incurred in accordance with the law, including, without limitation, as special damages.

10 **NINTH CLAIM FOR RELIEF**
11 **CONVERSION**

12 (Against Burton, Lemons, Jeffrey, Fireman, Levine, MariMed, and Harvest)

13 168. Plaintiffs repeat and re-allege herein by reference each and every allegation set forth
14 in the preceding paragraphs as though fully set forth herein.

15 169. The Defendants named herein, facilitated the sale of 100% of the membership
16 interests in Harvest to MariMed without the authorization of and without compensating Plaintiffs.

17 170. The Defendants named herein, specifically denied Plaintiffs the use and enjoyment
18 of their rights in ownership in Harvest.

19 171. Such acts were committed in derogation, exclusion, or defiance of Plaintiffs' rights.

20 172. As a direct and foreseeable consequence of Defendants' unlawful and improper
21 conduct, Plaintiffs has been damaged in excess of \$15,000.00.

22 173. The aforementioned Defendants' actions were deliberate, wanton, willful, and
23 malicious, which justifies an award of punitive damages in favor of Plaintiffs and shareholders,
24 pursuant to NRS 42.005.

25 174. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute
26 this action, and aforementioned Defendants should be required to pay reasonable attorneys' fees as
27 well as costs incurred in accordance with the law, including, without limitation, as special damages.
28

TENTH CLAIM FOR RELIEF
GROSS NEGLIGENCE

(Against Burton, Lemons, and Harvest)

175. Plaintiffs repeat, reallege and incorporate by reference each and every allegation contained in the foregoing Paragraphs of this First Amended Complaint as though set forth in full.

176. The Defendants named herein, owed a legal or fiduciary duty to Plaintiffs (as described in the foregoing paragraphs) as majority shareholders, and/or as managing members and officers of Harvest.

177. The Defendants named herein, failed to exercise even the slightest degree of care with regard to the duties owed to Plaintiffs, and breach those duties.

178. The Defendants named herein, attempted to sell Plaintiffs interest to MariMed without giving them any valuable consideration.

179. The Defendants named herein, engaged in an act or omission respecting legal duty of an aggravated character, or with willful, wanton misconduct.

180. As a direct and proximate result of such actions, Plaintiffs have been damaged and continue to be damaged in a sum in excess of \$15,000.00.

181. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute this action, and aforementioned Defendants should be required to pay reasonable attorneys' fees as well as costs incurred in accordance with the law, including, without limitation, as special damages.

ELEVENTH CLAIM FOR RELIEF
CIVIL CONSPIRACY
(Against All Defendants)

182. Plaintiffs incorporate by reference all previous paragraphs above as though set forth herein.

183. Defendants intended to work together as part of a conspiracy to commit the unlawful and improper conduct described herein.

184. Defendants acted by a concert of action by agreement, understanding, or "meeting of the minds," whether explicit or by tacit agreement, to carry out the unlawful and improper conduct described herein.

1 185. As a direct and foreseeable consequence of Defendants' unlawful and improper
2 conduct, Plaintiffs and the shareholders have been damaged in excess of \$15,000.00.

3 186. The Defendants' conduct is wanton, willful, and malicious, justifying an award of
4 punitive damages in favor of Plaintiffs, pursuant to NRS 42.005.

5 187. The Defendant's conduct is wanton, willful, and malicious, justifying an award of
6 punitive damages in favor of Plaintiffs in excess of \$15,000.00.

7 188. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute
8 this action, and Defendants should be required to pay reasonable attorneys' fees as well as costs
9 incurred in accordance with the law, including, without limitation, as special damages.

10 **TWELFTH CLAIM FOR RELIEF**
11 **EQUITABLE RELIEF - ALTER EGO**
12 (Against All Defendants)

13 189. Plaintiffs repeat, reallege and incorporate by reference each and every allegation
14 contained in the foregoing Paragraphs of this First Amended Complaint as though set forth in full.

15 190. Upon information and belief, there is a unity of interest and ownership between all
16 Defendants, such that the Defendant entities and the individual persons are inseparable from one
17 another.

18 191. Upon information and belief, the adherence to the corporate fiction of Harvest,
19 MariMed, Strive Management, Strive Wellness, Strive Wellness 2, Item 9 Labs, and Item 9
20 Properties ("Defendant Entities"), under the circumstances, would sanction a fraud or promote
21 injustice, as described herein.

22 192. Upon information and belief, all individual Defendants (1) undercapitalized each
23 Defendant Entity and comingled funds with the general funds of each Defendant entity, (2) failed
24 to observe corporate formalities, (3) took and gave loans to or from one or more of the Defendant
25 Entities without sufficient consideration, and (4) generally treated the assets of the Defendant
26 Entities as their own personal assets.

27 ///

28 ///

THIRTEENTH CLAIM FOR RELIEF
AIDING AND ABETTING BREACH OF FIDUCIARY DUTIES
(Against all Defendants)

193. Plaintiffs repeat, reallege and incorporate by reference each and every allegation contained in the foregoing Paragraphs of this First Amended Complaint as though set forth in full.

194. As specified foregoing paragraphs, a fiduciary relationship exists between Plaintiffs as members of Harvest, on the one hand, and Burton and Lemons as officers and managing-members of Harvest, on the other hand.

195. As specified in the foregoing paragraphs, Burton and Lemons, as officers and managing-members of Harvest, breached their fiduciary duties to Plaintiffs.

196. Each Defendant, including Burton and Lemons as to each other's respective breaches, knowingly participated in or facilitated said breaches.

197. As a direct and foreseeable consequence of Defendants' unlawful and improper conduct, Plaintiffs and the shareholders have been damaged in excess of \$15,000.00.

198. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute this action, and Defendants should be required to pay reasonable attorneys' fees as well as costs incurred in accordance with the law, including, without limitation, as special damages.

199. Defendants' actions were deliberate, wanton, willful, and malicious, which justifies an award of punitive damages in favor of Plaintiffs and shareholders, pursuant to NRS 42.005.

FOURTEENTH CLAIM FOR RELIEF
INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS
(Against All Defendants)

200. Plaintiffs repeat, reallege and incorporate by reference each and every allegation contained in the foregoing Paragraphs of this First Amended Complaint as though set forth in full.

201. Defendants had actual knowledge, or had reason to know, of Plaintiffs interests in Harvest, and Plaintiffs' Exclusive Authorization Rights and the right of first refusal, as outlined in the foregoing paragraphs.

1 202. Upon information and belief, Defendants intentional acts were intended or designed
2 to disrupt the contractual relationships between Plaintiffs and other cannabis entities, including, but
3 not limited to Defendants, and other Doe individuals and Roe entities.

4 203. Upon information and belief, Defendants new of the TCS Agreement and JDD
5 Agreement, and committed intentional acts to prevent Plaintiffs from appreciating rights thereunder.

6 204. As a direct and foreseeable consequence of the unlawful, improper, unprivileged,
7 and unjustified conduct of the Defendants named herein, Plaintiffs and the shareholders have been
8 damaged in excess of \$15,000.00.

9 205. Defendants' actions were deliberate, wanton, willful, and malicious, which justifies
10 an award of punitive damages in favor of Plaintiffs and shareholders, pursuant to NRS 42.005.

11 206. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute
12 this action, and Defendants should be required to pay reasonable attorneys' fees as well as costs
13 incurred in accordance with the law, including, without limitation, as special damages.

14 **FIFTEENTH CLAIM FOR RELIEF**
15 **INTENTIONAL INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE**
16 **(Against All Defendants)**

17 207. Plaintiffs repeat, reallege and incorporate by reference each and every allegation
18 contained in the foregoing Paragraphs of this First Amended Complaint as though set forth in full.

19 208. Upon information and belief, Defendants new of the TCS Agreement and JDD
20 Agreement, and committed intentional acts to prevent Plaintiffs from appreciating rights under the
21 MariMed Purchase Agreement or Item 9 Agreements.

22 209. Defendants' actions were intended or designed to disrupt the prospective contractual
23 relationships between Plaintiffs and other cannabis entities, including, but not limited to Defendants,
24 and other Doe individuals and Roe entities.

25 210. Upon information and belief, Defendants new of the TCS Agreement and JDD
26 Agreement, and committed intentional acts to prevent Plaintiffs from appreciating rights thereunder,
27 or under the MariMed Purchase Agreement or Item 9 Agreements.

1 211. As a direct and foreseeable consequence of the unlawful, improper, unprivileged,
2 and unjustified conduct of the Defendants named herein Plaintiffs and the shareholders have been
3 damaged in excess of \$15,000.00.

4 212. The actions of the Defendants named herein were deliberate, wanton, willful, and
5 malicious, which justifies an award of punitive damages in favor of Plaintiffs and shareholders,
6 pursuant to NRS 42.005.

7 213. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute
8 this action, and Defendants should be required to pay reasonable attorneys' fees as well as costs
9 incurred in accordance with the law, including, without limitation, as special damages.

10 **SIXTEENTH CLAIM FOR RELIEF**
11 **EQUITABLE RELIEF – PROMISSORY ESTOPPEL,**
12 **INJUNCTIVE RELIEF, AND ACCOUNTING**
 (Against All Defendants)

13 214. Plaintiffs repeat, reallege and incorporate by reference each and every allegation
14 contained in the foregoing Paragraphs of this First Amended Complaint as though set forth in full.

15 215. Upon information and belief, the Defendants named herein were apprised of true
16 facts as alleged in the foregoing paragraphs.

17 216. Defendants intended to exclude Plaintiffs from the MariMed Purchase Agreement
18 and Item 9 Agreements, even though Defendants know of Plaintiffs were entitled to be a part of
19 those contracts.

20 217. Plaintiffs were ignorant of the true facts until after the MariMed Purchase Agreement
21 had been consummated.

22 218. Plaintiffs relied on the conduct of the Defendants named herein, to the Plaintiffs'
23 detriment, as described in the foregoing paragraphs.

24 219. As described in the foregoing paragraphs, a fiduciary relationship, based on trust and
25 confidence, exists between Plaintiffs on the one hand, and Burton, Lemons, and Harvest, on the
26 other hand.

27 220. Plaintiffs have demanded the information necessary, or an accounting from the
28 Defendants named herein, and payment for the amounts found due, but Defendants have failed and

1 refused, and continue to fail and refuse to render such an accounting and to pay said sums to
2 Plaintiffs.

3 221. As a result of the aforementioned Defendant's actions set forth herein, Plaintiffs are
4 entitled to an Order of this Court, enjoining and restraining the Defendants to provide access to the
5 Court, and an accounting to be made of the aforementioned Defendant's records, regarding their
6 various breaches of or interference with the TCS Agreement and JDD Agreement.

7 222. Plaintiffs are also entitled to an order from this Court enjoining the closing of the
8 MariMed Purchase Agreement and transfer of Plaintiffs' Harvest membership interests to MariMed.

9 **SEVENTEENTH CLAIM FOR RELIEF**
10 **(CIVIL RACKETERING INFLUENCED AND CORRUPT**
11 **ORGANIZATIONS ACT - RICO)**
12 **(Against Burton, Lemons, and Harvest)**

13 223. Plaintiffs repeat, reallege and incorporate by reference each and every allegation
14 contained in the foregoing paragraphs of this First Amended Complaint as though set forth in full.

15 224. The Defendants named herein, engaged in racketeering activities as defined in NRS
16 207.390 and a racketeering enterprise as is defined in NRS 207.380.

17 225. Specifically, the Defendants named herein committed multiple violations of the acts
18 described in NRS 90.570 and NRS 205.377, based on the allegations in the foregoing paragraphs.

19 226. The Defendants named herein, acting directly, and in conspiracy with one another or
20 through their syndicate, participated directly in racketeering activity by engaging in at least two
21 crimes related to racketeering.

22 227. The activities of the Defendants named herein, have the same or a similar pattern,
23 intent, results, accomplices, victims, or methods of commission, or otherwise interrelated by
24 distinguishing characteristics and are not isolated events.

25 228. Specifically, Lemons and Burton have consistently excluded Plaintiffs from their
26 rights under the TCS Agreement and JDD Agreement, on multiple occasions.

27 229. The Defendants named herein, acquired or maintained directly or indirectly an
28 interest in, or control of, an enterprise, or otherwise employed by or associated with an enterprise,

1 to conduct or participate directly or indirectly in the affairs of the enterprise through a racketeering
2 activity.

3 230. Plaintiffs' injuries flow from Defendants' violation of a predicate act of Nevada's
4 RICO statute.

5 231. Plaintiffs' injury was proximately caused by the Defendant's violation of the
6 predicate act.

7 232. Plaintiffs did not participate in the commission of the predicate act.

8 233. Plaintiffs are entitled to institute a civil action for recovery of treble damages
9 proximately caused by the RICO violations listed in NRS 207.470(1), by Defendants named herein.

10 234. As a direct and foreseeable consequence of the unlawful, improper, unprivileged,
11 and unjustified conduct of the Defendants named herein Plaintiffs and the shareholders have been
12 damaged in excess of \$15,000.00.

13 235. The actions of the Defendants named herein were deliberate, wanton, willful, and
14 malicious, which justifies an award of punitive damages in favor of Plaintiffs and shareholders,
15 pursuant to NRS 42.005.

16 236. It has been necessary for Plaintiffs to retain the services of an attorney to prosecute
17 this action, and Defendants should be required to pay reasonable attorneys' fees as well as costs
18 incurred in accordance with the law, including, without limitation, as special damages.

19 **EIGHTEENTH CLAIM FOR RELIEF**
20 **ATTORNEYS' FEES AS SPECIAL DAMAGES**
21 **(Against All Defendants)**

22 237. Plaintiffs repeat, reallege and incorporate by reference each and every allegation
23 contained in the foregoing paragraphs of this First Amended Complaint as though set forth in full.

24 238. Plaintiffs are entitled to collect attorney fees as special damages pursuant to NRCP
25 9(g). *See Liu v. Christopher Homes, LLC*, 321 P.3d 875 (2014); *Sandy Valley Assoc. v. Sky Ranch*
Estates Owners Ass'n, 117 Nev. 948, 956, 35 P.3d 964, 969 (2001).

26 239. Plaintiffs have incurred attorneys' fees as a "natural and proximate consequence of
27 the injurious conduct" of all named Defendants, with regard to Plaintiffs' Causes of Action as
28

1 pleaded *supra*. See *Liu v. Christopher Homes, LLC*, 321 P.3d 875 (2014); *Sandy Valley Assoc. v.*
2 *Sky Ranch Estates Owners Ass'n*, 117 Nev. 948, 956, 35 P.3d 964, 969 (2001).

3 **NINETEENTH CLAIM FOR RELIEF**
4 **(DECLARATORY RELIEF)**
5 (Against All Defendants)

6 240. Plaintiffs repeat, reallege and incorporate by reference each and every allegation
7 contained in the foregoing paragraphs of this First Amended Complaint as though set forth in full.

8 241. A justifiable controversy exists between Plaintiffs each respective Defendants, as
9 named herein, with regard to Plaintiffs rights under the TCS Agreement, JDD Agreement, the
10 MariMed Purchase Agreement, and the Item 9 Membership Purchase Agreement.

11 242. Plaintiffs assert a claim of a legally protected right in contract, and such issue of
12 contractual rights is ripe for judicial determination at this time.

13 243. Plaintiffs assert of a legally protected right in all the personal and real property of
14 Harvest, including, but not limited to, the leasehold estate of Harvest's cultivation facility located
15 at: 3395 Pinks Place, Las Vegas, Nevada, 89102-8407 (APN: 162-17-110-013).

16 244. Plaintiffs ask the Court to determine the parties' relative rights under the contract,
17 and to find that all contractual agreements alleged in the foregoing paragraphs are subject to
18 Plaintiffs claims thereto.

19 **PRAYER FOR RELIEF**

20 **WHEREFORE** Plaintiffs pray for judgment in their favor and against Defendants as
21 follows:

- 22 A. For damages and pre- and post-judgment interest in excess of \$15,000.00;
23 B. For all equitable, injunctive, and declaratory relief as pleaded herein;
24 C. For Plaintiffs' attorney's fees and costs incurred in bringing the action, including
25 attorney's fees as special damages;
26 D. For punitive, treble, and other special damages; and

27 ///

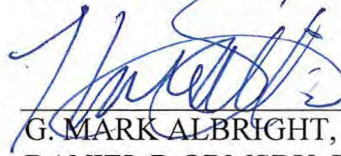
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1 E. For such other and further relief as this Court may deem appropriate.

2 DATED this 9th day of September, 2020

3 ALBRIGHT, STODDARD, WARNICK & ALBRIGHT

4 

5 G. MARK ALBRIGHT, ESQ., NBN 001394

6 DANIEL R ORMSBY, ESQ., NBN 014595

7 HAYDEN R.D.SMITH, ESQ. NBN 015328

8 801 South Rancho Drive, Suite D-4

9 Las Vegas, Nevada 89106

10 Tel: (702) 384-7111

11 Fax: (702) 384-0605

12 *Attorneys for Plaintiffs*

EXHIBIT “1”

MEMBERSHIP INTEREST SALES AGREEMENT

This Membership Interest Sales Agreement ("Agreement"), dated this 22 day of September, 2015, is by and between TCS Partners L.L.C., a Nevada Limited Liability company ("TCS" or "Buyer"), and Larry Lemons ("Lemons") and Donald Burton ("Burton").

Recitals

1. Harvest is a Nevada Limited Liability Company in the business of operating a medical marijuana cultivation facility in Nevada. The Members of Harvest are Donald Burton, Larry Lemons, Jeff Yokiel, and Jerome Yokiel.

2. TCS wishes to purchase a 9.9% (nine and 9/10th percent) Membership interest in Harvest and the Members and Managing Member of Harvest have approved the sale of a 9.9% (nine and 9/10th percent) interest in Harvest to TCS.

Membership Interest Purchase

1. Transfer of Interest. Lemons hereby transfers 4.95% (four and 95/100th percent) Membership interest in Harvest to TCS, Burton hereby transfers a 4.95% (four and 95/100th percent) Membership interest. With this transfer of Membership interests, TCS shall own 9.9% (nine and 9/10th percent) of the Membership interests in Harvest, Burton shall own 25.05% (twenty-five and 5/100th percent) of the Membership interests in Harvest, Lemons shall own 25.05% (twenty-five and 5/100th percent) of the Membership interest in Harvest, Jeff Yokiel shall own 30% (thirty percent) of the Membership interest in Harvest and Jerome Yokiel shall own 10% (ten percent) of the Membership interest in Harvest.

2. Authority to Transfer. Lemons and Burton warrant that they have not sold, conveyed, assigned, pledged or otherwise encumbered the Membership interests in Harvest that have been conveyed to TCS and are fully authorized to enter into this agreement.

3. Payment. TCS shall pay Harvest \$371,250.00 (three hundred seventy-one thousand two hundred fifty and no/100 dollars) for the transfer of 9.9% (nine and 9/10th percent) of Harvest's Membership interest to TCS. TCS shall pay this amount via wire transfer or in certified funds upon execution of this Agreement. The Parties agree that a member or members of TCS may make the payment on behalf of TCS.

4. Restriction on Transfers of Equity in Harvest. The Parties agree that there will not be any additional transfer of equity or membership interest in Harvest for a period of twelve (12) months after the execution of this document as doing so could affect Harvest's license to operate pursuant to Nevada law.

5. Ownership Interest in Company. TCS understands and agrees that the purchase of these Membership Interests provides it an equity interest in Harvest.

6. Management. TCS understands and agrees that its purchase of Membership Interests in Harvest will entitle it to a pro rata share of any distributions of profits made by the Company, and to the right to vote as a Member on matters as provided in the Company's Operating Agreement. TCS understands and agrees that Hutton is now and will continue to be a Managing Member and CEO of Harvest and that Lemons is now and will continue to be a Managing Member and COO of Harvest.

7. Additional Documents. The Parties agree to take any additional actions and to execute any additional documents that may be required by regulatory authorities to ensure compliance with any laws or regulations.

8. Revision of Governing Documents. The Parties agree that the Operating Agreement and all other governing documents for Harvest shall be revised to reflect TCS's purchase of the membership interest described herein and that this Agreement shall be attached as an exhibit thereto.

9. Notices. Any notice required to be given pursuant to this Agreement shall be given via certified mail to the addresses shown below, or to such other addresses as the Parties may hereafter designate in writing:

Donald E. Burton
3395 Pinks Place
Las Vegas, NV 89102

TCS Partners L.L.C.
c/o Trevor Schmidt
2359 Villandry Ct.
Henderson, NV 89074

7. Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof. This Agreement may not be altered, amended, expanded or otherwise changed except by a written agreement executed by both Parties.

8. Governing Law. This Agreement shall be construed as if drafted equally by both Parties and shall not be construed against either Party. This Agreement shall be governed by the substantive laws of the State of Nevada without regard to any choice of law rules that might otherwise apply.

9. Dispute Resolution. Any dispute arising out of or relating to this Agreement shall be resolved in a court of competent jurisdiction in the Nevada State Court system in Clark County, Nevada.


Donald E. Burton


Larry Lemons

By: TCS Partners L.L.C.

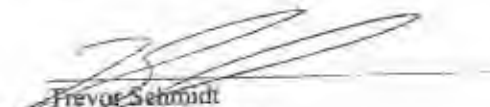

Trevor Schmidt
Managing Member

EXHIBIT “2”

MEMBERSHIP INTEREST PURCHASE AGREEMENT

This Membership Interest Purchase Agreement, dated as of August 7, 2019 (this "Agreement"), is entered into by and among (i) MariMed, Inc., a Delaware corporation ("Buyer"), (ii) The Harvest Foundation LLC, a Nevada limited liability company (the "Company") and (iii) Donald Burton, Larry Lemons and Jeffrey Yokiel (each, a "Seller," and collectively, the "Sellers"). The Sellers and the Company are sometimes referred to herein as the "Seller Parties," and the Buyer and the Seller Parties are sometimes referred to herein as the "Parties," and each, a "Party."

Recitals

WHEREAS, the Sellers collectively own 100% of the issued and outstanding membership interests of the Company (the "Membership Interests");

WHEREAS, the Company holds (i) a medical cannabis cultivation license, (ii) an adult use cannabis cultivation license and (iii) a cannabis distribution license, each from the State of Nevada, and operates a cannabis cultivation and distribution facility in Clark County, Nevada (the "Business"); and

WHEREAS, subject to the terms and conditions set forth in this Agreement, the Sellers have determined to sell, and the Buyer desires to purchase from the Sellers, the Membership Interests, all as more specifically provided herein.

NOW, THEREFORE, intending to be legally bound, in consideration of the mutual covenants and agreements contained herein, the Parties hereby agree as follows:

Agreement

1. Definitions. For purposes of this Agreement, the capitalized terms not otherwise defined in the body of this Agreement shall have the meanings ascribed to such terms in Exhibit A attached hereto, which defined terms are incorporated herein by reference.

2. Sale and Purchase of Membership Interests.

2.1. Sale and Purchase. Subject to and upon the terms and conditions contained in this Agreement, the Sellers shall sell, transfer, convey, assign and deliver to the Buyer, and the Buyer shall purchase and acquire from the Sellers, good and marketable title to the Membership Interests at the Closing, free and clear of all Encumbrances.

2.2. Purchase Price. The aggregate consideration to be paid by the Buyer to the Sellers for the Membership Interests (the "Purchase Price") shall be a number of shares of common stock of the Buyer ("Buyer Common Stock") equal to \$1,200,000 *divided by* the closing stock price of Buyer Common Stock on the last trading day immediately preceding the Closing Date (the "Shares"). The Purchase Price shall be allocated to the Sellers in accordance with the allocation schedule attached hereto as Exhibit B (the "Allocation Schedule"). On the Closing Date, the Buyer shall issue to each Seller such Seller's pro rata portion of the Shares, as set forth on the Allocation

Schedule; *provided*, however, that no fractional shares of Buyer Common Stock shall be issued, and the Shares issuable to each Seller shall be rounded down to the nearest whole share.

2.3. Closing. The closing of the sale and purchase of the Membership Interests (the "Closing") shall take place via electronic exchange of signature pages, as promptly as practicable, but in no event later than the second (2nd) business day following the satisfaction or waiver of each of the conditions set forth in Section 6 (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at Closing), or at such other time and place as the Buyer and the Sellers may agree in writing. The date on which the Closing occurs is the "Closing Date".

3. Representations and Warranties of the Seller Parties. The Seller Parties, jointly and severally, hereby represent and warrant to the Buyer as of the date hereof, and at and as of the Closing Date, as follows:

3.1. Organization. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Nevada. The Company has the requisite power and authority to own, lease and operate the properties now owned, leased and operated by it and to carry on its business as currently conducted. The Company is duly qualified to do business as a foreign entity in each jurisdiction in which the nature of its business or the character of its properties makes such qualification necessary, except where the failure to do so would not have a Material Adverse Effect on the Company. The Company does not have any subsidiaries or hold any equity securities of any other Person.

3.2. Enforceability. This Agreement and each other agreement or instrument executed and delivered by any Seller Party at the Closing (collectively, the "Seller Party Closing Documents") has been duly authorized by all requisite action on the part of such Seller Party. This Agreement constitutes, and the Seller Party Closing Documents will constitute as of the Closing, the legal, valid and binding obligation of the Seller Parties, enforceable against the Seller Parties in accordance with its terms, subject to the effect of any applicable bankruptcy, moratorium, insolvency, fraudulent conveyance, reorganization, or other similar law affecting the enforceability of creditors' rights generally and to the effect of general principles of equity which may limit the availability of remedies (whether in a proceeding at law or in equity) (collectively, the "Enforceability Exceptions").

3.3. No Violation, Consents. The execution and delivery of this Agreement and each Seller Party Closing Document by the Seller Parties, and the performance of their obligations hereunder and thereunder does not and will not (a) violate or conflict with any provision of the organizational documents of the Company, (b) violate, or conflict with, or result in a breach of any provision of, or constitute a default or give rise to any right of termination, cancellation or acceleration (with the passage of time, notice or both) under any Contract to which a Seller Party is a party or by which a Seller Party is bound, (c) violate or conflict with any Legal Requirement to which the Company or any of their properties or assets are subject or (d) result in any Encumbrance on any assets of the Company. Without limiting the foregoing, none of the Seller Parties have granted any right to any third party which would conflict with the conveyance of the Membership Interests to Buyer. Except for the notices and Consents required under Nevada Cannabis Legal Requirements, no Seller Party is required to give any notice to or obtain any

Consent from any Person in connection with the Seller Parties' execution and delivery of this Agreement or any of the Seller Party Closing Documents, or the consummation or performance of the transactions contemplated hereby or thereby.

3.4. Capitalization. The Sellers own 100% of the issued and outstanding membership interests of the Company, in the amounts set forth on the Allocation Schedule, and no other Person has ever held any equity interest in the Company. The Membership Interests were duly authorized, validly issued, and are fully paid and non-assessable. There are no securities outstanding which are convertible into, exchangeable for, or carrying the right to acquire, equity interests (or securities convertible into or exchangeable for equity interests) of the Company, or subscriptions, warrants, options, calls, convertible securities, registration or other rights or other arrangements or commitments obligating the Company to issue, transfer or dispose of any of its equity interests or any ownership interest therein and there are no pre-emptive rights in respect of any securities of the Company. There are no outstanding obligations of the Company to repurchase, redeem or otherwise acquire any equity interests.

3.5. Title. Each Seller is the lawful owner of, and has good and marketable title to, the Membership Interest set forth opposite such Seller's name on the Allocation Schedule, free any clear of all Encumbrances. None of the Sellers have granted a currently effective power of attorney or proxy to any person with respect to all or any part of the Membership Interests. There are no outstanding options, warrants or other similar rights in respect of the Membership Interests and, except as set forth in this Agreement, none of the Seller Parties is a party to or bound by any agreement, undertaking or commitment to, directly or indirectly, sell, exchange or transfer the Membership Interests. Following the Closing, the Buyer will own 100% of the outstanding membership interests of the Company, free and clear of all Encumbrances.

3.6. Legal Proceedings. There is no pending or, to the knowledge of any Seller Party, threatened Proceeding by or against any Seller Party (i) that relates to or may affect the Business or any of the Membership Interests; or (ii) that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, the transactions contemplated hereby. There are no Judgments currently outstanding involving or related to the Company (or any of their managers, officers or members in their capacities as such) or affecting the Business or any of the Company's assets.

3.7. Compliance With Legal Requirements; Governmental Authorizations.

(a) Except with respect to federal Legal Requirements regarding the manufacture, cultivation, possession, use, sale or distribution of cannabis or cannabis products, the Company is in material compliance with all Legal Requirement applicable to the Company. The Company has not received any written notice from a Governmental Body that alleges that it is not in compliance with any Legal Requirement, and the Company has not been subject to any adverse inspection, finding, investigation, penalty assessment, audit or other compliance or enforcement action.

(b) The Company has all Governmental Authorizations reasonably necessary for the conduct of the Business (the "Company Permits"). All conditions of or restrictions on the Company Permits that may materially affect the ability of the Company to

perform any cannabis related activity authorized by Nevada law, whether or not embodied in such Company Permit, have been disclosed to the Buyer. All of the Company Permits are valid and in full force and effect, and the Company is not in breach or default in any material respect under any Company Permit. No notices have been received by and no claims have been filed against the Company alleging a material violation of any Company Permit and no event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, termination, lapse or limitation of any Company Permit. Each Seller Party hereby covenants that it shall promptly notify the Buyer of any such notice hereafter given and/or of any such action hereafter threatened or contemplated. All fees and charges with respect to the Company Permits due through the date hereof have been paid in full and will be paid in full through the Closing.

(c) Neither of the Sellers nor any of the Company's key employees, officers, directors or managers have been subject to a recommendation or determination by any Governmental Body that such Person is not suitable for licensure in connection with a cannabis business in the State of Nevada.

(d) None of the Seller Parties has, nor, to the knowledge of the Seller Parties have any employees, agents or other representatives of the Company on behalf of the Company, directly or indirectly, made or authorized any payment, contribution or gift of money, property or services, in contravention of applicable Legal Requirement, (1) as a kickback or bribe to any Person or (2) to any political organization, or the holder of or any candidate for any elective or appointive public office, except for personal political contributions not involving the direct or indirect use of funds of the Company.

(e) To the Seller Parties' knowledge (a) the Company is and has been in compliance with all Environmental Laws; (b) there has been no release or, to the Seller Parties' knowledge, threatened release, of any pollutant, contaminant or toxic or hazardous material, substance or waste or petroleum or any fraction thereof (each a "Hazardous Substance"), on, upon, into or from any site currently or heretofore owned, leased or otherwise used by the Company; (c) there have been no Hazardous Substances generated by the Company that have been disposed of or come to rest at any site that has been included in any published U.S. federal, state or local "superfund" site list or any other similar list of hazardous or toxic waste sites published by any governmental authority in the United States; and (d) there are no underground storage tanks located on, no polychlorinated biphenyls ("PCBs") or PCB-containing equipment used or stored on, and no hazardous waste as defined by the Resource Conservation and Recovery Act, as amended, stored on, any site owned or operated by the Company, except for the storage of hazardous waste in compliance with Environmental Laws. The Company has made available to the Buyer true and complete copies of all material environmental records, reports, notifications, certificates of need, permits, pending permit applications, correspondence, engineering studies and environmental studies or assessments. None of the Seller Parties have received any written notice regarding any actual or alleged violation of or material liability under Environmental Laws.

3.8. Brokers or Finders. No Seller Party has incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payments in connection with the sale of the Membership Interests or the transactions contemplated hereby.

3.9. Books and Records. All the books of account and other Records of the Company (including, without limitation, manager and member resolutions, minutes and written consents) have been made available to Buyer.

3.10. Property.

(a) Owned Property. The property and assets that the Company owns (including, without limitation, the Owned Real Property and the Tangible Personal Property) are (i) free and clear of Encumbrances, and (ii) are in good operating condition and repair (subject to normal wear and tear). The Company has good and insurable fee simple title to all parcels of Owned Real Property. The Company has not granted any lease, license or other agreement granting to any Person any right to use or occupancy of the Owned Real Property or any portion thereof. All Tangible Personal Property used in the Business is in the possession of the Company.

(b) Leased Property. With respect to the property and assets that the Company leases (including, without limitation, real property that the Company leases, subleases, licenses or otherwise uses or occupies (collectively, the "Leased Real Property," and together with the Owned Real Property, the "Company Real Property")), (i) the Company is in compliance with all agreements related to such property and assets, (ii) the Company holds a valid leasehold interest free of any Encumbrances, other than those of the lessors of such property or assets and (iii) such property and assets are in good operating condition and repair (subject to normal wear and tear). No Person other than the Company has any right to use or occupy the Leased Real Property or any portion thereof. The Company has made available to the Buyer true and correct copies of all leases with respect to the Leased Real Property.

(c) The Company Real Property is suitable for the conduct of the Business. The Closing will not affect the continued use and possession of the Company Real Property by the Company. Neither the operation of the Business on the Company Real Property nor such Company Real Property, including the improvements thereon, violate in any material respect any applicable building code, zoning requirement or statute relating to such property or operations thereon, and any such non-violation is not dependent on so-called non-conforming use exceptions. To the knowledge of the Seller Parties, there is no existing, pending or threatened (i) condemnation proceedings affecting the Company Real Property, (ii) zoning, building code or other moratorium proceedings, or similar matters which could reasonably be expected to adversely affect the ability to operate the Business on the Company Real Property, or (iii) special assessments or public improvements that may result in special assessments against or otherwise affect the Company Real Property. Neither the whole nor any material portion of the Company Real Property has been damaged or destroyed by fire or other casualty. To the knowledge of the Seller Parties, there are no structural, latent or hidden, defects in the buildings and other structures that are part of the Company Real Property, and there are no restrictive covenants, easements or other written agreements with respect to the Company Real Property, in either case that would materially affect the ability of the Company to operate the Business on the Company Real Property.

3.11. Title To Assets; Sufficiency. The Company owns good and marketable title to, or a valid lease or license, as applicable, to all of its assets free and clear of all Encumbrances. The furniture, machinery, equipment, vehicles, goods and other items of Tangible Personal Property of the Company are structurally sound, are in satisfactory operating condition and repair,

and are adequate for the uses to which they are currently being put, and none of such furniture, machinery, equipment, vehicles, goods and other items of Tangible Personal Property of the Company is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost. The assets of the Company are sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted prior to the Closing and constitute all of the rights, property and assets necessary to conduct the Business.

3.12. Inventory. All inventory of the Company is and will, whether or not reflected in the Balance Sheet, consist of a quality and quantity useable and saleable in the Ordinary Course of Business consistent with past practice, except for obsolete, damaged or defective items that have been written off or written down to fair market value or for which adequate reserves have been established. All such inventory is owned by the Company free and clear of all Encumbrances, and no inventory is held on a consignment basis. The quantities of each item of inventory (whether raw materials, work-in-process or finished goods) at the Closing will be consistent with the quantities historically held by the Company.

3.13. Financial Statements. Complete copies of the financial statements of the Company consisting of (a) the balance sheet (audited if available) of the Company as of December 31, 2018 and the related statements of income, members' equity and cash flow for the year then ended and (b) the unaudited balance sheet of the Company as of June 30, 2019 (the "Balance Sheet") and the related statements of income, members' equity and cash flow for the six (6) months then ended (collectively, the "Financial Statements") have been made available to the Buyer. The Financial Statements are based on the books and records of the Company, and fairly present in all material respects the financial condition of the Company as of the dates they were prepared and the results of the operations of the Company for the periods indicated.

3.14. Undisclosed Liabilities. The Company does not have any indebtedness or other Liabilities except for (a) Liabilities specifically reflected on, and fully reserved against in, the Balance Sheet and (b) Liabilities which have arisen since the date of the Balance Sheet in the ordinary course of business and which are, in nature and amount, consistent with those incurred historically and are not material to the Company, individually or in the aggregate.

3.15. Company Indebtedness. The Company has disclosed to the Buyer all of the Company's obligations for borrowed money or in respect of loans or advances (whether or not evidenced by bonds, debentures, notes or other similar instruments or debt securities) incurred prior to the Closing ("Company Indebtedness"), all of which shall be repaid, discharged or otherwise satisfied at or prior to the Closing. The Company is not a guarantor for any Liability of any other Person.

3.16. Taxes.

(a) The Company has timely filed all Tax Returns that were required to be filed by it, taking into account any valid extensions of time to file such Tax Returns. All such Tax Returns were true, correct and complete in all material respects and have been prepared in compliance with all Legal Requirements. All Taxes owed by the Company (whether or not shown on any Tax Return) have been timely paid. No penalty, interest or other charge is or will become due with respect to the late filing of any such Tax Return or late payment of any such Tax. The

Company is not liable for any Tax of any other Person under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or foreign law), or as a transferee or successor, by Contract or otherwise.

(b) The Company (i) has withheld from all payments to employees, customers, independent contractors, creditors, members and any other applicable payees proper and accurate amounts for all taxable periods in compliance with all Tax withholding provisions of applicable federal, state, local and foreign laws, (ii) has remitted, or will remit on a timely basis, such amounts to the appropriate taxing authority, and (iii) has furnished or been furnished properly completed exemption certificates for all exempt transactions and has maintained records of such exemption certificates in compliance with all Legal Requirements.

(c) No audit, examination or other proceeding of any nature by a Governmental Body is presently in progress with respect to any Tax or Tax Return of the Company. Neither the Company nor any member, manager, director or officer of the Company has received (i) notice of commencement of an audit, examination or other proceeding of any nature by a Governmental Body with respect to any Tax or Tax Return of the Company, (ii) a request for information related to any Tax matters of the Company or (iii) the assessment (or proposed assessment) of any additional Taxes against the Company for any period, nor does any Seller Party have any reason to expect any such items to be forthcoming. The Seller Parties have delivered to the Buyer correct and complete copies of all examination reports and statements of deficiencies assessed against or agreed to by the Company or that relate to any tax year or other Tax period for which the applicable limitations period has not expired.

(d) There are no liens for Taxes upon the assets of the Company, other than liens for Taxes not yet due and payable.

(e) There are no outstanding agreements or waivers (by operation of law or otherwise) extending the statutory period of limitations applicable to any Tax or Tax Return of the Company for any period.

(f) The Company is not a party to any Tax allocation or Tax sharing agreement (including any Tax indemnity arrangement) pursuant to which it would have any obligation to make payments after the Closing. The Company is not, and it has never been, a member of an affiliated, combined or unitary group for Tax purposes. The Company (i) has not made any payments; (ii) is not obligated to make any payments; and (iii) is not a party to any agreement that could obligate it to make any payments that will not be deductible (in whole or in part) under Sections 162, 280G or 404 of the Code.

(g) None of the assets of the Company is property that any Seller Party is required to treat as being owned by any other Person pursuant to the so-called "safe harbor lease" provisions of former Section 168(f)(8) of the Code. None of the assets of the Company directly or indirectly secures any debt the interest on which is tax-exempt under Section 103(a) of the Code. None of the assets of the Company is "tax-exempt use property" within the meaning of Section 168(h) of the Code. The Company does not own an interest in any controlled foreign corporation (as defined in Section 957 of the Code), passive foreign investment company (as defined in Section

1297 of the Code) or other entity the income of which is or could be required to be included in the income of the Company.

(h) The Company is, and from the date of its formation has been, classified as either a partnership or a disregarded entity for federal income tax purposes and in each state where the Company does business or is required to file Tax Returns. No election has been made (on IRS Form 8832 or any other form, or on any comparable state tax form) to classify the Company as an association taxable as a corporation or any other form of entity other than a partnership or disregarded entity for federal and state income tax purposes. The Company is not, and it has never been, a publicly traded partnership as that term is defined in Section 7704 of the Code.

3.17. Employees; Employee Benefit Plans.

(a) The Company is not delinquent in payments to any of its employees, consultants or independent contractors for any wages, salaries, commissions, bonuses, or other direct compensation for any service performed for it to the date hereof or amounts required to be reimbursed to such employees, consultants and independent contractors. The Company has complied in all material respects with all applicable state and federal equal employment opportunity laws and with other laws related to employment, including those related to wages, hours, worker classification and collective bargaining. The Company has withheld and paid to the appropriate Governmental Body or is holding for payment not yet due to such Governmental Body all amounts required to be withheld from employees of the Company and is not liable for any arrears of wages, taxes, penalties or other sums for failure to comply with any of the foregoing.

(b) The employment of each employee of the Company is terminable at the will of the Company, and upon termination of the employment of any such employees, no severance or other payments will become due. The Company does not have any policy, practice, plan or program of paying severance pay or any form of severance compensation in connection with the termination of employment or services.

(c) The Company has made available to the Buyer each employment, bonus, profit sharing, or other employee benefit plan, agreement, policy or arrangement maintained or contributed to, or required to be contributed to, by the Company for the benefit of any officer, employee, former employee, consultant, independent contractor or other service provider of the Company (collectively referred to herein as the "Employee Plans").

(d) The Company has made all payments and contributions to or with respect to the Employee Plans on a timely basis as required by the terms of each such Employee Plan and any applicable Legal Requirement. The Company has paid and will continue to pay all applicable premiums for any insurance contract which funds an Employee Plan for coverage provided through the Closing.

(e) The Company has maintained all of its Employee Plans in material compliance with their terms and with all applicable provisions of ERISA, the Code and state laws.

(f) None of the Company nor any of its affiliates (hereafter referred to as an "ERISA Affiliate") that together with the Company are deemed a "single employer" within

the meaning of Section 4001(a)(14) of ERISA, currently maintains any Employee Plan that is subject to Title IV of ERISA, and has not previously maintained any such Employee Plan that has resulted in any material liability or potential material liability to the Company or its ERISA Affiliates under said Title IV.

(g) Neither the Company nor an ERISA Affiliate maintains, maintained or contributed to within the past five (5) years, any multiemployer plan, within the meaning of Section 3(37) or 4001(a)(3) of ERISA. Neither the Company nor an ERISA Affiliate currently has any liability to make withdrawal liability payments to any multiemployer plan.

3.18. Contracts; Customers and Suppliers.

(a) All of the Contracts to which the Company is a party or by with the Company is bound (the "Company Contracts") are in full force and effect, and constitute legal, valid, binding and enforceable obligations against the Company and, to the knowledge of the Seller Parties, any other parties thereto. The Company is not in breach in any material respect under any Company Contract, nor, to the knowledge of the Seller Parties, is any other party to any such Company Contract in breach thereunder.

(b) No customer, vendor, supplier or service provider has given the Company notice that it intends to terminate or materially alter its business relationship with the Company (whether as a result of the consummation of the transactions contemplated by this Agreement or otherwise).

3.19. Insurance. True and complete copies of all Insurance Policies currently owned or maintained by the Company have been made available to the Buyer. All premiums due to date under such Insurance Policies have been paid and will be paid through the Closing Date, no breach by the Company exists thereunder and no material term of any such policy is void or voidable. The Company has not received any notice of cancellation with respect to any such current Insurance Policy and the Company has no knowledge of any threatened termination of, or premium increase with respect to, any of the Insurance Policies. There are no claims that are pending under any of the Insurance Policies, and no other Person is a named or additional insured under any such Insurance Policies.

3.20. Intellectual Property. The Company does not own or license any patents, copyrights, trademarks, tradenames or other intellectual property other than its name.

3.21. Related Party Transactions. None of the Company's directors, officers, managers, members (including the Sellers) or employees, or any members of their immediate families, or any Affiliate of the foregoing has, directly or indirectly, (a) borrowed money from or loaned money to the Company which remains unpaid or owed, (b) any interest in any assets owned or used by the Company or (c) engaged in any other material transactions with the Company.

3.22. Securities Laws.

(a) The Buyer intends to issue the Shares pursuant to a "private placement" exemption or exemptions from registration under Section 4(2) of the Securities Act and/or Regulation D promulgated under the Securities Act and an exemption from qualification

under applicable state securities laws. The Parties shall comply with all applicable provisions of and rules under the Securities Act and applicable state securities laws in connection with the offering and issuance of the Shares pursuant to this Agreement. The Sellers understand that the Shares will be "restricted securities" under federal and state securities laws and cannot be offered or resold except pursuant to registration under the Securities Act or an available exemption from registration.

(b) Each Seller (i) is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act, (ii) is acquiring the Shares only for its own account and not for the account of others, and (iii) is not acquiring the Shares with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act.

3.23. Allocation Schedule. The Shares shall be distributed to the Sellers in accordance with the Allocation Schedule. Each of the Sellers irrevocably consents to the allocation of the Shares in accordance with the Allocation Schedule, notwithstanding anything to the contrary contained in the Company's governing documents.

3.24. Disclosure. No representation or warranty by the Seller Parties in this Agreement and no statement contained in any certificate furnished to the Buyer pursuant to the provisions hereof contains any untrue statement of material fact or omits to state any material fact necessary in order to make the statements made herein or therein not misleading.

4. Representations and Warranties of the Buyer. The Buyer represents and warrants to the Sellers as of the date hereof, and at and as of the Closing Date, as follows:

4.1. Organization And Good Standing. The Buyer is a corporation duly organized, validly existing and in good standing under the laws of Delaware, with full power and authority to conduct its business as it is now conducted.

4.2. Enforceability. This Agreement and each other agreement or instrument executed and delivered by the Buyer at the Closing (collectively, the "Buyer Closing Documents") has been or will be by the Closing duly authorized by all requisite action on the part of the Buyer. This Agreement constitutes, and the Buyer Closing Documents will constitute as of the Closing, the legal, valid and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms, subject to the Enforceability Exceptions.

4.3. Brokers Or Finders. Neither the Buyer nor any of its Representatives have incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with the transactions contemplated hereby.

4.4. Legal Proceedings. There is no pending or, to the knowledge of the Buyer, threatened Proceeding by or against the Buyer that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, the transactions contemplated hereby.

5. Covenants and Other Agreements.

5.1. Conduct of Business by the Seller Parties. From the date hereof through the earlier of consummation of the Closing and any earlier termination of this Agreement, the Company shall, and the Seller Parties shall cause the Company to: (a) conduct its business and operations in the Ordinary Course of Business; (b) preserve intact its existence and business organization; (c) use its commercially reasonable efforts to preserve its assets; (d) pay all applicable Taxes as such Taxes become due and payable; and (e) maintain all licenses and Governmental Authorizations applicable to its operations and business.

5.2. Access to Information. From the date hereof through the earlier of consummation of the Closing and any earlier termination of this Agreement, the Seller Parties shall give the Buyer and its Representatives access on reasonable notice during normal business hours to all properties, facilities and offices, and complete and correct copies of all books, Records and Contracts (including customer and supplier Contracts) and such financial and operating data and other information with respect to the Company as such persons may reasonably request. Such review shall be at the Buyer's sole cost and shall be conducted in a fashion that does not unreasonably interfere with the ability of the Company to conduct its day-to-day operations.

5.3. Notice of Developments. During the Term of this Agreement, the Seller Parties shall promptly notify the Buyer in writing of any events, circumstances, facts and occurrences arising subsequent to the date of this Agreement which would result in a breach of a representation, warranty or covenant of any Seller Party in this Agreement, or which would have the effect of making any representation or warranty of any Seller Party in this Agreement untrue in any material respect, or would be reasonably likely to result in a Material Adverse Effect of the Company. Any disclosure by any Seller Party pursuant to this Section 5.3 shall not be deemed to prevent or cure any misrepresentation, breach of representation or warranty or breach of covenant, or limit the rights of the Buyer under Section 6.3 or Section 7.

5.4. Exclusivity. During the Term of this Agreement, each of the Seller Parties agrees, and shall cause its Representatives, not to, directly or indirectly, (i) solicit, facilitate or initiate, or encourage the submission of, proposals, inquiries or offers relating to; (ii) respond to any submissions, proposals, inquiries or offers relating to; (iii) participate or engage in any negotiations or discussions with any Person relating to; (iv) otherwise cooperate in any way with or facilitate in any way (including, without limitation, by providing information) with any Person, other than the Buyer, relating to; or (v) enter into any agreement or agreement in principle in connection with, any acquisition, merger, business combination, recapitalization, consolidation, liquidation, dissolution, disposition or similar transaction involving the Company, or any issuance, acquisition, sale or transfer of any securities or any substantial portion of the assets of the Company.

5.5. Confidentiality. No Seller Party shall, directly or indirectly, disclose or divulge any information relating to the existence of this Agreement and the documents and instruments contemplated hereby, the terms of this Agreement and the documents and instruments contemplated hereby, the transactions contemplated hereby and thereby or the negotiations hereof and thereof without the consent of the Buyer; *provided*, however, that such information may be disclosed to such Party's legal, tax, accounting or related financial advisors that have a need to know and that are subject to an obligation of confidentiality to such Party. From and after the Closing, no Seller shall, directly or indirectly, use, disclose or divulge any confidential or

proprietary information of the Company or the Buyer for any purpose without the consent of the Buyer. Following a termination of this Agreement pursuant to Section 6.3, (a) the Buyer, shall not, directly or indirectly, use, disclose, or divulge any confidential or proprietary information of the Company for any purpose whatsoever without the consent of the Company, and (b) no Seller Party, shall, directly or indirectly, use, disclose, or divulge any confidential or proprietary information of the Buyer for any purpose whatsoever without the consent of the Buyer.

5.6. Further Assurances. Subject to the terms and conditions hereof, each of the Parties hereto shall use commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable to the extent permitted under Legal Requirements to consummate and give effect to the transactions contemplated hereby. Without limiting the foregoing, the Parties shall act promptly, and use their commercially reasonable best efforts, and shall cooperate with each other, in making, or causing to be made, any filings, applications and submissions required under Nevada Cannabis Legal Requirements, in order to permit consummation of the Buyer's acquisition of the Membership Interests. The Seller Parties, on the one hand, and the Buyer on the other hand, shall each be responsible for 50% of the fees required to be paid in connection with such filings, applications and submissions.

5.7. Tax Matters.

(a) The Sellers shall be responsible for, and shall pay when due, all sales, use, transfer, stamp or similar Taxes and fees (collectively, "Transfer Charges") imposed with respect to the transactions contemplated hereby. The Sellers shall, at their own expense, timely file any Tax Return or other document with respect to such Transfer Charges, and the Buyer shall cooperate with respect thereto, as necessary.

(b) For federal income tax purposes, the Parties shall treat the sale of the Membership Interests pursuant to this Agreement in accordance with IRS Revenue Ruling 99-6, 1999-1 C.B. 432 (situation 2), (i) with respect to each Seller, as a sale of partnership interests, and (ii) with respect to the Buyer, as a purchase of all of the assets of the Company and assumption by the Buyer of all of the Company's liabilities. No Party shall take any position (whether in a Tax Return, an audit or otherwise) that is inconsistent with the foregoing treatment, unless required to do so by applicable Legal Requirements.

6. Conditions to Closing; Termination.

6.1. Conditions Precedent to Obligations of the Buyer. The obligation of the Buyer to consummate the purchase of the Membership Interests at the Closing shall be subject to the satisfaction, on or before the Closing Date, of each and every one of the following conditions, any or all of which the Buyer may waive in writing, at its sole and absolute discretion:

(a) Representations and Warranties. Each of the representations and warranties made by the Seller Parties in this Agreement shall be true and correct in all material respects as of the Closing Date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all material respects as of that specified date).

(b) Covenants. The Seller Parties shall have duly performed in all material respects all of the covenants, acts and undertakings required to be performed by them prior to the Closing under this Agreement.

(c) No MAE. There shall have been no Material Adverse Effect.

(d) No Injunction, Etc. No action, proceeding, investigation, regulation or legislation shall have been instituted before any Governmental Body to enjoin, restrain, prohibit, or obtain damages in respect of, or which is related to, or arises out of, this Agreement or the consummation of the transactions contemplated hereby.

(e) Consents and Notices. All consents, approvals and waivers of any Person necessary or desirable to the consummation of the Closing and the transactions contemplated hereunder shall have been obtained and all notices to any Person necessary or desirable to the consummation of the Closing and the transactions contemplated hereunder shall have been delivered. A copy of each such consent, approval, waiver or notice shall have been provided to the Buyer and all such consents, approvals, waivers and notices shall be in a form reasonably acceptable to the Buyer.

(f) Regulatory Approval. Without limiting the foregoing, all consents, approvals and waivers of any Governmental Body necessary under Nevada Cannabis Legal Requirements in order to permit consummation of the Closing and the transactions contemplated hereunder shall have been obtained, and all notices to any Governmental Body necessary under Nevada Cannabis Legal Requirements in order to permit consummation of the Closing and the transactions contemplated hereunder shall have been delivered. A copy of each such consent, approval, waiver or notice shall have been provided to the Buyer and all such consents, approvals, waivers and notices shall be in a form reasonably acceptable to the Buyer.

(g) Seller Parties Closing Deliveries. The Seller Parties shall have delivered to the Buyer the following:

(i) Officer's Certificate. A certificate from an executive officer of the Company, dated as of the Closing Date, certifying that attached thereto are true and correct copies of the Company's certificate of formation and any amendments thereto to date, as well as the resolutions duly adopted by the members and/or managers of the Company authorizing the Company's execution, delivery and performance of this Agreement;

(ii) Good Standing Certificate. A certificate of good standing for the Company issued by the Secretary of the State of Nevada, dated within ten (10) business days prior to the Closing Date;

(iii) Compliance Certificate. A certificate from an executive officer of the Company, dated as of the Closing Date, certifying compliance with Sections 6.1(a), 6.1(b) and 6.1(c) in a form reasonably acceptable to the Buyer;

(iv) Resignation Letters. Letters of resignation from each manager and officer of the Company, in form and substance reasonably acceptable to the Buyer, effective as of the Closing;

(v) Assignment of Membership Interests. An assignment by the Sellers to the Buyer assigning the Membership Interests to the Buyer on the Closing Date;

(vi) Withholding Certificates. A completed and duly executed IRS Form W-9 from each Seller, and a certificate from each Seller, in a form reasonably acceptable to the Buyer and in accordance with the Code, in each case dated as of the Closing Date and certifying such facts as to establish that the transactions contemplated hereby are exempt from withholding pursuant to Section 1445 of the Code; and

(vii) Company Indebtedness. Evidence, reasonably satisfactory to the Buyer, that all Company Indebtedness has been repaid, discharged or otherwise satisfied at or prior to the Closing.

(viii) Other Agreements. All other agreements, certificates, instruments, or documents reasonably requested by the Buyer in order to fully consummate the transactions contemplated hereby and to carry out the purposes and intent of this Agreement.

6.2. Conditions Precedent to Obligations of the Sellers. The obligation of the Sellers to consummate sale of the Membership Interests at the Closing shall be subject to the satisfaction, on or before the Closing Date, of each and every one of the following conditions, any or all of which the Sellers may waive in writing, at their sole and absolute discretion:

(a) Representations and Warranties. Each of the representations and warranties made by the Buyer in this Agreement as of the Closing Date shall be true and correct in all material respects as of the Closing Date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all material respects as of that specified date).

(b) Covenants of Buyer. The Buyer shall have duly performed in all material respects all of the covenants, acts and undertakings required to be performed by it prior to the Closing.

(c) No Injunction, Etc. No action, proceeding, investigation, regulation or legislation shall have been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain, prohibit, or obtain substantial damages in respect of, or which is related to or arises out of, this Agreement or the consummation of the transactions contemplated hereby.

6.3. Termination of Agreement. The Parties may terminate this Agreement as provided below:

(a) The Parties may terminate this Agreement by mutual written consent at any time prior to the Closing; and

(b) If the Buyer is not then in material breach under this Agreement, the Buyer may terminate this Agreement by giving written notice to the Seller Parties at any time prior to the Closing in the event any of the Seller Parties has materially breached any of their respective representations, warranties, or covenants contained in this Agreement, provided that Buyer has

CERTIFICATE OF SERVICE

I hereby certify pursuant to NRAP 25(c), that on the 9th day of August, 2021,
I caused service of a true and correct copy of the foregoing **APPENDIX TO
PETITIONERS' WRIT OF MANDAMUS** by the following means:

X BY MAIL: I placed a true copy thereof enclosed in a sealed envelope
addressed as follows:

The Honorable Timothy C. Williams
Eighth Judicial District Court
Civil Dept. XVI
200 Lewis Avenue
Las Vegas, Nevada 89155
Respondent

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/s/ Diana L. Wheelen
An Employee of Fennemore Craig

IN THE SUPREME COURT OF THE STATE OF NEVADA

JDD, LLC; TCS PARTNERS, LLC; JOHN
SAUNDERS; and TREVOR SCHMIDT,

Petitioners,

vs.

THE HONORABLE TIMOTHY C.
WILLIAMS, EIGHTH JUDICIAL DISTRICT
COURT IN AND FOR THE COUNTY OF
CLARK,

Respondent,

-and-

ITEM 9 LABS CORP. f/k/a Airware Labs
Corp. and Crown Dynamics Corp.; ITEM 9
PROPERTIES, LLC; STRIVE
MANAGEMENT, LLC f/k/a Strive Life;
VIRIDIS GROUP I9 CAPITAL, LLC;
VIRIDIS GROUP HOLDINGS, LLC;
SNOWELL HOLDINGS, LLC; ANDREW
BOWDEN; DOUGLAS BOWDEN; BRYCE
SKALLA; and CHASE HERSCHMAN,

Real Parties in Interest.

Case No.:

District Court Case No.: A-20-
811232-C

APPENDIX TO PETITIONER'S WRIT OF MANDAMUS

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Plaintiff's Opposition to Item 9 Labs Corp.'s et al. Motion to Dismiss	01.26.2021	1	PA_0134-0151
Plaintiff's Opposition to Item 9 Labs Corp.'s Motion for Attorneys' Fees and Costs	05.19.2021	3	PA_0496-0882
Plaintiff's Opposition to Snowell Holdings, LLC Motion for Fees	04.07.2021	2	PA_0296-0367
Plaintiff's Opposition to Snowell Holdings, LLC's Motion to Dismiss	01.18.2021	1	PA_0124-0127
Snowell Holdings, LLC Motion for Attorneys' Fees	03.24.2021	2	PA_0248-0264
Snowell Holdings, LLC Reply in Support of Motion for Attorneys' Fees	04.22.2021	2	PA_0405-0409
Snowell Holdings, LLC's Motion to Dismiss	12.01.2020	1	PA_0064-0077
Snowell Holdings, LLC's Reply In Support of Motion to Dismiss	01.20.2021	1	PA_0128-0133
Transcript – Motion to Dismiss	02.24.2021	1	PA_0167-0247

notified the Seller Parties of the breach and the breach has continued without cure for a period of ten (10) business days after the notice of breach.

6.4. Effect of Termination. If this Agreement is terminated prior to the Closing for any reason, all rights and obligations of the Parties hereunder shall terminate without any Liability of any Party to any other Party except for provisions set forth in Sections 5.5, this Section 6.4 and Section 8. No termination of this Agreement shall relieve any Party of liability for its intentional breach or violation of this Agreement.

7. Indemnification.

7.1. Sellers' Obligation to Indemnify. Each Seller (the "Seller Indemnifying Parties"), jointly and severally, shall defend, indemnify and hold harmless the Buyer, its Affiliates and their respective Representatives and successors and permitted assigns, from and against any and all actions, suits, proceedings, claims, demands, debts, liabilities, obligations, losses, diminution in value, damages, costs and expenses (collectively "Adverse Consequences"), arising out of, or in connection with, or caused by, directly or indirectly, any or all of the following: (i) any misrepresentation or breach of any representation or warranty made by the Seller Parties in this Agreement or in any certificate or schedule delivered by the Seller Parties pursuant hereto, (ii) any breach by the Seller Parties to satisfy or perform any covenant, restriction or agreement applicable to the Seller Parties contained in this Agreement or in any certificate or schedule delivered pursuant hereto, (iii) any Liability for Taxes of the Company that are attributable to a taxable period (or portion thereof) ending on or prior to the Closing Date and any Transfer Charges, (iv) the termination of any officer or employee of the Company and (v) Company Indebtedness.

7.2. Matters Involving Third Parties.

(a) The party or parties seeking indemnification hereunder (each, an "Indemnified Party") shall give the party or parties from whom indemnification is sought or to be sought (each, an "Indemnifying Party") prompt written notice of any Adverse Consequences suffered by, affecting or otherwise directed at it. If an indemnification claim involves a claim by a third party (a "Third Party Claim"), the Indemnified Party shall promptly notify the Indemnifying Party thereof in writing, which notice shall include in reasonable detail a description of the Third Party Claim and copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practical of such Adverse Consequences, that has been or may be sustained by the Indemnified Party.

(b) The Indemnifying Party will have the right to defend the Indemnified Party against the Third Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party so long as the Indemnifying Party notifies the Indemnified Party in writing within fifteen (15) calendar days of its intention to assume the defense of any Third Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnified Party shall cooperate in good faith in such defense. If the Indemnifying Party elects not to compromise or defend such Third Party Claim or fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, the Indemnified Party may compromise, defend such Third Party Claim and seek indemnification for any and all Adverse Consequences based upon, arising from or relating to such Third Party Claim. Seller and Buyer

shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including making available records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third Party Claim.

(c) So long as the Indemnifying Party is conducting the defense of the Third Party Claim in accordance with Section 7.2(b) above, (i) the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third Party Claim, (ii) the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnifying Party (not to be unreasonably withheld) and (iii) the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim without the prior written consent of the Indemnified Party (not to be unreasonably withheld).

7.3. Survival. The representations and warranties made by the Seller Parties and the Buyer herein or in any certificate or schedule delivered pursuant hereto or thereto on the Closing Date, shall survive the Closing and continue in full force and effect for a period of eighteen (18) months from and after the Closing Date; provided, however, the representations and warranties set forth in Sections 3.1, 3.2, 3.4 and 3.5 shall survive indefinitely, and the representations and warranties set forth in Sections 3.7(e) and 3.16 shall survive until sixty (60) days after expiration of all applicable statutory limitation periods. Upon expiration of the representation and warranty limitation periods set forth herein, such representations and warranties shall cease to be of any further force or effect. No such expiration shall affect the rights of a Party hereto in respect of a claim made by such Party in writing received by another Party prior to the expiration of any such period until finally resolved.

8. Miscellaneous.

8.1. Expenses. Each Party shall pay all of the costs and expenses (including, without limitation, legal fees and expenses) incurred by it in negotiating and preparing this Agreement (and all other agreements, certificates, instruments and documents executed in connection herewith) and in consummating the transactions contemplated hereby.

8.2. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt, or (a) personal delivery to the Party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) three (3) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the Parties at the addresses as set forth on the signature pages hereto, or to such e-mail address or address as subsequently modified by written notice given in accordance with this Section 8.2.

8.3. Entire Understanding; Amendments. This Agreement, together with the exhibits and schedules hereto, and the other documents, certificates, agreements and other

instruments delivered in connection with the transactions contemplated hereby, states the entire understanding among the Parties with respect to the subject matter hereof and supersedes all prior oral and written communications and agreements with respect to the subject matter hereof. This Agreement shall not be amended or modified except in a written document signed by all Parties.

8.4. Parties in Interest; Assignment; No Waivers; No Third Party Rights. This Agreement shall bind, benefit, and be enforceable by the Parties hereto and their respective successors, legal representatives and assigns, heirs, executors, administrators and personal representatives. No Party hereto may assign this Agreement or its obligations hereunder without the prior written consent of all other Parties hereto. No waiver with respect to this Agreement shall be enforceable unless in writing and signed by the Party against whom enforcement of such waiver is sought. No failure to exercise, delay in exercising or single or partial exercise of any right, power or remedy by any Party, and no course of dealing between or among any of the Parties, shall constitute a waiver of, or shall preclude any other or further exercise of, the same or any other right, power or remedy. Except as may be expressly set forth in this Agreement, nothing herein will be construed to give any Person other than the Parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

8.5. Further Assurances. At any time and from time to time after the Closing Date, at the request of a Party and without further consideration, the other Parties shall promptly execute and deliver all such further agreements, certificates, instruments and documents and perform such further actions as such Party may reasonably request, in order to fully consummate the transactions contemplated hereby and carry out the purposes and intent of this Agreement.

8.6. Severability. If any provision of this Agreement is construed to be invalid, illegal or unenforceable, then the remaining provisions hereof shall not be affected thereby and shall be enforceable without regard thereto, and the Parties agree that this Agreement shall be reformed to replace such unenforceable provisions with a valid and enforceable provision that comes as close as possible to expressing the intent of the unenforceable provision.

8.7. Counterparts; Electronic Signatures. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

8.8. Governing Law; Exclusive Jurisdiction. This Agreement and the respective rights and obligations of the Parties under this Agreement shall be governed by, and shall be determined under, the internal laws of the State of Nevada without regard to choice of law principles.

8.9. Specific Enforcement; Remedies. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and

to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which they are entitled at law or in equity. Any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy.

8.10. Interpretation. In this Agreement, unless a clear contrary intention appears: (a) the singular number includes the plural number and vice versa; (b) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are not prohibited by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually; (c) reference to any gender includes each other gender; (d) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof; (e) reference to any "Legal Requirement" means such Legal Requirement as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder, and reference to any section or other provision of any Legal Requirement means that provision of such Legal Requirement from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such section or other provision; (f) "hereunder," "hereof," "hereto," and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article, Section or other provision hereof; (g) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; (h) references to documents, instruments or agreements shall be deemed to refer as well to all addenda, exhibits, schedules or amendments thereto; and (i) references to articles, sections, schedules and exhibits means articles and sections of, and schedules and exhibits attached to, this Agreement. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

* * * * *

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date set forth above.

COMPANY:

The Harvest Foundation LLC

By: _____

Name:

Title:

Address: 3395 Pinks Place
Las Vegas, Nevada 89102

E-mail:

SELLERS:

Donald Burton

Address:

E-mail:

Larry Lemons

Address:

E-mail:

Jeffrey Yokiel

Address:

E-mail:

BUYER:

MARIMED, INC

By:

Name:

Title:

Address: 10 Oceana Way, Floor 2
Norwood, MA 02062

E-mail:

rfireman@marimedinc.com

EXHIBIT A
DEFINITIONS

For purposes of the Agreement, the following terms and variations thereof have the meanings specified or referred to in this Exhibit A:

“Adverse Consequences” shall have the meaning set forth in Section 7.1.

“Affiliate” of a specified Person means each other Person who directly or indirectly controls, is controlled by, or is under common control with the specified Person.

“Agreement” shall have the meaning set forth in the preamble to this Agreement.

“Allocation Schedule” shall have the meaning set forth in Section 2.2.

“Buyer” shall have the meaning set forth in the preamble to this Agreement.

“Buyer Closing Documents” shall have the meaning set forth in Section 4.2.

“Closing” shall have the meaning set forth in Section 2.3.

“Closing Date” shall have the meaning set forth in Section 2.3.

“Code” means the Internal Revenue Code of 1986, as amended.

“Company” shall have the meaning set forth in the background to this Agreement.

“Consent” means any approval, consent, ratification, waiver or other authorization.

“Contract” means any agreement, contract, lease, consensual obligation, promise or undertaking (whether written or oral).

“Employee Plans” shall have the meaning set forth in Section 3.17(c).

“Encumbrance” means any charge, claim, community or other marital property interest, condition, equitable interest, lien, option, pledge, security interest, mortgage deed of trust, right of way, easement, encroachment, servitude, right of first option, right of first or last negotiation or refusal or similar restriction, including any restriction on use, voting (in the case of any security or equity interest), transfer, receipt of income or exercise of any other attribute of ownership.

“Enforceability Exceptions” shall have the meaning set forth in Section 3.2.

“Environmental Laws” means any Legal Requirement relating to (a) releases or threatened release of Hazardous Substances; (b) pollution or protection of employee health or safety, public health or the environment; or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any United States Department of Labor Regulations thereunder.

“Governmental Authorization” means any Consent, license, registration, approval, exemption, notification, franchise, certificate, authorization, bond or permit issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Legal Requirement.

“Governmental Body” means any: (a) nation, state, county, city, town, borough, village, district or other jurisdiction; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal or other entity exercising governmental or quasi-governmental powers); (d) multinational organization or body; (e) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; or (f) official of any of the foregoing.

“Indemnified Party” shall have the meaning set forth in Section 7.2(a).

“Indemnifying Party” shall have the meaning set forth in Section 7.2(a).

“Insurance Policy” means any public liability, product liability, general liability, comprehensive, property damage, vehicle, life, hospital, medical, dental, disability, worker’s compensation, key man, fidelity bond, theft, forgery, errors and omissions, directors’ and officers’ liability, or other insurance policy of any nature.

“IRS” means the United States Internal Revenue Service and, to the extent relevant, the United States Department of the Treasury.

“Judgment” means any order, writ, injunction, citation, award, decree, ruling, assessment or other judgment of any Governmental Body or arbitrator.

“Legal Requirement” means any federal, state, local, municipal, foreign, international, multinational or other constitution, law, ordinance, principle of common law, code, regulation, guideline, standard, order, Governmental Authorization, statute or treaty.

“Liability” means with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“Material Adverse Effect” means any change or effect that is materially adverse to the business, assets, liabilities, financial condition, prospects or results of operations of the Company taken as a whole.

“Membership Interests” shall have the meaning set forth in the Recitals.

“Nevada Cannabis Legal Requirements” means Legal Requirements regarding the cultivation, manufacture, possession, use, sale or distribution of cannabis or cannabis products promulgated by state and local Governmental Bodies in the State of Nevada.

“Ordinary Course of Business” means the ordinary course of business of the Company consistent with the past practices of the Company or taken in the ordinary course of the normal, day-to-day operations of the Company.

“Owned Real Property” means all land, together with all buildings, structures, improvements, and fixtures located thereon, and all easements, servitudes and other interests and rights appurtenant thereto, owned by the Company.

“Person” means any individual, sole proprietorship, joint venture, partnership, corporation, limited liability company, association, cooperative, trust, estate, Governmental Body, administrative agency, regulatory authority, or other entity of any nature whatsoever.

“Proceeding” means any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body or arbitrator.

“Purchase Price” shall have the meaning set forth in Section 2.2.

“Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

“Regulations” means the income tax regulations promulgated under the Code.

“Representative” means with respect to a particular Person, any director, officer, manager, employee, agent, consultant, advisor, accountant, financial advisor, legal counsel or other representative of that Person.

“Securities Act” means the Securities Act of 1933, as amended.

“Seller Indemnifying Parties” shall have the meaning set forth in Section 7.1.

“Seller Party” or “Seller Parties” shall have the meaning set forth in the preamble to this Agreement.

“Seller Party Closing Documents” shall have the meaning set forth in Section 3.2.

“Sellers” shall have the meaning set forth in the preamble to this Agreement.

“Tangible Personal Property” shall mean all furniture, fixtures, leasehold improvements, production equipment, office equipment, accessories, parts, supplies, materials, vehicles, computer hardware, data processing equipment and other equipment owned by the Company and all other tangible personal property of every kind owned or leased by the Company and all related warranties and similar rights.

"Tax" or "Taxes" means (a) mean any and all federal, state, local and foreign (whether imposed by a country or political subdivision or authority thereunder) taxes, assessments and other governmental charges, duties, impositions and liabilities relating to taxes, including, without limitation, any federal, state, local or foreign income, earnings, profits, gross receipts, franchise, capital stock, net worth, sales, use, value added, ad valorem, profits, occupancy, general property, real property, personal property, intangible property, transfer, stamp, premium, custom, duty, escheat, environmental, fuel, excise, license, lease, service, service use, recapture, parking, employment, occupation, severance, payroll, withholding, unemployment compensation, social security, retirement, imputed underpayment or other tax, fiscal levy or charge of any nature; (b) any foreign, federal, state or local organization fee, qualification fee, annual report fee, filing fee, occupation fee, assessment, other fee or charge of any nature imposed by a Governmental Body or other authority; or (c) any deficiency, interest, penalty or addition imposed with respect to any of the foregoing and any obligations under any agreements or arrangements with any other Person with respect to such amounts, and including any liability for taxes of a predecessor entity.

"Tax Return" means (a) all returns and reports, amended returns, information returns, statements, declarations, estimates, schedules, notices, notifications, forms, elections, certificates or other documents filed or required to be filed or submitted to any Governmental Body or any Person with respect to the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of, or compliance with, any Tax, and (b) TD F 90-22.1 (and its successor form, FinCEN Form 114), including any amendment thereto.

"Term" means the period from the date of this Agreement through the consummation of the Closing or earlier termination of this Agreement pursuant to its terms.

"Third Party Claim" shall have the meaning set forth in Section 7.2(a).

"Transfer Charges" shall have the meaning set forth in Section 5.7(a).

"Treasury Regulation" means a final, temporary or proposed regulation issued by the United States Department of the Treasury and/or the IRS under the Code.

EXHIBIT B
ALLOCATION SCHEDULE

Name of Seller	Membership Interest in Company		Pro Rata Portion of Purchase Price
Donald Burton	34.5%		34.5%
Larry Lemon	34.5%		34.5%
Jeffrey Yokiel	31%		31%

Heather S. Stine
CLERK OF THE COURT

SMITH LARSEN & WIXOM

ATTORNEYS
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1935 VILLAGE CENTER CIRCLE
LAS VEGAS, NEVADA 89134
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*Attorneys for Defendants Item 9 Labs Corp., Item 9 Properties, LLC,
Strive Management, L.L.C., Viridis Group I9
Capital, LLC, Viridis Group Holdings, LLC, Andrew
Bowden, Douglas Bowden, Bryce Skalla, Jeffrey Rassas,
and Chase Herschman*

EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual; and
TREVOR SCHMIDT, an individual.

Plaintiffs,

vs.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation; ITEM 9 LABS CORP. f/k/a
Airware Labs Corp. and Crown Dynamics Corp., a
Delaware corporation; ITEM 9 PROPERTIES
LLC, a Nevada limited liability company; THE
HARVEST FOUNDATION LLC f/k/a, a Nevada

CASE NO.: A-20-811232-B
DEPT. NO.: 16

**ORDER GRANTING
DEFENDANTS ITEM 9 LABS
CORP., ITEM 9 PROPERTIES,
LLC, STRIVE MANAGEMENT,
L.L.C., VIRIDIS GROUP I9
CAPITAL, LLC, VIRIDIS GROUP
HOLDINGS, LLC, ANDREW
BOWDEN, DOUGLAS BOWDEN,
BRYCE SKALLA, JEFFREY**

limited liability company a/k/a THE HARVEST FOUNDATION, LLC; STRIVE MANAGEMENT L.L.C. d/b/a Strive Life, a Nevada limited liability company; STRIVE WELLNESS OF NEVADA, LLC d/b/a Strive Life, a Nevada limited liability company; STRIVE WELLNESS OF NEVADA 2 L.L.C. d/b/a Strive Life, a Nevada limited liability company; VIRIDIS GROUP I9 CAPITAL, LLC, an Arizona limited liability company; VIRIDIS GROUP HOLDINGS, LLC, an Arizona limited liability company; SNOWELL HOLDINGS, LLC, an Ohio limited liability company; ROBERT FIREMAN, an individual; JON LEVINE, an individual; ANDREW BOWDEN, an individual; DOUGLAS BOWDEN, an individual; BRYCE SKALLA, an individual; JEFFREY RASSAS, an individual; DONALD BURTON, an individual; LARRY LEMONS, an individual; JEFFREY YOKIEL, an individual; JEROME YOKIEL, an individual; SARA GULLICKSON, an individual; CHASE HERSCHMAN, an individual; DOE INDIVIDUALS I through X, and ROE BUSINESS ENTITIES XI through XX, inclusive,

Defendants.

**RASSAS, AND CHASE
HERSCHMAN'S MOTION TO
DISMISS FIRST AMENDED
COMPLAINT FOR FAILURE TO
STATE A CLAIM UPON WHICH
RELIEF MAY BE GRANTED AND
LACK OF PERSONAL
JURISDICTION**

On December 18, 2020, Defendants Item 9 Labs Corp., Item 9 Properties, LLC, Strive Management, L.L.C., Viridis Group I9 Capital, LLC, Viridix Group Holdings, LLC, Andrew Bowden, Douglas Bowden, Bryce Skalla, Jeffrey Rassas, and Chase Herschman (collectively, the "Item 9 Defendants") filed a Motion to Dismiss First Amended Complaint for Failure to State a Claim Upon Which Relief May be Granted and Lack of Personal Jurisdiction (the "Motion"). On January 26, 2021, Plaintiffs filed an Opposition to Defendants' Motion (the "Opposition").

In their Opposition, Plaintiffs voluntarily dismissed without prejudice (1) all claims against Defendants Andrew Bowden, Douglas Bowden, Jeffrey Rassas, Bryce Skalla, and Chase Herschman (the "Individual Defendants"), and (2) Count 12 (alter ego), Count 14 (intentional interference with contractual relations), Count 15 (intentional interference with

prospective economic advantage), Count 16 (equitable relief), and Count 17 (attorneys' fees as special damages) against each of the Item 9 Defendants.

A hearing on the Motion was heard on February 24, 2021, by the Honorable Timothy C. Williams. Lauren Elliott Stine of the law firm of Quarles & Brady LLP and Karl L. Nielson of the law firm of Smith Larsen & Wixom appeared on behalf of the Item 9 Defendants. Lee I. Iglody appeared on behalf of Plaintiff's JDD, LLC, TCS Partners, LLC, John Saunders, and Trevor Schmidt. After review and consideration of the written pleadings, arguments of counsel and all relevant statutory and case law, and good cause appearing:

The **COURT ORDERS** the Motion **GRANTED**.

The Court **FINDS** Plaintiff's have voluntarily dismissed without prejudice (1) all claims against the Individual Defendants, and (2) Count 12 (alter ego), Count 14 (intentional interference with contractual relations), Count 15 (intentional interference with prospective economic advantage), Count 16 (equitable relief), and Count 17 (attorneys' fees as special damages) against each of the Item 9 Defendants.

The Court **FURTHER FINDS** that to "obtain jurisdiction over a non-resident defendant, a plaintiff must show: (1) that the requirements of the state's long-arm statute [NRS 14.065] have been satisfied, and (2) that due process is not offended by the exercise of jurisdiction." *Trump v. Eighth Judicial Dist. Ex rel. Clark County*, 109 Nev. 687, 698 (1993); *Catholic Diocese, Green Bay v. John Doe 119*, 131 Nev. 246, 249 (2015).

The Court **FURTHER FINDS** that courts may exercise general jurisdiction where a defendant's "affiliations with the State are so 'continuous and systematic' as to render them essentially at home in the forum State." *See Vlega GmbH v. Eighth Jud. Dist. Ct.*, 130 Nev. 368, 376 (2014) (quoting *Goodyear Dunlop Tires Ops., S.A. v. Brown*, 564 U.S. 915, 919

(2011)); *Arbella*, 122 Nev. at 513; *Budget Rent-A-Car v. Eighth Judicial Dist. Court*, 108 Nev. 483, 485 (1992). For a corporate entity, general jurisdiction typically exists in the corporation's place of incorporation or principal place of business. *See Viega GmbH*, 130 Nev. at 376-77.

The Court **FURTHER FINDS** that "[s]pecific personal jurisdiction arises when the defendant purposefully enters the forum's market or establishes contacts in the forum and affirmatively directs conduct there, *and* the claims arise from that purposeful contact or conduct." *Viega GmbH*, 130 Nev. at 375 (emphasis added); *Dogra v. Liles*, 129 Nev. 932, 937 (2013). To establish specific personal jurisdiction over a non-resident defendant, the plaintiff must demonstrate that: (1) "the defendant must purposefully avail himself of the privilege of acting in the forum state or of causing important consequences in that state"; (2) "[t]he cause of action must arise from the consequences in the forum state of the defendant's activities"; and (3) "those activities, or the consequences thereof, must have a substantial enough connection with the forum state to make the exercise of jurisdiction over the defendant reasonable." *Consipio Holding, BV v. Carlberg*, 128 Nev. 454, 458 (App. 2012) (quotation omitted).

The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege any facts that would demonstrate that Defendants Viridis Group I9 Capital, LLC and Viridis Group Holdings, LLC (the "Non-Resident Defendants") are subject to general or specific personal jurisdiction in Nevada.

The Court **FURTHER FINDS** that the Non-Resident Defendants are Arizona limited liability companies with Arizona members that are located and doing business in Arizona (Viridis Group I9 Capital, LLC and Viridis Group Holdings, LLC).

The Court **FURTHER FINDS** that the Declarations submitted by the Non-Resident Defendants with their Motion demonstrated that the Non-Resident Defendants do not own

1 property in the State of Nevada, do not pay taxes in the State of Nevada, and do not have W-2
2 employees living or working within the State of Nevada.

3
4 The Court **FURTHER FINDS** that “[w]hen a defendant challenges the personal
5 jurisdiction of the Nevada courts, the plaintiff must introduce competent evidence of essential
6 facts establishing a prima facie showing of jurisdiction.” *Levinson v. Second Judicial Dist.*
7 *Court of State*, 103 Nev. 404 (1987) (emphasis added). “In determining whether a prima facie
8 showing has been made, the district court is not acting as a fact finder. It accepts properly
9 supported proffers of evidence by a plaintiff as true. However, the plaintiff must introduce
10 some evidence and may not simply rely on the allegations of the complaint to establish personal
11 jurisdiction.” *Trump v. Eighth Judicial Dist. Court*, 109 Nev. 687, 693 (1993) (internal
12 quotations and citations omitted).

13
14 The Court **FURTHER FINDS** that Plaintiffs failed to introduce any evidence of facts
15 essential to establishing a prima facie showing of general or specific personal jurisdiction, and
16 Plaintiffs failed to meet their burden of demonstrating that the Non-Resident Defendants are
17 subject to general or specific personal jurisdiction in the state of Nevada.

18
19 The Court **FURTHER FINDS** that the Court does not have general or specific personal
20 jurisdiction over the Non-Resident Defendants.

21
22 The Court **FURTHER FINDS** that a complaint should be dismissed if it fails “to state
23 a claim upon which relief can be granted.” NRCP 12(b)(5). While this court construes the
24 complaint liberally, the allegations therein must still be “sufficiently definite to give fair notice
25 of the nature and basis or grounds of the claim and a general indication of the type of litigation
26 involved.” *Taylor v. State of Nevada*, 73 Nev. 151, 152 (1957). A plaintiff must still show
27
28

1 "facts which support a legal theory." *See Liston v. LVMPD*, 111 Nev. 1575, 1578 (1995);
2 *Johnson v. Travelers Ins. Co.*, 89 Nev. 467, 472, 515 P.2d 68, 71 (1973).

3
4 The Court **FURTHER FINDS** that it is Plaintiffs' duty to present well-pleaded facts on
5 which grounds for relief can be sought against a defendant, and a court need not assume as true
6 any facts which require unreasonable inferences or unwarranted deductions. A pleading must
7 contain: "...a short and plain statement of the claim showing that the pleader is entitled to relief."
8 NRCP Rule 8(a).

9
10 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege
11 facts sufficient to support any of the claims Plaintiffs have asserted against the Item 9
12 Defendants. Plaintiffs do not allege that they are parties to contracts with any of the Item 9
13 Defendants.

14
15 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege
16 facts sufficient to demonstrate that Plaintiffs conferred a benefit on the Item 9 Defendants and
17 that the Item 9 Defendants unjustly retained such benefit. Plaintiffs' First Amended Complaint
18 therefore fails to plead facts sufficient to support a claim for unjust enrichment (Count 2).

19
20 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege
21 facts sufficient to demonstrate that the Item 9 Defendants entered into an agreement to
22 accomplish an unlawful objective and for the purpose of harming Plaintiffs. Plaintiffs' First
23 Amended Complaint therefore fails to plead facts sufficient to support a claim for civil
24 conspiracy (Count 11).

25
26 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege
27 facts sufficient to demonstrate that the Item 9 Defendants knowingly participated in or assisted
28

1 a breach of a fiduciary duty. Plaintiffs' First Amended Complaint therefore fails to plead facts
2 sufficient to support a claim for aiding and abetting a breach of fiduciary duty (Count 13).

3
4 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to plead
5 a justiciable controversy with the Item 9 Defendants. Plaintiffs do not allege that they were
6 parties to an agreement with the Item 9 Defendants. Plaintiffs' First Amended Complaint
7 therefore fails to plead facts sufficient to support a claim for declaratory judgment (Count 19).

8
9 **NOW THEREFORE, IT IS HEREBY ORDERED** that Plaintiffs have voluntarily
10 dismissed each of their claims against Defendants Andrew Bowden, Douglas Bowden, Jeffrey
11 Rassas, Bryce Skalla, and Chase Herschman.

12
13 **NOW THEREFORE, IT IS HEREBY ORDERED** that Plaintiffs have voluntarily
14 dismissed Count 12 (alter ego), Count 14 (intentional interference with contractual relations),
15 Count 15 (intentional interference with prospective economic advantage), Count 16 (equitable
16 relief), and Count 17 (attorneys' fees as special damages) against each of the Item 9 Defendants.

17
18 **NOW THEREFORE, IT IS HEREBY ORDERED**, that the Non-Resident
19 Defendants' Motion to Dismiss for Lack of Personal Jurisdiction is **GRANTED**.

20
21 **NOW THEREFORE, IT IS FURTHER HEREBY ORDERED**, that the Item 9
22 Defendants' Motion to Dismiss the First Amended Complaint for Failure to State a Claim Upon
23 Which Relief May be Granted is **GRANTED**.

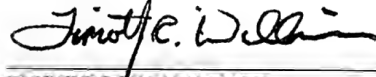
24
25
26
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28

1 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Plaintiffs' First
2 Amended Complaint as to the Item 9 Defendants is **DISMISSED** without prejudice,
3

4 **IT IS SO ORDERED.**

5 Dated this ____ day of April, 2021

6 Dated this 12th day of April, 2021

7 

8 DISTRICT JUDGE

ZJ

889 223 BE87 A91E
Timothy C. Williams
District Court Judge

9 *Respectfully Submitted By:*

10 /s/ Karl L. Nielson

11 Michael B. Wixom, Esq.

12 Nevada Bar No. 2812

13 Karl L. Nielson, Esq.

14 Nevada bar No. 5082

SMITH LARSEN & WIXOM

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22 TELEPHONE 602-229-5200

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23 Christian G. Stahl (#029984) (admitted Pro Hac Vice)

Christian.Stahl@quarles.com

24 *Attorneys for Defendants Item 9 Labs Corp., Item 9 Properties, LLC,*

25 *Strive Management, L.L.C., Viridis Group 19 Capital, LLC,*

26 *Viridis Group Holdings, LLC, Andrew Bowden, Douglas Bowden,*

Bryce Skalla, Jeffrey Rassas, and Chase Herschman

Approved as to form and content

DATED this 8th day of April, 2021.

IGLODY LAW

/s/ Lee I. Igloidy

LEE I. IGLODY

Nevada Bar No. 7757

*Attorneys for Plaintiffs JDD, LLC,
TCS Partners, LLC, John Saunders,
And Trevor Schmidt*

DATED this 8th day of April, 2021.

GABROY LAW OFFICES

/s/ Christian Gabroy

CHRISTIAN GABROY, ESQ.

Nevada Bar No. 8805

KAINE MESSER, ESQ.

Nevada Bar No. 14240

*Attorneys for Defendant
The Harvest Foundation
Attorneys for Defendant Sara Gullickson*

DATED this 8th day of April, 2021.

THE WRIGHT LAW GROUP, P.C.

/s/ John Henry Wright

JOHN HENRY WRIGHT, ESQ.

Nevada Bar No. 6182

*Attorneys for Defendants MARIMED, INC.,
ROBERT FIREMAN and JON LEVINE*

DATED this 8th day of April, 2021

MESSNER REEVES LLP

/s/ Candace C. Herling

CANDACE C. HERLING, ESQ.

Nevada Bar No. 13503

*Attorneys for Defendants Burton,
Lemons, and Snowell*

DATED this 8th day of April, 2021.

BARRETT & MATURA, P.C.

/s/ Kevin C. Barrett

KEVIN C. BARRETT, ESQ.

Nevada Bar No. 8959

*Attorneys for Defendant
The Harvest Foundation*

Mindy Warner

From: John Wright <john@wrightlawgroupnv.com>
Sent: Thursday, April 8, 2021 11:49 AM
To: Karl L. Nielson; Candace C. Herling; lee@iglody.com
Cc: Candi Ashdown; christian@gabroy.com; kmesser@gabroy.com; Mike Wixom; kbarrett@barrettmatura.com; Andrelle Stanley; Dayana Shakerian; Mindy Warner; Stine, Lauren Elliott; Stahl, Christian G.
Subject: RE: CASE NO. A-20-811232-B

Yes, sorry.

John Henry Wright, Esq.

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Facsimile: (702) 405-8454
john@wrightlawgroupnv.com



WRIGHT LAW GROUP

From: Karl L. Nielson <kln@slwlaw.com>
Sent: Thursday, April 8, 2021 11:33 AM
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Cc: Candi Ashdown <Candi@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Mike Wixom <mbw@slwlaw.com>; kbarrett@barrettmatura.com; John Wright <john@wrightlawgroupnv.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Mindy Warner <mwarnar@slwlaw.com>; Stine, Lauren Elliott <Lauren.Stine@quarles.com>; Stahl, Christian G. <Christian.Stahl@quarles.com>
Subject: RE: CASE NO. A-20-811232-B

John Wright (and Wright Law Group) – Do we have your permission to use your email signature on the revised final order for the Item 9 Defendants' motion to dismiss? Thanks,

• Karl

Karl L. Nielson, Esq.
Smith Larsen & Wixom
1935 Village Center Circle
Las Vegas, NV 89134
Tel: (702) 252-5002

Mindy Warner

From: Karl L. Nielson
Sent: Thursday, April 8, 2021 11:33 AM
To: Candace C. Herling; lee@iglody.com
Cc: Candi Ashdown; christian@gabroy.com; kmesser@gabroy.com; Mike Wixom; kbarrett@barrettmatura.com; John Wright; Andrelle Stanley; Dayana Shakerian; Mindy Warner; Stine, Lauren Elliott; Stahl, Christian G.
Subject: RE: CASE NO. A-20-811232-B

John Wright (and Wright Law Group) – Do we have your permission to use your email signature on the revised final order for the Item 9 Defendants' motion to dismiss? Thanks,

Karl

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From: Candace C. Herling <CHerling@messner.com>
Sent: Tuesday, April 6, 2021 4:59 PM
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Cc: Candi Ashdown <Candi@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Mike Wixom <mbw@slwlaw.com>; kbarrett@barrettmatura.com; John Wright <john@wrightlawgroupnv.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Mindy Warner <mwarner@slwlaw.com>; Stine, Lauren Elliott <Lauren.Stine@quarles.com>; Stahl, Christian G. <Christian.Stahl@quarles.com>
Subject: RE: CASE NO. A-20-811232-B

If needed, please use my e-signature.

Thanks,

Candace

Candace C. Herling
Partner

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One East Liberty Street | Suite 600
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From: Lee Iglody, Esq. <lee@iglody.com>

Sent: Tuesday, April 6, 2021 4:58 PM

To: Karl L. Nielson <kln@slwlaw.com>

Cc: Candi Ashdown <Candi@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Candace C. Herling <CHerling@messner.com>; Mike Wixom <mbw@slwlaw.com>; kbarrett@barrettmatura.com; John Wright <john@wrightlawgroupnv.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Mindy Warner <mwarner@slwlaw.com>; Stine, Lauren Elliott <Lauren.Stine@quarles.com>; Stahl, Christian G. <Christian.Stahl@quarles.com>

Subject: Re: CASE NO. A-20-811232-B

You have my permission.

Kind regards,

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The IRS requires us to inform you that any tax information or advice is not intended and cannot be used to avoid tax penalties or promote, recommend or market any tax related matters. Also, this email contains confidential communications. If you received this email in error, notify the sender immediately. Thank you.

On Mon, Apr 5, 2021 at 2:55 PM Karl L. Nielson <kln@slwlaw.com> wrote:

All – Please see attached the revised final version of the draft Order incorporating Mr. Iglody's redline changes referenced below. If the revised Order meets with your approval, please email permission to use your e-signature. Thanks,

– Karl

Karl L. Nielson, Esq.,

Smith Larsen & Wixom

1935 Village Center Circle

Mindy Warner

From: Karl L. Nielson
Sent: Tuesday, April 6, 2021 1:49 PM
To: Mindy Warner
Subject: FW: CASE NO. A-20-811232-B

Karl L. Nielson, Esq.
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From: Kevin Barrett <kbarrett@barrettmatura.com>
Sent: Tuesday, April 6, 2021 10:48 AM
To: Karl L. Nielson <kln@slwlaw.com>
Subject: RE: CASE NO. A-20-811232-B

You can sign for me on behalf of Harvest.

Kevin

Kevin C. Barrett, Esq.

Barrett | Matura

Attorneys

Barrett & Matura, P.C.
7575 W. Vegas Drive
Suite 150c
Las Vegas, Nevada 89128
Main: 702.833.1033
Direct: 602.792.5715
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Email: kbarrett@barrettmatura.com

This electronic message and any attachments contain information that is or may be legally privileged, confidential, proprietary in nature, or otherwise protected by law from disclosure. The message is intended only for the addressee. If you are not the intended recipient, please contact me so that the error can be corrected and delete from your computer the message and any attachments. Thank you.

Mindy Warner

From: Christian Gabroy <christian@gabroy.com>
Sent: Monday, April 5, 2021 4:25 PM
To: Karl L. Nielson
Cc: lee@iglody.com; Candi Ashdown; kmesser@gabroy.com; Candace C. Herling; Mike Wixom; kbarrett@barrettmatura.com; John Wright; Andrelle Stanley; Dayana Shakerian; Mindy Warner; Stine, Lauren Elliott; Stahl, Christian G.
Subject: Re: CASE NO. A-20-811232-B

sure. thanks

On Mon, Apr 5, 2021 at 2:55 PM Karl L. Nielson <kln@slwlaw.com> wrote:

All – Please see attached the revised final version of the draft Order incorporating Mr. Iglody's redline changes referenced below. If the revised Order meets with your approval, please email permission to use your e-signature. Thanks,

- Karl

Karl L. Nielson, Esq.

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From: Lee Iglody, Esq. <lee@iglody.com>
Sent: Wednesday, March 31, 2021 1:04 PM

1 **CSERV**

2
3 DISTRICT COURT
4 CLARK COUNTY, NEVADA

5
6 JDD, LLC, Plaintiff(s)

CASE NO: A-20-811232-B

7 vs.

DEPT. NO. Department 16

8 Larry Lemons, Defendant(s)

9
10 **AUTOMATED CERTIFICATE OF SERVICE**

11 This automated certificate of service was generated by the Eighth Judicial District
12 Court. The foregoing Order Granting Motion was served via the court's electronic eFile
13 system to all recipients registered for e-Service on the above entitled case as listed below:

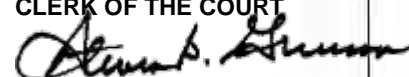
14 Service Date: 4/12/2021

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*Attorneys for Defendants Item 9 Labs Corp.; Item 9 Properties, LLC,
Strive Management, L.L.C., Viridis Group 19
Capital, LLC, Viridis Group Holdings, LLC, Andrew
Bowden, Douglas Bowden; Bryce Skalla Jeffrey Rassas,
and Chase Herschman*

DISTRICT COURT

CLARK COUNTY, NEVADA

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual; and
TREVOR SCHMIDT, an individual,

Plaintiffs,

vs.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation; ITEM 9 LABS CORP. f/k/a
Airware Labs Corp. and Crown Dynamics Corp., a
Delaware corporation; ITEM 9 PROPERTIES
LLC, a Nevada limited liability company; THE

CASE NO.: A-20-811232-B
DEPT. NO.: 16

**NOTICE OF ENTRY OF ORDER
GRANTING DEFENDANTS ITEM 9
LABS CORP., ITEM 9
PROPERTIES, LLC, STRIVE
MANAGEMENT, L.L.C., VIRIDIS
GROUP 19 CAPITAL, LLC,
VIRIDIS GROUP HOLDINGS, LLC,
ANDREW BOWDEN, DOUGLAS
BOWDEN, BRYCE SKALLA,**

HARVEST FOUNDATION LLC f/k/a, a Nevada limited liability company a/k/a THE HARVEST FOUNDATION, LLC; STRIVE MANAGEMENT L.L.C. d/b/a Strive Life, a Nevada limited liability company; STRIVE WELLNESS OF NEVADA, LLC d/b/a Strive Life, a Nevada limited liability company; STRIVE WELLNESS OF NEVADA 2 L.L.C. d/b/a Strive Life, a Nevada limited liability company; VIRIDIS GROUP 19 CAPITAL, LLC, an Arizona limited liability company; VIRIDIS GROUP HOLDINGS, LLC, an Arizona limited liability company; SNOWELL HOLDINGS, LLC, an Ohio limited liability company; ROBERT FIREMAN, an individual; JON LEVINE, an individual; ANDREW BOWDEN, an individual; DOUGLAS BOWDEN, an individual; BRYCE SKALLA, an individual; JEFFREY RASSAS, an individual; DONALD BURTON, an individual; LARRY LEMONS, an individual; JEFFREY YOKIEL, an individual; JEROME YOKIEL, an individual; SARA GULLICKSON, an individual; CHASE HERSCHMAN, an individual; DOE INDIVIDUALS I through X, and ROE BUSINESS ENTITIES XI through XX, inclusive,

Defendants.

JEFFREY RASSAS, AND CHASE HERSCHMAN'S MOTION TO DISMISS FIRST AMENDED COMPLAINT FOR FAILURE TO STATE A CLAIM UPON WHICH RELIEF MAY BE GRANTED AND LACK OF PERSONAL JURISDICTION

NOTICE IS HEREBY GIVEN that the attached Order Granting Defendants Item 9 Labs Corp., Item 9 Properties, LLC, Strive Management, L.L.C. Viridis Group 19 Capital, LLC, Viridis Group Holdings, LLC, Andrew Bowden, Douglas Dowden, Bryce Skalla, Jeffrey Rassas and Chase Herschman's Motion to Dismiss First Amended Complaint for Failure to

1 State a Claim Upon Which Relief May be Granted and Lack of Personal Jurisdiction was
2 entered by the Court on the 12th day of April, 2021.

3
4 DATED this 13th day of April, 2021.

5 SMITH LARSEN & WIXOM

6
7 /s/ Karl L. Nielson
8 Michael B. Wixom, Esq.
9 Nevada Bar No. 2812
10 Karl L. Nielson, Esq.
11 Nevada bar No. 5082
12 Hills Center Business Park
13 1935 Village Center Circle
14 Las Vegas, Nevada 89134

15 QUARLES & BRADY LLP
16 Renaissance One
17 Two North Central Avenue
18 Phoenix, AZ 85004-2391

19 *Attorneys for Defendants Item 9 Labs Corp;.*
20 *Item 9 Properties, LLC, Strive Management,*
21 *L.L.C., Viridis Group I9 Capital, LLC, Viridis*
22 *Group Holdings, LLC, Andrew Bowden,*
23 *Douglas Bowden; Bryce Skalla Jeffrey Rassas,*
24 *and Chase Herschman*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on April 13, 2021 a true copy of the foregoing **Notice of Entry of Order Granting Defendants Item 9 Labs Corp., Item 9 properties, LLC, Strive Management, L.L.C. Viridis Group I9 Capital, LLC, Viridis Group Holdings, LLC, Andrew Bowden, Douglas Dowden, Bryce Skalla, Jeffrey Rassas and Chase Herschman's Motion to Dismiss First Amended Complaint for Failure to State a Claim Upon Which Relief May be Granted and Lack of Personal Jurisdiction** was sent via electronic means to the following at their last known email addresses, pursuant to EDCR 8.05(a):

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John E. Saunders

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Trevor Schmidt

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TSC Partners, LLC

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Tya Frabott

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**Defendants, Jeffrey Yokiell and
Jerome Jokiel**

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**Defendants, Marimed, Inc, Robert
Fireman and John Levine**

John H Wright efile@wrightlawgroupnv.com

Defendant Sara Gullickson

Ella Dumo assistant@gabroy.com

Christian Gabroy christian@gabroy.com

Kaine Messer kmesser@gabroy.com

Misha Ray clerk@gabroy.com

/s/ Mindy Warner
An employee of Smith Larsen & Wixom

Heather L. Smith
CLERK OF THE COURT

SMITH LARSEN & WIXOM

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Christian G. Stahl (#029984) (admitted Pro Hac Vice)
Christian.Stahl@quarles.com

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Strive Management, L.L.C., Viridis Group I9
Capital, LLC, Viridis Group Holdings, LLC, Andrew
Bowden, Douglas Bowden, Bryce Skalla, Jeffrey Rassas,
and Chase Herschman*

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

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual; and
TREVOR SCHMIDT, an individual,

Plaintiffs,

vs.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation; ITEM 9 LABS CORP. f/k/a
Airware Labs Corp. and Crown Dynamics Corp., a
Delaware corporation; ITEM 9 PROPERTIES
LLC, a Nevada limited liability company; THE
HARVEST FOUNDATION LLC f/k/a, a Nevada

CASE NO.: A-20-811232-B
DEPT. NO.: 16

**ORDER GRANTING
DEFENDANTS ITEM 9 LABS
CORP., ITEM 9 PROPERTIES,
LLC, STRIVE MANAGEMENT,
L.L.C., VIRIDIS GROUP I9
CAPITAL, LLC, VIRIDIS GROUP
HOLDINGS, LLC, ANDREW
BOWDEN, DOUGLAS BOWDEN,
BRYCE SKALLA, JEFFREY**

limited liability company a/k/a THE HARVEST FOUNDATION, LLC; STRIVE MANAGEMENT L.L.C. d/b/a Strive Life, a Nevada limited liability company; STRIVE WELLNESS OF NEVADA, LLC d/b/a Strive Life, a Nevada limited liability company; STRIVE WELLNESS OF NEVADA 2 L.L.C. d/b/a Strive Life, a Nevada limited liability company; VIRIDIS GROUP 19 CAPITAL, LLC, an Arizona limited liability company; VIRIDIS GROUP HOLDINGS, LLC, an Arizona limited liability company; SNOWELL HOLDINGS, LLC, an Ohio limited liability company; ROBERT FIREMAN, an individual; JON LEVINE, an individual; ANDREW BOWDEN, an individual; DOUGLAS BOWDEN, an individual; BRYCE SKALLA, an individual; JEFFREY RASSAS, an individual; DONALD BURTON, an individual; LARRY LEMONS, an individual; JEFFREY YOKIEL, an individual; JEROME YOKIEL, an individual; SARA GULLICKSON, an individual; CHASE HERSCHMAN, an individual; DOE INDIVIDUALS I through X, and ROE BUSINESS ENTITIES XI through XX, inclusive,

Defendants.

**RASSAS, AND CHASE
HERSCHMAN'S MOTION TO
DISMISS FIRST AMENDED
COMPLAINT FOR FAILURE TO
STATE A CLAIM UPON WHICH
RELIEF MAY BE GRANTED AND
LACK OF PERSONAL
JURISDICTION**

On December 18, 2020, Defendants Item 9 Labs Corp., Item 9 Properties, LLC, Strive Management, L.L.C., Viridis Group 19 Capital, LLC, Viridis Group Holdings, LLC, Andrew Bowden, Douglas Bowden, Bryce Skalla, Jeffrey Rassas, and Chase Herschman (collectively, the "Item 9 Defendants") filed a Motion to Dismiss First Amended Complaint for Failure to State a Claim Upon Which Relief May be Granted and Lack of Personal Jurisdiction (the "Motion"). On January 26, 2021, Plaintiffs filed an Opposition to Defendants' Motion (the "Opposition").

In their Opposition, Plaintiffs voluntarily dismissed without prejudice (1) all claims against Defendants Andrew Bowden, Douglas Bowden, Jeffrey Rassas, Bryce Skalla, and Chase Herschman (the "Individual Defendants"), and (2) Count 12 (alter ego), Count 14 (intentional interference with contractual relations), Count 15 (intentional interference with

prospective economic advantage), Count 16 (equitable relief), and Count 17 (attorneys' fees as special damages) against each of the Item 9 Defendants.

A hearing on the Motion was heard on February 24, 2021, by the Honorable Timothy C. Williams. Lauren Elliott Stine of the law firm of Quarles & Brady LLP and Karl L. Nielson of the law firm of Smith Larsen & Wixom appeared on behalf of the Item 9 Defendants. Lee I. Iglody appeared on behalf of Plaintiffs JDD, LLC, TCS Partners, LLC, John Saunders, and Trevor Schmidt. After review and consideration of the written pleadings, arguments of counsel and all relevant statutory and case law, and good cause appearing:

The **COURT ORDERS** the Motion **GRANTED**.

The Court **FINDS** Plaintiffs have voluntarily dismissed without prejudice (1) all claims against the Individual Defendants, and (2) Count 12 (alter ego), Count 14 (intentional interference with contractual relations), Count 15 (intentional interference with prospective economic advantage), Count 16 (equitable relief), and Count 17 (attorneys' fees as special damages) against each of the Item 9 Defendants.

The Court **FURTHER FINDS** that to "obtain jurisdiction over a non-resident defendant, a plaintiff must show: (1) that the requirements of the state's long-arm statute [NRS 14.065] have been satisfied, and (2) that due process is not offended by the exercise of jurisdiction." *Trump v. Eighth Judicial Dist. Ex rel. Clark County*, 109 Nev. 687, 698 (1993); *Catholic Diocese, Green Bay v. John Doe I* 19, 131 Nev. 246, 249 (2015).

The Court **FURTHER FINDS** that courts may exercise general jurisdiction where a defendant's "affiliations with the State are so 'continuous and systematic' as to render them essentially at home in the forum State." *See Viegas GmbH v. Eighth Jud. Dist. Ct.*, 130 Nev. 368, 376 (2014) (quoting *Goodyear Dunlop Tires Ops., S.A. v. Brown*, 564 U.S. 915, 919

(2011)); *Arbella*, 122 Nev. at 513; *Budget Rent-A-Car v. Eighth Judicial Dist. Court*, 108 Nev. 483, 485 (1992). For a corporate entity, general jurisdiction typically exists in the corporation's place of incorporation or principal place of business. *See Viega GmbH*, 130 Nev. at 376-77.

The Court **FURTHER FINDS** that "[s]pecific personal jurisdiction arises when the defendant purposefully enters the forum's market or establishes contacts in the forum and affirmatively directs conduct there, *and* the claims arise from that purposeful contact or conduct." *Viega GmbH*, 130 Nev. at 375 (emphasis added); *Dogra v. Liles*, 129 Nev. 932, 937 (2013). To establish specific personal jurisdiction over a non-resident defendant, the plaintiff must demonstrate that: (1) "the defendant must purposefully avail himself of the privilege of acting in the forum state or of causing important consequences in that state"; (2) "[t]he cause of action must arise from the consequences in the forum state of the defendant's activities"; and (3) "those activities, or the consequences thereof, must have a substantial enough connection with the forum state to make the exercise of jurisdiction over the defendant reasonable." *Consipio Holding, BV v. Carlberg*, 128 Nev. 454, 458 (App. 2012) (quotation omitted).

The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege any facts that would demonstrate that Defendants Viridis Group I9 Capital, LLC and Viridis Group Holdings, LLC (the "Non-Resident Defendants") are subject to general or specific personal jurisdiction in Nevada.

The Court **FURTHER FINDS** that the Non-Resident Defendants are Arizona limited liability companies with Arizona members that are located and doing business in Arizona (Viridis Group I9 Capital, LLC and Viridis Group Holdings, LLC).

The Court **FURTHER FINDS** that the Declarations submitted by the Non-Resident Defendants with their Motion demonstrated that the Non-Resident Defendants do not own

1 property in the State of Nevada, do not pay taxes in the State of Nevada, and do not have W-2
2 employees living or working within the State of Nevada.

3
4 The Court **FURTHER FINDS** that “[w]hen a defendant challenges the personal
5 jurisdiction of the Nevada courts, the plaintiff must introduce competent evidence of essential
6 facts establishing a prima facie showing of jurisdiction.” *Levinson v. Second Judicial Dist.*
7 *Court of State*, 103 Nev. 404 (1987) (emphasis added). “In determining whether a prima facie
8 showing has been made, the district court is not acting as a fact finder. It accepts properly
9 supported proffers of evidence by a plaintiff as true. However, the plaintiff must introduce
10 some evidence and may not simply rely on the allegations of the complaint to establish personal
11 jurisdiction.” *Trump v. Eighth Judicial Dist. Court*, 109 Nev. 687, 693 (1993) (internal
12 quotations and citations omitted).

13
14 The Court **FURTHER FINDS** that Plaintiffs failed to introduce any evidence of facts
15 essential to establishing a prima facie showing of general or specific personal jurisdiction, and
16 Plaintiffs failed to meet their burden of demonstrating that the Non-Resident Defendants are
17 subject to general or specific personal jurisdiction in the state of Nevada.

18
19 The Court **FURTHER FINDS** that the Court does not have general or specific personal
20 jurisdiction over the Non-Resident Defendants.

21
22 The Court **FURTHER FINDS** that a complaint should be dismissed if it fails “to state
23 a claim upon which relief can be granted.” NRCP 12(b)(5). While this court construes the
24 complaint liberally, the allegations therein must still be “sufficiently definite to give fair notice
25 of the nature and basis or grounds of the claim and a general indication of the type of litigation
26 involved.” *Taylor v. State of Nevada*, 73 Nev. 151, 152 (1957). A plaintiff must still show
27
28

1 "facts which support a legal theory." See *Liston v. LVMPD*, 111 Nev. 1575, 1578 (1995);
2 *Johnson v. Travelers Ins. Co.*, 89 Nev. 467, 472, 515 P.2d 68, 71 (1973).

3
4 The Court **FURTHER FINDS** that it is Plaintiffs' duty to present well-pleaded facts on
5 which grounds for relief can be sought against a defendant, and a court need not assume as true
6 any facts which require unreasonable inferences or unwarranted deductions. A pleading must
7 contain: "...a short and plain statement of the claim showing that the pleader is entitled to relief,"
8 NRCP Rule 8(a).

9
10 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege
11 facts sufficient to support any of the claims Plaintiffs have asserted against the Item 9
12 Defendants. Plaintiffs do not allege that they are parties to contracts with any of the Item 9
13 Defendants.

14
15 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege
16 facts sufficient to demonstrate that Plaintiffs conferred a benefit on the Item 9 Defendants and
17 that the Item 9 Defendants unjustly retained such benefit. Plaintiffs' First Amended Complaint
18 therefore fails to plead facts sufficient to support a claim for unjust enrichment (Count 2).

19
20 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege
21 facts sufficient to demonstrate that the Item 9 Defendants entered into an agreement to
22 accomplish an unlawful objective and for the purpose of harming Plaintiffs. Plaintiffs' First
23 Amended Complaint therefore fails to plead facts sufficient to support a claim for civil
24 conspiracy (Count 11).

25
26 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to allege
27 facts sufficient to demonstrate that the Item 9 Defendants knowingly participated in or assisted
28

1 a breach of a fiduciary duty. Plaintiffs' First Amended Complaint therefore fails to plead facts
2 sufficient to support a claim for aiding and abetting a breach of fiduciary duty (Count 13).

3
4 The Court **FURTHER FINDS** that Plaintiffs' First Amended Complaint fails to plead
5 a justiciable controversy with the Item 9 Defendants. Plaintiffs do not allege that they were
6 parties to an agreement with the Item 9 Defendants. Plaintiffs' First Amended Complaint
7 therefore fails to plead facts sufficient to support a claim for declaratory judgment (Count 19),
8

9 **NOW THEREFORE, IT IS HEREBY ORDERED** that Plaintiffs have voluntarily
10 dismissed each of their claims against Defendants Andrew Bowden, Douglas Bowden, Jeffrey
11 Rassas, Bryce Skalla, and Chase Herschman.

12 **NOW THEREFORE, IT IS HEREBY ORDERED** that Plaintiffs have voluntarily
13 dismissed Count 12 (alter ego), Count 14 (intentional interference with contractual relations),
14 Count 15 (intentional interference with prospective economic advantage), Count 16 (equitable
15 relief), and Count 17 (attorneys' fees as special damages) against each of the Item 9 Defendants.
16

17 **NOW THEREFORE, IT IS HEREBY ORDERED**, that the Non-Resident
18 Defendants' Motion to Dismiss for Lack of Personal Jurisdiction is **GRANTED**.

19 **NOW THEREFORE, IT IS FURTHER HEREBY ORDERED**, that the Item 9
20 Defendants' Motion to Dismiss the First Amended Complaint for Failure to State a Claim Upon
21 Which Relief May be Granted is **GRANTED**.
22

23 ...

24 ...

25 ...

26 ...

27 ...

28 ...

SMITH LARSEN & WIXOM

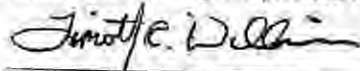
ATTORNEYS
HILLS CENTER BUSINESS PARK
1935 VILLAGE CENTER CIRCLE
LAS VEGAS, NEVADA 89134
(702) 252-5002 • (702) 252-5006

1
2 **IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Plaintiffs' First
3 Amended Complaint as to the Item 9 Defendants is **DISMISSED** without prejudice.

4 **IT IS SO ORDERED.**

5 Dated this ____ day of April, 2021

6 Dated this 12th day of April, 2021

7 

8 DISTRICT JUDGE

ZJ

889 223 BE87 A91E
Timothy C. Williams
District Court Judge

9 *Respectfully Submitted By:*

10 /s/ Karl L. Nielson

11 Michael B. Wixom, Esq.

12 Nevada Bar No. 2812

13 Karl L. Nielson, Esq.

14 Nevada bar No. 5082

SMITH LARSEN & WIXOM

15 Hills Center Business Park

16 1935 Village Center Circle

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19 **Quarles & Brady LLP**

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22 Lauren Elliott Stine (#025083) (admitted Pro Hac Vice)

Lauren.Stine@quarles.com

23 Christian G. Stahl (#029984) (admitted Pro Hac Vice)

Christian.Stahl@quarles.com

24 *Attorneys for Defendants Item 9 Labs Corp., Item 9 Properties, LLC,*

25 *Strive Management, L.L.C., Viridis Group I9 Capital, LLC,*

26 *Viridis Group Holdings, LLC, Andrew Bowden, Douglas Bowden,*

Bryce Skalla, Jeffrey Rassas, and Chase Herschman

Approved as to form and content:

DATED this 8th day of April, 2021.

IGLODY LAW

/s/ Lee I. Igloody

LEE I. IGLODY

Nevada Bar No. 7757

*Attorneys for Plaintiffs JDD, LLC,
TCS Partners, LLC, John Saunders,
And Trevor Schmidt*

DATED this 8th day of April, 2021.

GABROY LAW OFFICES

/s/ Christian Gabroy

CHRISTIAN GABROY, ESQ.

Nevada Bar No. 8805

KAINE MESSER, ESQ.

Nevada Bar No. 14240

Attorneys for Defendant

The Harvest Foundation

Attorneys for Defendant Sara Gullickson

DATED this 8th day of April, 2021.

THE WRIGHT LAW GROUP, P.C.

/s/ John Henry Wright

JOHN HENRY WRIGHT, ESQ.

Nevada Bar No. 6182

*Attorneys for Defendants MARIMED, INC.,
ROBERT FIREMAN and JON LEVINE*

DATED this 8th day of April, 2021

MESSNER REEVES LLP

/s/ Candace C. Herling

CANDACE C. HERLING, ESQ.

Nevada Bar No. 13503

*Attorneys for Defendants Burton,
Lemons, and Snowell*

DATED this 8th day of April, 2021.

BARRETT & MATURA, P.C.

/s/ Kevin C. Barrett

KEVIN C. BARRETT, ESQ.

Nevada Bar No. 8959

*Attorneys for Defendant
The Harvest Foundation*

Mindy Warner

From: John Wright <john@wrightlawgroupnv.com>
Sent: Thursday, April 8, 2021 11:49 AM
To: Karl L. Nielson; Candace C. Herling; lee@iglody.com
Cc: Candi Ashdown; christian@gabroy.com; kmesser@gabroy.com; Mike Wixom; kbarrett@barrettmatura.com; Andrelle Stanley; Dayana Shakerian; Mindy Warner; Stine, Lauren Elliott; Stahl, Christian G.
Subject: RE: CASE NO. A-20-811232-B

Yes, sorry.

John Henry Wright, Esq.

The Wright Law Group, P.C.
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WRIGHT LAW GROUP

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Subject: RE: CASE NO. A-20-811232-B

John Wright (and Wright Law Group) – Do we have your permission to use your email signature on the revised final order for the Item 9 Defendants' motion to dismiss? Thanks,
- Karl

Karl L. Nielson, Esq.
Smith Larsen & Wixom
1935 Village Center Circle
Las Vegas, NV 89134
Tel: (702) 252-5002

Mindy Warner

From: Karl L. Nielson
Sent: Thursday, April 8, 2021 11:33 AM
To: Candace C. Herling; lee@iglody.com
Cc: Candi Ashdown; christian@gabroy.com; kmieser@gabroy.com; Mike Wixom; kbarrett@barrettmatura.com; John Wright; Andrelle Stanley; Dayana Shakerian; Mindy Warner; Stine, Lauren Elliott; Stahl, Christian G.
Subject: RE: CASE NO. A-20-811232-B

John Wright (and Wright Law Group) – Do we have your permission to use your email signature on the revised final order for the Item 9 Defendants' motion to dismiss? Thanks,

Karl

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Subject: RE: CASE NO. A-20-811232-B

If needed, please use my e-signature.

Thanks,

Candace

Candace C. Herling
Partner

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Cc: Candi Ashdown <Candi@wrightlawgroupnv.com>; christian@gabroy.com; kmesser@gabroy.com; Candace C. Herling <CHerling@messner.com>; Mike Wixom <mbw@slwlaw.com>; kbarrett@barrettmatura.com; John Wright <john@wrightlawgroupnv.com>; Andrelle Stanley <Andrelle@wrightlawgroupnv.com>; Dayana Shakerian <dayana@wrightlawgroupnv.com>; Mindy Warner <mwarner@slwlaw.com>; Stine, Lauren Elliott <Lauren.Stine@quarles.com>; Stahl, Christian G. <Christian.Stahl@quarles.com>
Subject: Re: CASE NO. A-20-811232-8

You have my permission.

Kind regards,

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On Mon, Apr 5, 2021 at 2:55 PM Karl L. Nielson <kln@slwlaw.com> wrote:

All - Please see attached the revised final version of the draft Order incorporating Mr. Iglody's redline changes referenced below. If the revised Order meets with your approval, please email permission to use your e-signature. Thanks,

- Karl

Karl L. Nielson, Esq.

Smith Larsen & Wixom

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Mindy Warner

From: Karl L. Nielson
Sent: Tuesday, April 6, 2021 1:49 PM
To: Mindy Warner
Subject: FW: CASE NO. A-20-811232-B

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Sent: Tuesday, April 6, 2021 10:48 AM
To: Karl L. Nielson <kln@slwlaw.com>
Subject: RE: CASE NO. A-20-811232-B

You can sign for me on behalf of Harvest.

Kevin

Kevin C. Barrett, Esq.

Barrett | Matura

Attorneys

Barrett & Matura, P.C.
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Mindy Warner

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Sent: Monday, April 5, 2021 4:25 PM
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Cc: lee@iglody.com; Candi Ashdown; kmesser@gabroy.com; Candace C. Herling; Mike Wixom; kbarrett@barrettmatura.com; John Wright; Andrelle Stanley; Dayana Shakerian; Mindy Warner; Stine, Lauren Elliott; Stahl, Christian G.
Subject: Re: CASE NO. A-20-811232-B

sure. thanks

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- Karl

Karl L. Nielson, Esq.

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From: Lee Iglody, Esq. <lee@iglody.com>
Sent: Wednesday, March 31, 2021 1:04 PM

1 CSERV

2
3 DISTRICT COURT
4 CLARK COUNTY, NEVADA

5
6 JDD, LLC, Plaintiff(s)

CASE NO: A-20-811232-B

7 vs.

DEPT. NO. Department 16

8 Larry Lemons, Defendant(s)

9
10 **AUTOMATED CERTIFICATE OF SERVICE**

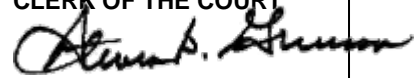
11 This automated certificate of service was generated by the Eighth Judicial District
12 Court. The foregoing Order Granting Motion was served via the court's electronic eFile
13 system to all recipients registered for e-Service on the above entitled case as listed below:

14 Service Date: 4/12/2021

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*Attorneys for Defendants Burton,
Lemons, and Snowell*

**DISTRICT COURT
CLARK COUNTY, NEVADA**

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual;
and TREVOR SCHMIDT, an individual,

Plaintiffs,

v.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation, et al.,

Defendants.

Case No. A-20-811232-B

Dept. No. 16

**DEFENDANT SNOWELL
HOLDINGS, LLC'S REPLY IN
SUPPORT TO MOTION FOR
ATTORNEYS' FEES**

I. Plaintiffs' only basis for naming Snowell in this lawsuit is that Defendant Larry Lemons is the sole member and manager of the Ohio entity.

Plaintiffs' Opposition confirms that Snowell's inclusion in this lawsuit has no factual support (*i.e.*, was brought without reasonable ground) and was apparently maintained only to harass Defendant Lemons:

Here, Plaintiffs had reasonable grounds to name Snowell, an entity that has as its sole member and manager the very man who defrauded them, Larry Lemons. Absent discovery, Plaintiffs should not be penalized for the current inability to substantiate Snowell's

1 involvement without detailed specificity. (Pl.'s Oppo., 7:20-24).

2 How can Plaintiffs reasonably contend that Snowell should not be allowed to recover
3 its fees while simultaneously admitting they cannot substantiate Snowell's involvement in
4 this lawsuit? The stated intent of N.R.S. 18.010(2)(b) is to award attorney's fees to "punish
5 and deter" such unsubstantiated claims.

6 Though Plaintiffs conclude that they had reasonable grounds to name Snowell, the
7 **only** basis articulated to this Court is that Defendant Lemons is the sole member and
8 manager of Snowell. (Pl.'s Oppo., 7:20-24).

9 Plaintiffs argue they had reasonable ground because they "reasonably believed and
10 alleged that Snowell was part of Defendant Lemons's web of deceit." (Pl.'s Oppo., 7:24-25).
11 But the inquiry for reasonableness of Plaintiffs' claims is based on actual facts, not
12 Plaintiffs' unsupported allegations. *Bergmann v. Boyce*, 856 P.2d 560, 563 (Nev. 1993)
13 (superseded by statute on other grounds); *see also Frederic & Barbara Rosenberg Living Tr.*
14 *v. MacDonald Highlands Realty, LLC*, 427 P.3d 104, 113 (Nev. 2018) ("[A] claim is
15 frivolous or groundless if there is no credible evidence to support it.").

16 Moreover, Plaintiffs were informed about the absence of contacts between Snowell
17 and Nevada, and they initially agreed to dismiss Snowell from the case. But Plaintiffs
18 reneged on their agreement, willfully ignoring the facts presented to them. N.R.S.
19 18.010(2)(b) was enacted to punish such unsupported claims. Accordingly, Snowell should
20 be awarded its attorney's fees.

21 **II. Plaintiffs failed to timely request discovery on the issue of personal jurisdiction,**
22 **and they similarly failed to object to the declaration of Larry Lemons.**

23 Plaintiffs' failure to either timely seek discovery on the issue of personal jurisdiction
24 or to properly contest the declaration of Larry Lemons is not a valid reason to preclude
25 Snowell from recovering attorney's fees. This Court should not be persuaded by Plaintiffs'
26 attempt to pass off its own failures with how they handled Snowell's Motion to Dismiss as a

1 basis for precluding Snowell’s recovery of attorney’s fees.

2 **III. Snowell is a prevailing party.**

3 A defendant need not prevail on the merits to be a “prevailing party.” *CRST Van*
4 *Expedited, Inc. v. E.E.O.C.*, 136 S. Ct. 1642, 1651 (2016); *see also Sunlight Tr. v. Hsieh*
5 *Ying-Man*, 453 P.3d 398, 2019 WL 6840117, at *1 (Nev. 2019) (unpublished opinion)
6 (citing and approving *CRST Van Expedited, Inc.*).

7 Rather, a party prevails “if it succeeds on *any significant issue* in litigation which
8 achieves some of the benefit it sought in bringing suit.” *Valley Elec. Ass’n v. Overfield*, 106
9 P.3d 1198, 1200 (Nev. 2005) (emphasis added); *see also Affinity Network Inc. v. Schreck*,
10 129 Nev. 1093, 2013 WL 7155071, at *3 (Nev. 2013) (unpublished opinion) (acknowledging
11 that attorney’s fees may be awarded under N.R.S. 18.010(b)(2) following dismissal for lack
12 of personal jurisdiction but affirming the district court’s refusal to award fees). This standard
13 is construed broadly to include defendants. *Id.*; *see also Pilse v. Schwartzer*, 469 P.3d 194,
14 2020 WL 4905447, at *2 (Nev. App. 2020) (unpublished opinion) (awarding attorney’s fees
15 under N.R.S. 18.010(2)(b) following dismissal without prejudice).

16 Further, Nevada courts exercise considerable discretion in determining prevailing
17 party status and give effect to legislative intent when awarding fees. *See Sunlight Tr.*, 2019
18 WL 6840117, at *1; *Pilse*, WL 4905447, at *2 (interpreting prevailing party status broadly);
19 *see also Smith v. Crown Fin. Servs. of Am.*, 890 P.2d 769, 771 (Nev. 1995) (interpreting
20 N.R.S. 18.010 based heavily on legislative intent).

21 Here, Snowell obtained dismissal for lack of personal jurisdiction. Accordingly,
22 Snowell succeeded on a significant issue in the case and achieved the benefit that it sought.
23 *See Affinity Network Inc.*, 2013 WL 7155071, at *3; *Pilse*, 2020 WL 4905447, at *2.
24 Importantly, the legislative intent behind N.R.S. 18.010(b)(2) heavily favors an award of
25 attorney’s fees in this case. The statutory text plainly states that the legislature intended
26

1 courts to award attorney's fees "in all appropriate situations to punish for and deter frivolous
2 or vexatious claims...." *Id.*

3 As discussed, Plaintiffs had no factual or evidentiary support for Snowell's inclusion
4 in the lawsuit. Plaintiffs have all but admitted this, arguing (without basis) for forgiveness
5 from consequence. (*See* Pl.'s Oppo., p. 7). Snowell's attorney's fees should be awarded
6 under N.R.S. 18.010(b)(2).

7 **IV. Conclusion**

8 It should be noted that Plaintiffs do not dispute the reasonableness of the amount of
9 attorney's fees sought by Snowell, which totals \$19,145.00. Plaintiffs have repeatedly
10 admitted they have no factual basis to support personal jurisdiction over Snowell. They
11 nonetheless named Snowell in the lawsuit and opposed its motion to dismiss. This is exactly
12 the type of claim that N.R.S. 18.010(2)(b) was enacted to deter. Snowell should be awarded
13 \$19,145.00 in attorney's fees.

14 **DATED:** April 22nd 2021.

15 **BIANCHI & BRANDT**

16 /s/ Justin M. Brandt
17 Justin M. Brandt, Esq.
18 Mukunda Shanbhag, Esq.
6710 Scottsdale Rd., Ste. 210
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Pro Hac Vice Attorneys for Defendants
Burton, Lemons, and Snowell

20 **MESSNER REEVES LLP**

21 /s/ Candace C. Herling
22 Candace C. Herling, Esq.
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24 Las Vegas, NV 89148
Attorneys for Defendants Burton,
Lemons, and Snowell

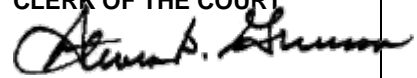
1 **CERTIFICATE OF SERVICE**

2 On this 22nd day of April, 2021, pursuant to Administrative Order 14-2 and Rule 9 of the
3 NEFCR, I caused the foregoing **DEFENDANT SNOWELL HOLDINGS, LLC'S REPLY IN**
4 **SUPPORT TO MOTION FOR ATTORNEYS' FEES DISMISS** to be transmitted to the person(s)
5 identified in the E-Service List for this captioned case in Odyssey E-File & Serve of the Eighth Judicial
6 District Court, County of Clark, State of Nevada. A service transmission report reported service as
7 complete and a copy of the service transmission report will be maintained with the document(s) in this
8 office.

9 Lee I. Iglody, Esq.
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All parties registered through the Court's e-file system.

14
15 */s/ Tya Frabett*
16 Employee of MESSNER REEVES LLP
17
18
19
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21
22
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24
25
26



1 **MAFC**

2 Michael B. Wixom, Esq.

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22 *Attorneys for Defendants Item 9 Labs Corp. f/k/a Airware Labs Corp.*
23 *and Crown Dynamics Corp.; Item 9 Properties, LLC, Strive*
24 *Management, L.L.C. d/b/a Strive Life, Viridis Group I9*
25 *Capital, LLC, Viridis Group Holdings, LLC, Andrew*
26 *Bowden, Douglas Bowden; Bryce Skalla Jeffrey Rassas,*
27 *and Chase Herschman*

19 **DISTRICT COURT**

20 **CLARK COUNTY, NEVADA**

21 JDD, LLC, a Nevada limited liability company;
22 TCS Partners, LLC, a Nevada limited liability
23 company; JOHN SAUNDERS, an individual; and
24 TREVOR SCHMIDT, an individual,

25 Plaintiffs,

26 vs.

27 MARIMED INC. f/k/a Worlds Online, Inc., a
28 Delaware corporation; ITEM 9 LABS CORP. f/k/a
Airware Labs Corp. and Crown Dynamics Corp., a
Delaware corporation; ITEM 9 PROPERTIES

CASE NO.: A-20-811232-C

DEPT. NO.: 26

**DEFENDANTS ITEM 9 LABS
CORP., VIRIDIS GROUP I9
CAPITAL LLC, VIRIDIS GROUP
HOLDINGS, LLC, ANDREW
BOWDEN, DOUGLAS BOWDEN,
BRYCE SKALLA, JEFFREY
RASSAS, AND CHASE
HERSCHMAN'S MOTION FOR
ATTORNEYS' FEES AND COSTS**

1 LLC, a Nevada limited liability company; THE
2 HARVEST FOUNDATION LLC f/k/a, a Nevada
3 limited liability company a/k/a THE HARVEST
4 FOUNDATION, LLC; STRIVE MANAGEMENT
5 L.L.C. d/b/a Strive Life, a Nevada limited liability
6 company; STRIVE WELLNESS OF NEVADA,
7 LLC d/b/a Strive Life, a Nevada limited liability
8 company; STRIVE WELLNESS OF NEVADA 2
9 L.L.C. d/b/a Strive Life, a Nevada limited liability
10 company; VIRIDIS GROUP I9 CAPITAL, LLC,
11 an Arizona limited liability company; VIRIDIS
12 GROUP HOLDINGS, LLC, an Arizona limited
13 liability company; SNOWELL HOLDINGS, LLC,
14 an Ohio limited liability company; ROBERT
15 FIREMAN, an individual; JON LEVINE, an
16 individual; ANDREW BOWDEN, an individual;
17 DOUGLAS BOWDEN, an individual; BRYCE
18 SKALLA, an individual; JEFFREY RASSAS, an
19 individual; DONALD BURTON, an individual;
20 LARRY LEMONS, an individual; JEFFREY
21 YOKIEL, an individual; JEROME YOKIEL, an
22 individual; SARA GULLICKSON, an individual;
23 CHASE HERSCHMAN, an individual; DOE
24 INDIVIDUALS I through X, and ROE
25 BUSINESS ENTITIES XI through XX, inclusive,

Defendants.

HEARING DATE REQUESTED

20 Pursuant to Nevada Revised Statute ("NRS") 18.010(2)(b), Defendants Item 9 Labs
21 Corp., Viridis Group I9 Capital LLC, Viridis Group Holdings, LLC, Andrew Bowden,
22 Douglas Bowden, Bryce Skalla, Jeffrey Rassas, and Chase Herschman (collectively, the "Item
23 9 Defendants") move the Court for an award of the attorneys' fees and costs it incurred in its
24 successful defense of the claims filed against them by Plaintiffs JDD, LLC, TCS Partners,
25 LLC, John Saunders, and Trevor Schmidt (collectively, "Plaintiffs"). This Motion is
26 supported by the following Memorandum of Points and Authorities, the Declaration of Lauren
27
28

Elliott Stine attached hereto as Exhibit “1”, and the entire record in this action.

RESPECTFULLY SUBMITTED this 4th day of May, 2021.

SMITH LARSEN & WIXOM

/s/ Karl L. Nielson

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f/k/a Airware Labs Corp. and Crown Dynamics
Corp.; Item 9 Properties, LLC, Strive
Management, L.L.C. d/b/a/ Strive Life, Viridis
Group I9 Capital, LLC, Viridis Group
Holdings, LLC, Andrew Bowden, Douglas
Bowden; Bryce Skalla Jeffrey Rassas, and
Chase Herschman*

MEMORANDUM OF POINTS AND AUTHORITIES**I. INTRODUCTION.**

The Item 9 Defendants are entities involved in the medical marijuana business, entities that own or develop property, entities that invest in real estate and sustainable projects, and multiple individuals who serve as members, officers, independent contractors, and/or directors of one or more of the foregoing entities.

The Item 9 Defendants do not have any contracts or business dealings with Plaintiffs. The Item 9 Defendants do not have any interest in the cannabis licenses or businesses that are the subject of the lawsuit. In fact, the Item 9 Defendants were not even aware of Plaintiffs or their respective entities prior to this lawsuit.

Nevertheless, on September 9, 2020, Plaintiffs filed a 240-paragraph First Amended Complaint (the “FAC”) that leveled eight (8) claims against the ten (10) Item 9 Defendants, ranging from conspiracy to aiding and abetting breaches of fiduciary duty. Plaintiffs' claims stemmed from the notion that Plaintiffs and one or more of the Item 9 Defendants happened by chance to enter into separate transactions with Defendants Lemons and Burton.

The Item 9 Defendants moved to dismiss the FAC (the “Motion to Dismiss”) on December 18, 2020. The Court held that Plaintiffs had failed to state viable claims against the Item 9 Defendants, and the Court lacked personal jurisdiction over the claims against various members of the Item 9 Defendants. The Court granted the Item 9 Defendants’ Motion to Dismiss, and the final dismissal order was served on April 13, 2021 (the “Dismissal Order”).

The Item 9 Defendants should not have been forced to incur the time and expense of preparing, filing, and arguing the Motion to Dismiss in the first place. Via letter dated November 10, 2020 (the “November 10 Letter”) – weeks before the Motion to Dismiss was filed – Arizona counsel for the Item 9 Defendants contacted counsel for Plaintiffs (then, the Albright Stoddard firm) and requested that Plaintiffs dismiss their claims against the Item 9 Defendants. The Item 9 Defendants told Plaintiffs that their claims were unsubstantiated and initiated for an improper purpose.

Indeed, as described in the Item 9 Defendants November 10, 2020 letter attached as Exhibit C to the Declaration of Lauren Stine, Plaintiffs (through an individual claiming to be their agent) threatened, harassed, and intimidated the Item 9 Defendants (and in at least one instance, their families) in an effort to enlist their assistance in the lawsuit or, barring that, to extract payment from them. After the Item 9 Defendants refused to engage with Plaintiffs' agent, Plaintiffs filed the FAC.

After receiving the November 10 Letter detailing the lack of facts, improper purpose, and harassment, Plaintiffs agreed to dismiss their claims against the Item 9 Defendants (except Strive Management) without prejudice. Plaintiffs later revoked that agreement without any explanation or alteration of the facts alleged in the FAC, and forced the Item 9 Defendants to incur unnecessary time and expense in securing the Dismissal Order. Indeed, the Motion to Dismiss addressed each of the eight (8) claims pled against the ten (10) Item 9 Defendants, and included a (successful) challenge to personal jurisdiction, which required evidentiary support in the form of Declarations from the Defendants. Tellingly, Plaintiffs voluntarily dismissed all of their claims against the five (5) individual Item 9 Defendants and four (4) of its claims against the remaining Item 9 Defendants in their opposition papers.

Put simply, the FAC was designed to bully the Item 9 Defendants, and it lacked a legitimate good faith basis from the outset. The Court should award the Item 9 Defendants their attorneys' fees and costs they have incurred in connection with this matter, pursuant to N.R.S. § 18.010. *Id.* (stating that the "court shall liberally construe the provisions of this paragraph in favor of awarding attorney's fees in all appropriate situations").

II. THE COURT SHOULD AWARD THE ITEM 9 DEFENDANTS THEIR ATTORNEYS' FEES AND COSTS.

A. The FAC was Groundless and Designed to Harass.

Pursuant to N.R.S. 018.010(2)(b), the Court may award attorneys' fees and costs if it determines that the claims were "brought or maintained without reasonable ground or to harass the prevailing party". *Id.* "The Court shall liberally construe" this statute "in favor of awarding

1 attorney's fees in all appropriate situations". *Id.* Here, the FAC was both filed "without
2 reasonable ground" and designed to "harass" the Item 9 Defendants.

3 First, a complaint is groundless when it contains allegations that are not supported by
4 credible evidence. That is precisely the case here. As demonstrated in the Item 9 Defendants'
5 Motion to Dismiss, which is incorporated by reference, and Defendants' November 10 Letter,
6 Plaintiffs did not have a credible basis to assert claims against the Item 9 Defendants.

7 The claims against the Item 9 Defendants were predicated solely on the assertion that
8 Plaintiffs and some of the Item 9 Defendants may have entered into agreements with the same
9 individuals. The FAC generally alleged Plaintiffs entered into agreements with Defendants
10 Lemons and Burtons regarding Defendant Harvest Foundation, which holds marijuana
11 cultivation licenses in Nevada. The FAC alleged that one or more of the Item 9 Defendants
12 entered into *separate* agreements with Defendants Lemons and Burton regarding *different*
13 marijuana dispensary (not cultivation) licenses in Nevada. The FAC alleged that these separate
14 agreements (between one or more of the Item 9 Defendants, Lemons, Burtons, etc.) somehow
15 violate rights or interests Plaintiffs claim to have in their *separate* agreements relating to the
16 Harvest Foundation and its cultivation license.

17 However, the FAC did not dispute that the Item 9 Defendants do not have any contracts
18 or business dealings with Plaintiffs. The Item 9 Defendants were not even aware of Plaintiffs
19 or their respective entities prior to this lawsuit. That is precisely why Plaintiffs initially agreed
20 to dismiss each of the claims against the Item 9 Defendants without prejudice in November
21 2020, only to later inexplicably revoke their agreement to dismiss days later.

22 Second, the FAC was designed to harass the Item 9 Defendants. As is evident from the
23 November 10 Letter, an individual claiming to be an agent for Plaintiffs threatened and harassed
24 the Item 9 Defendants prior to filing the FAC. Here are a few examples of the communications
25 that this individual sent to the Item 9 Defendants, which are detailed in the November 10 Letter:
26

- 27
- 28 • "Mssrs. [sic] Bowden, Mr. Miller and Mr. Rassas I was hired to come in with a nuclear arsenal and blow up Item 9 Labs and these scammers you entered into

business with who have defrauded and stolen from my clients and Trevor and John."

- "You all are either a friend or foe in that regard. I am reaching out to you for help to take the lead to get my guys' money back before a nuclear winter drops on Item 9 for engaging in clear fraud, interference with contract, interference with economic advantage, etc. etc. etc. blah blah blah you know the deal."
- "I am the fixer. I never stop until the client is paid in full or parties are in jail. ... I am the fixer and here to help you help yourself to get my guys their money back."
- "The only path I am aligned on currently is the path to 100% complete success getting my guys their money back. Anyone not helping in that regard will be roadkill in my rear review mirror."
- "I have amended out [sic] complaint and will be filing it tomorrow and promise this is the lease [sic] of your worries. I reached out to Bryce and crew as a one time [sic] courtesy which I always do before launching my nukes."

There can be no legitimate dispute that the FAC was filed for an improper purpose and was a transparent attempt to harass the Item 9 Defendants, some of whom are simply investors in totally separate business transactions or employees of Item 9 or its affiliates. The Item 9 Defendants shared this information and the harassing communications with Plaintiffs' counsel. Despite initially agreeing to dismiss their claims, Plaintiffs reneged with no explanation.

B. The Attorneys' Fees and Costs Incurred are Reasonable.

The reasonableness of the fees requested are evaluated under the *Brunzell* factors. "Under *Brunzell*, when courts determine the appropriate fee to award in civil cases, they must consider various factors, including the qualities of the advocate, the character and difficulty of the work performed, the work actually performed by the attorney, and the result obtained." *Petra Drilling and Basting, Inc. v. US Mine Corp.*, 468 P.3d 885, *3 (Nev. App. 2020). Each of these factors weighs in favor of an award.

The Qualities of the Advocates. As set forth in the Stine Declaration, the Item 9 Defendants are represented by Lauren Elliott Stine, Christian Stahl, Karl Nielson, and Lukas Landolt.

1 Lauren Stine is a 2006 graduate of the Sandra Day O'Connor College of Law at Arizona
2 State University. She is a partner at Quarles & Brady, LLP, and the chair of the firm's
3 Commercial Litigation group for the Phoenix office. Ms. Stine previously served as a judicial
4 law clerk for the Honorable W. Scott Bales (ret.) of the Arizona Supreme Court. Ms. Stine's
5 role in this matter consisted of determining the overall strategy, directing, reviewing and
6 contributing to work product of the other attorneys involved, arguing motions, and
7 communicating with opposing counsel and the Item 9 Defendants. Ms. Stine's hourly rate of
8 \$475.00 per hour is reasonable in light of her skill, ability, training, education, and experience.

9
10 Christian Stahl is a 2006 graduate of the Chicago-Kent College of Law. Mr. Stahl is a
11 partner at Quarles & Brady, LLP's Intellectual Property Litigation group in its Chicago office.
12 Mr. Stahl's role in this matter consisted of contributing to case strategy, drafting and revising
13 work product, assisting in preparation for arguments, and communicating with opposing
14 counsel. Mr. Stahl's knowledge of Item 9's work and relationships with the other defendants
15 was valuable to the defense of this matter. Mr. Stahl's hourly rate during the firm's
16 representation of the Item 9 Defendants was \$535.00 per hour and is reasonable in light of his
17 skill, ability, training, education, and experience.

18 Karl Nielson is a 1993 graduate of the J. Reuben Clark Law School at Brigham Young
19 University. He is Of Counsel with Smith Larsen & Wixom in Las Vegas, Nevada. Mr. Nielson
20 has 28 years of litigation experience and as local counsel for this matter contributed to all facets
21 of the successful defense thereof. Mr. Nielson's hourly rate of \$300 per hour is reasonable in
22 light of his skill and, education and experience.

23 Lukas Landolt is a 2018 graduate of the Sandra Day O'Connor College of Law at
24 Arizona State University. He is an associate in the Commercial Litigation group in the Phoenix
25 office of Quarles & Brady, LLP. Mr. Landolt previously served as a judicial law clerk for the
26 Honorable John Lopez IV of the Arizona Supreme Court. Mr. Landolt's role in this matter
27 consisted of contributing to the research, analysis, strategy, and drafting necessary to support
28 the various motions filed in this matter. Mr. Landolt's hourly rate of \$305.00 is reasonable in

light of his skill, ability, training, education, and experience.

The Character and Difficulty of the Work Performed. The Item 9 Defendants' Motion to Dismiss required analysis of the 240 paragraph FAC, and 8 claims asserted against the Item 9 Defendants. Further, the Motion to Dismiss required investigation into a half dozen other defendants and the facts related to each to determine the Item 9 Defendants' alleged role in the meandering FAC. The Motion to Dismiss also required analysis of general and specific personal jurisdiction, and the preparation of substantive Declarations from various Defendants to support their jurisdictional challenges. As demonstrated by the Dismissal Order, the FAC had no merit. Plaintiffs completely failed in their burden of establishing personal jurisdiction over several defendants, and did not even bother to submit evidence to rebut the lack of jurisdiction. And in recognition of the strength of the Motion to Dismiss, Plaintiffs agreed in their opposition papers to dismiss *half* of their claims – all claims against each of the five (5) individual Item 9 Defendants and four (4) of claims against the remaining Item 9 Defendants. Notably, Plaintiffs had the information to make this decision weeks prior to the Item 9 Defendants' Motion to Dismiss filing, but stubbornly charged ahead and forced the Item 9 Defendants to research, draft, and file its full motion against all claims.

The Work Performed. The Stine Declaration provides a detailed and itemized statement of the tasks and attorneys' fees charged and costs incurred by Quarles & Brady and Smith Larsen & Wixom in this matter that were reasonably necessary in prosecuting and defending the claims in this action. Those fees, which the Item 9 Defendants seek, total \$77,878.50 and the costs total \$2,106.33.

The Result Obtained. After the Motion to Dismiss was filed, Plaintiffs dismissed the claims against each of the individual Item 9 Defendants and half of its substantive claims in their opposing papers. The Court granted the Motion to Dismiss and dismissed the FAC for lack of personal jurisdiction (Viridis) and failure to state a claim on the remaining claims at the February 24, 2021 hearing.

1 **III. CONCLUSION.**

2 For the foregoing reasons, the Item 9 Defendants respectfully requests that the Court
3 grant the Motion and award them their attorneys' fees and cost incurred in connection with this
4 action.

5 RESPECTFULLY SUBMITTED this 4th day of May, 2021.

6 SMITH LARSEN & WIXOM

7 /s/ Karl L. Nielson

8 Michael B. Wixom, Esq.

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10 Karl L. Nielson, Esq.

11 Nevada bar No. 5082

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15 Lauren Elliott Stine (#025083)

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17 Christian G. Stahl (#029984)

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23 Attorneys for Defendants Item 9 Labs Corp. f/k/a

24 Airware Labs Corp. and Crown Dynamics

25 Corp.; Item 9 Properties, LLC, Strive

26 Management, L.L.C. d/b/a/ Strive Life, Viridis

27 Group I9 Capital, LLC, Viridis Group Holdings,

28 LLC, Andrew Bowden, Douglas Bowden; Bryce

 Skalla Jeffrey Rassas, and Chase Herschman

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on May 3, 2021 a true copy of the foregoing **Defendants Item 9 Labs Corp., Viridis Group I9 Capital LLC, Viridis Group Holdings, LLC, Andrew Bowden, Douglas Bowden, Bryce Skalla, Jeffrey Rassas, and Chase Herschman's Motion for Attorneys' Fees and Costs** was sent via electronic means to the following at their last known email addresses, pursuant to EDCR 8.05(a):

Party: JDD, LLC - Plaintiff

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Lee Iglody	lee@iglody.com
Hayden R. D. Smith	hsmith@albrightstoddard.com

Party: Larry Lemons - Defendant

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Jessica Gandy	Jgandy@messner.com
Candace Herling	cherling@messner.com
Stephanie Prescott	sprescott@messner.com

Party: TCS Partners, LLC - Plaintiff

Emily Iglody	emily@iglodylaw.com
Lee Iglody	lee@iglody.com

Party: John Saunders - Plaintiff

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Party: Trevor Schmidt - Plaintiff

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Trevor Schmidt	trevor@myshapelipo.com

Party: The Harvest Foundation LLC - Defendant

Kevin Barrett	kbarrett@barrettmatura.com
---------------	----------------------------

Party: Viridis Group Holdings LLC – Defendant

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Ella Dumo	assistant@gabroy.com
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/s/ Jana L. Rivard

An employee of Smith Larsen & Wixom

EXHIBIT 1

EXHIBIT 1

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and Crown Dynamics Corp.; Item 9 Properties, LLC, Strive
Management, L.L.C. d/b/a Strive Life, Viridis Group I9
Capital, LLC, Viridis Group Holdings, LLC, Andrew
Bowden, Douglas Bowden; Bryce Skalla Jeffrey Rassas,
and Chase Herschman*

DISTRICT COURT
CLARK COUNTY, NEVADA

JDD, LLC, a Nevada limited liability company;
TCS Partners, LLC, a Nevada limited liability
company; JOHN SAUNDERS, an individual; and
TREVOR SCHMIDT, an individual,

Plaintiffs,

vs.

MARIMED INC. f/k/a Worlds Online, Inc., a
Delaware corporation; ITEM 9 LABS CORP. f/k/a
Airware Labs Corp. and Crown Dynamics Corp., a
Delaware corporation; ITEM 9 PROPERTIES
LLC, a Nevada limited liability company; THE

CASE NO.: A-20-811232-C
DEPT. NO.: 26

**DECLARATION OF LAUREN
ELLIOTT STINE IN SUPPORT OF
DEFENDANTS ITEM 9 LABS
CORP., VIRIDIS GROUP I9
CAPITAL LLC, VIRIDIS GROUP
HOLDINGS, LLC, ANDREW
BOWDEN, DOUGLAS BOWDEN,
BRYCE SKALLA, JEFFREY
RASSAS, AND CHASE
HERSCHMAN'S MOTION FOR**

1 HARVEST FOUNDATION LLC f/k/a, a Nevada
2 limited liability company a/k/a THE HARVEST
3 FOUNDATION, LLC; STRIVE MANAGEMENT
4 L.L.C. d/b/a Strive Life, a Nevada limited liability
5 company; STRIVE WELLNESS OF NEVADA,
6 LLC d/b/a Strive Life, a Nevada limited liability
7 company; STRIVE WELLNESS OF NEVADA 2
8 L.L.C. d/b/a Strive Life, a Nevada limited liability
9 company; VIRIDIS GROUP I9 CAPITAL, LLC,
10 an Arizona limited liability company; VIRIDIS
11 GROUP HOLDINGS, LLC, an Arizona limited
12 liability company; SNOWELL HOLDINGS, LLC,
13 an Ohio limited liability company; ROBERT
14 FIREMAN, an individual; JON LEVINE, an
15 individual; ANDREW BOWDEN, an individual;
16 DOUGLAS BOWDEN, an individual; BRYCE
17 SKALLA, an individual; JEFFREY RASSAS, an
18 individual; DONALD BURTON, an individual;
19 LARRY LEMONS, an individual; JEFFREY
20 YOKIEL, an individual; JEROME YOKIEL, an
21 individual; SARA GULLICKSON, an individual;
22 CHASE HERSCHMAN, an individual; DOE
23 INDIVIDUALS I through X, and ROE
24 BUSINESS ENTITIES XI through XX, inclusive,
25
26 Defendants.

ATTORNEYS' FEES AND COSTS

17 **LAUREN ELLIOTT STINE** hereby declares as follows:

18
19 1. My name is Lauren Elliott Stine. I am a partner at the law firm of Quarles &
20 Brady, LLP, and I am lead counsel for Defendants Item 9 Labs Corp., Viridis Group I9 Capital
21 LLC, Viridis Group Holdings, LLC, Andrew Bowden, Douglas Bowden, Bryce Skalla, Jeffrey
22 Rassas, and Chase Herschman (collectively, the "Item 9 Defendants"). I am over eighteen
23 years old, and am competent to testify. This Declaration is based on my personal knowledge.

24
25 2. I am a 2006 graduate of the Sandra Day O'Connor College of Law at Arizona
26 State University. I am a partner at Quarles & Brady, LLP, and the chair of the firm's
27 Commercial Litigation group for the Phoenix office. I previously served as a judicial law clerk
28 for the Honorable W. Scott Bales (ret.) of the Arizona Supreme Court. My hourly rate during

1 the firm's representation of the Item 9 Defendants was \$475.00 per hour which is reasonable
2 in light of my skill, ability, training, education, and experience. My role in this matter
3 consisted of determining the overall strategy, directing, reviewing and contributing to work
4 product of the other attorneys involved, arguing motions, and communicating with opposing
5 counsel and the Item 9 Defendants. The Item 9 Defendants have been billed, and have agreed
6 to pay for, work performed by me and the attorneys identified below. In particular, the Item
7 9 Defendants have been billed or will be billed, and have agreed to pay, \$37,905.00 for work
8 that I performed.
9

10
11 3. Christian Stahl is a 2006 graduate of the Chicago-Kent College of Law. Mr.
12 Stahl is a partner at Quarles & Brady, LLP's Intellectual Property Litigation group in its
13 Chicago office. Mr. Stahl's hourly rate during the firm's representation of the Item 9
14 Defendants was \$535.00 per hour which is reasonable in light of his skill, ability, training,
15 education, and experience. Mr. Stahl's role in this matter consisted of contributing to case
16 strategy, drafting and revising work product, assisting in preparation for arguments, and
17 communicating with opposing counsel. Mr. Stahl's knowledge of Item 9's work and
18 relationships with the other defendants was valuable to the defense of this matter. The Item 9
19 Defendants have been billed or will be billed, and have agreed to pay, \$16,692.00 for work
20 that Mr. Stahl performed.
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23 4. Lukas Landolt is a 2018 graduate of the Sandra Day O'Connor College of Law
24 at Arizona State University. He is an associate in the Commercial Litigation group in the
25 Phoenix office of Quarles & Brady, LLP. Mr. Landolt previously served as a judicial law
26 clerk for the Honorable John Lopez IV of the Arizona Supreme Court. Mr. Landolt's hourly
27 rate during the firm's representation of the Item 9 Defendants was \$305.00 per hour which is
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1 reasonable in light of his skill, ability, training, education, and experience. Mr. Landolt's role
2 in this matter consisted of contributing to the research, analysis, strategy, and drafting
3 necessary to support the various motions filed in this matter. The Item 9 Defendants have been
4 billed or will be billed, and have agreed to pay, \$9,607.50 for work that Mr. Landolt
5 performed.
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7 5. Karl Nielson is a 1993 graduate of the J. Reuben Clark Law School at Brigham
8 Young University. He is Of Counsel with Smith Larsen & Wixom in Las Vegas, Nevada. Mr.
9 Nielson has 28 years of litigation experience and as local counsel for this matter contributed
10 to all facets of the successful defense thereof. Mr. Nielson's hourly rate of \$300 per hour is
11 reasonable in light of his skill, education, and experience. The Item 9 Defendants have been
12 billed or will be billed, and have agreed to pay, \$15,443.56 for work that Mr. Nielson
13 performed.
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15 6. Attached hereto as Exhibit "A" is an itemized statement of attorneys' fees and
16 costs incurred by Quarles & Brady in this matter that were reasonably necessary in prosecuting
17 and defending the claims in this action. Those fees total \$64,204.50 and the costs total
18 \$336.77.
19

20 7. The detailed descriptions in Exhibit "A" include the date of the task(s), the
21 name of the person who performed each task, the amount of time expended measured in tenths
22 of hours, the amount of charges for the time involved, and a brief description of the work
23 performed.
24

25 8. Exhibit "A" was generated from invoices based on individual time data
26 compiled by the attorneys and paralegals. Consistent with firm practice and policy, the
27 individuals keep track of their time as the work is performed. The time data is then entered
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1 into the firm's accounting system, which generates billing statements. Costs are submitted to
2 accounting when they have been incurred and are included in the billing statements. The
3 billing statements are sent to the client, reflecting the work performed, the charges, and the
4 costs. Remittances are sent to Quarles & Brady in response to the billing statements. These
5 practices and procedures are standard at Quarles & Brady and in the Phoenix, Arizona legal
6 market and are within Quarles & Brady's normal business operations.

8 9. The entries in Exhibit "A" were taken from Quarles & Brady's invoices. All
9 the work performed by the attorneys at Quarles & Brady on behalf of the Item 9 Defendants
10 was justified. I am generally familiar with the hourly rates charged by attorneys at comparable
11 law firms, and the hourly rates listed in Exhibit "A" are comparable to the rates charged by
12 lawyers of comparable experience at comparable law firms. Exhibit "A" has been edited to
13 prevent disclosure of work product and attorney-client privileged information.

14 10. The amount of legal fees and costs set forth in Exhibit "A" are **\$64,204.50** and
15 **\$336.77**, respectively. This is a reasonable sum, based upon the claims at issue in this case,
16 the quality of the law firm and the attorneys performing the legal work for the Item 9
17 Defendants, the character and difficulty of the work to be done, and the work actually
18 performed by Quarles & Brady on behalf of the Item 9 Defendants.

19 11. Attached hereto as Exhibit "B" is an itemized statement of attorneys' fees and
20 costs incurred by Smith Larsen & Wixom in this matter that were reasonably necessary in
21 prosecuting and defending the claims in this action. Those fees total **\$13,674** and the costs
22 total **\$1,769.56**.

23 12. The detailed descriptions in Exhibit "B" include the date of the task(s), the
24 name of the person who performed each task, the amount of time expended measured in tenths
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1 of hours, the amount of charges for the time involved, and a brief description of the work
2 performed.

3 13. Exhibit "B" was generated from invoices based on individual time data
4 compiled by the attorneys and paralegals. Consistent with firm practice and policy, the
5 individuals keep track of their time as the work is performed. The time data is then entered
6 into the firm's accounting system, which generates billing statements. Costs are submitted to
7 accounting when they have been incurred and are included in the billing statements. The
8 billing statements are sent to the client, reflecting the work performed, the charges, and the
9 costs. Remittances are sent to Smith Larsen & Wixom in response to the billing statements.
10 These practices and procedures are standard at Smith Larsen & Wixom and in the Las Vegas,
11 Nevada legal market and are within Smith Larsen & Wixom's normal business operations.

12 14. The entries in Exhibit "B" were taken from Smith Larsen & Wixom's invoices.
13 All the work performed by the attorneys at Smith Larsen & Wixom on behalf of the Item 9
14 Defendants was justified. I am generally familiar with the hourly rates charged by attorneys
15 at comparable law firms, and the hourly rates listed in Exhibit "B" are comparable to the rates
16 charged by lawyers of comparable experience at comparable law firms. Exhibit "B" has been
17 edited to prevent disclosure of work product and attorney-client privileged information.

18 15. The amount of legal fees and costs set forth in Exhibit "B" are **\$13,674** and
19 **\$1,769.56**, respectively. This is a reasonable sum, based upon the claims at issue in this case,
20 the quality of the law firm and the attorneys performing the legal work for the Item 9
21 Defendants, the character and difficulty of the work to be done, and the work actually
22 performed by Smith Larsen & Wixom on behalf of the Item 9 Defendants.

23 16. In addition, I estimate that Quarles & Brady will generate approximately
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SMITH LARSEN & WIXOM

ATTORNEYS

HILLS CENTER BUSINESS PARK
1935 VILLAGE CENTER CIRCLE
LAS VEGAS, NEVADA 89134
(702) 252-5002 • (702) 252-5006

1 \$5,000.00 in additional fees in connection with the preparation of its Application for
2 Attorneys' Fees and accompanying documents, as well as Plaintiff's Reply in support thereof.

3 17. A true and correct copy of the November 10, 2020 letter I sent to plaintiff's
4 counsel, Mr. Hayden Smith at Albright, Stoddard, Warnick & Albright is attached as Exhibit
5 "C".
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7 I declare under the penalty of perjury that the foregoing is true and correct.

8 DATED this 4th day of May, 2021.

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11 LAUREN ELLIOTT STINE
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EXHIBIT A

EXHIBIT A

SUMMARY OF FEES BY PERSON

<u>ATTORNEY/PARALEGAL</u>	<u>TITLE</u>	<u>HOURS</u>	<u>RATE/HR</u>	<u>DOLLARS</u>
Landolt, Lukas M.	Associate	31.50	\$305.00	\$9,607.50
Stahl, Christian G.	Partner	31.20	\$535.00	\$16,692.00
Stine, Lauren E.	Partner	79.80	\$475.00	\$37,905.00
TOTAL:		142.50		\$64,204.50

ITEMIZED CHRONOLOGY OF FEES

<i>Date</i>	<i>ATTY/PARA.</i>	<i>Title</i>	<i>Hours</i>	<i>Amount</i>	<i>Description</i>
10/06/20	Stine, Lauren E.	Partner	0.40	\$190.00	Communications with C.Stahl regarding NV action and [REDACTED].
10/07/20	Stahl, Christian G.	Partner	1.50	\$802.50	Consider Nevada Complaint (0.6); consider same in relation to various agreements with co-defendants (0.5); consider service dates and next steps (0.1); discussion with L. Landolt on [REDACT] (0.2); follow up with L. Stine regarding same (0.1).
10/09/20	Landolt, Lukas M.	Associate	2.30	\$701.50	Review and analyze allegations in complaint and draft summary of the same (1.7); research available information re [REDACT] (.6).
10/12/20	Stahl, Christian G.	Partner	0.70	\$374.50	Consideration of select portions of complaint, facts regarding [REDACT], and next steps.
10/13/20	Landolt, Lukas M.	Associate	1.80	\$549.00	Conference call and strategy regarding complaint (.5); review and obtain SEC documents cited in complaint (.3); research jurisdictional issues (1.0).
10/13/20	Stine, Lauren E.	Partner	3.30	\$1,567.50	Evaluate claims and motions (2.0); strategy calls with QB team (.9); call with I9 and related follow up (.4).
10/14/20	Landolt, Lukas M.	Associate	1.70	\$518.50	Research and analyze Nevada case law and statutes regarding [REDACTED] (.5); research and analyze same regarding [REDACTED] of claims against client (1.2).
10/15/20	Landolt, Lukas M.	Associate	2.50	\$762.50	Review and analyze Nevada and relevant federal case law regarding [REDACTED] of claims against clients (1.8); draft summary of legal findings and conclusions (.7).
10/21/20	Stine, Lauren E.	Partner	1.20	\$570.00	Review and evaluate arguments for motion to dismiss (1.0); communications with local counsel (.2).
10/22/20	Stahl, Christian G.	Partner	1.80	\$963.00	Prepare for and participate in discussion with local counsel regarding [REDACTED] (1.2); consider motions, facts, and arguments (0.3); discuss same with L. Stine (0.3).
10/22/20	Stine, Lauren E.	Partner	2.80	\$1,330.00	Prepare for and participate in call with NV local counsel and related follow up tasks for NV litigation (2.4); review Brandt letter to Plaintiffs' counsel and related communications (.4).
10/23/20	Stine, Lauren E.	Partner	2.60	\$1,235.00	Review filings, call with A.Bowden re: same and follow up analysis re: litigation
10/27/20	Stine, Lauren E.	Partner	0.50	\$237.50	Call with A.Bowden (.1); evaluate Harvest Foundation allegations and related due diligence (.4).
10/28/20	Stine, Lauren E.	Partner	0.70	\$332.50	Communications with local counsel (.1); due diligence re: Harvest Foundation allegations (.6).
10/29/20	Stahl, Christian G.	Partner	0.60	\$321.00	Consider Harvest Foundation allegations (0.2); discuss same with L. Stine and consider

					arguments for potential motion to dismiss and strategy for same (0.4).
10/29/20	Stine, Lauren E.	Partner	1.20	\$570.00	Strategy call with C.Stahl and related follow up (.8); call with Chase re: litigation plan (.4).
11/02/20	Stine, Lauren E.	Partner	1.00	\$475.00	Revise letter to plaintiffs.
11/03/20	Stahl, Christian G.	Partner	0.70	\$374.50	Prepare for and participate in discussion with Item 9 client team and L. Stine regarding [REDACTED].
11/03/20	Stine, Lauren E.	Partner	3.40	\$1,615.00	Communications with clients regarding next steps (.8); work on letter to Plaintiffs (2.0); communications among counsel (.6).
11/05/20	Stine, Lauren E.	Partner	0.70	\$332.50	Email to counsel regarding extension and related follow up (.2); review and revise acceptance of service document (.3); review client documents (.2).
11/06/20	Stahl, Christian G.	Partner	1.00	\$535.00	Review and consider B. Roche's e-mail to defendants and attachments related to co-defendants (0.4); review and revise letter to opposing counsel regarding impropriety of lawsuit and dismissal of same (0.4); correspond with L. Stine on [REDACTED] (0.2).
11/06/20	Stine, Lauren E.	Partner	0.60	\$285.00	Review additional client emails re: [REDACTED] and revise letter (.4); emails with Plaintiffs' counsel (.2).
11/09/20	Stahl, Christian G.	Partner	1.70	\$909.50	Consider strategy in upcoming teleconference with H. Smith, counsel for plaintiffs (0.3); discuss same with L. Stine (0.2); review draft letter to H. Smith and attachments to same (0.2); prepare for and participate in teleconference with H. Smith to clarify facts and request dismissal (0.7); review and revise draft letter to H. Smith (0.3)
11/09/20	Stine, Lauren E.	Partner	1.00	\$475.00	Prepare for and participate in call with Plaintiffs' counsel and related follow up work on demands.
11/10/20	Stahl, Christian G.	Partner	0.30	\$160.50	Review final letter to JDD's counsel requesting dismissal because of mistaken facts and harassment and correspond with L. Stine regarding same.
11/10/20	Stine, Lauren E.	Partner	0.60	\$285.00	Finalize JDD demand letter and related follow up.
11/16/20	Stine, Lauren E.	Partner	0.20	\$95.00	Communications with counsel re: dismissal and meet/confer.
11/17/20	Stahl, Christian G.	Partner	0.30	\$160.50	Consider plaintiff's proposed dismissal and potential motion practice to dismiss same.
11/17/20	Stine, Lauren E.	Partner	1.30	\$617.50	Call with plaintiffs' counsel re: dismissal and related follow up calls with clients and Q&B.
11/18/20	Stine, Lauren E.	Partner	0.20	\$95.00	Review and evaluate message from counsel re: strive management.
11/19/20	Landolt, Lukas M.	Associate	0.20	\$61.00	Strategy regarding motion to dismiss and necessary research to support.
11/19/20	Stahl, Christian G.	Partner	0.9	\$481.50	Consider offer from plaintiffs re: dismissal of Strive Management (0.2); discuss [REDACTED] with L. Stine and potential next steps (0.7).

11/19/20	Stine, Lauren E.	Partner	1.00	\$475.00	Communications with Plaintiffs' counsel re: Strive Management (.1); strategy discussions with C.Stahl (.7); review proposed stipulation re: dismissal and related follow up (.2).
11/20/20	Stine, Lauren E.	Partner	0.20	\$95.00	Review and evaluate revised stipulation (.2).
11/25/20	Stine, Lauren E.	Partner	0.20	\$95.00	Communications with local counsel re: extensions (.2).
11/30/20	Stahl, Christian G.	Partner	0.10	\$53.50	Consider stipulation inquiry raised by plaintiffs counsel.
11/30/20	Stine, Lauren E.	Partner	0.20	\$95.00	Emails with counsel re: stipulation.
12/01/20	Stahl, Christian G.	Partner	0.80	\$428.00	Prepare for and speak with K. Nielsen regarding [REDACTED]
12/01/20	Stine, Lauren E.	Partner	1.20	\$570.00	Call with local counsel and planning for motions (.8); review and edit proposed stipulation (.2); communications with local counsel re: same (.2).
12/02/20	Landolt, Lukas M.	Associate	0.40	\$122.00	Strategy regarding motion to dismiss.
12/02/20	Stine, Lauren E.	Partner	0.90	\$427.50	Evaluate and work on research for motions.
12/03/20	Landolt, Lukas M.	Associate	1.70	\$518.50	Research and analyze Nevada case law regarding [REDACTED] (1.3); draft summary of findings and legal conclusions (.4).
12/03/20	Stahl, Christian G.	Partner	0.30	\$160.50	Discussion with L. Stine regarding motion to dismiss argument on [REDACTED]
12/03/20	Stine, Lauren E.	Partner	1.00	\$475.00	Evaluate jurisdictional research for motion to dismiss (.4); develop jurisdictional arguments for motion (.6).
12/07/20	Landolt, Lukas M.	Associate	2.70	\$823.50	Research Nevada statutes and case law governing claims asserted in complaint and research same for potential defenses.
12/08/20	Landolt, Lukas M.	Associate	2.40	\$732.00	Research and analyze Nevada case law and statutes regarding claims and potential defenses to support motion to dismiss (2.1); strategy regarding motion to dismiss (.3).
12/08/20	Stine, Lauren E.	Partner	1.90	\$902.50	Review research re: claims and defenses (1.0); review motion re: Snowell motion to dismiss (.2); develop arguments for motion to dismiss (.5); review Gullickson joinder (.2)
12/09/20	Stahl, Christian G.	Partner	0.20	\$107.00	Review joinder motion for Motion to Dismiss
12/11/20	Stahl, Christian G.	Partner	0.60	\$321.00	Review and consider outline of motion to dismiss arguments.
12/11/20	Stine, Lauren E.	Partner	2.00	\$950.00	Review research and outline arguments for motions to dismiss.
12/14/20	Stahl, Christian G.	Partner	2.60	\$1,391.00	Consider arguments for motion to dismiss and provide edits to same (0.5); research [REDACTED] requirements in Nevada (0.7); draft declaration of Viridis Group I9 Capital LLC in support of motion to dismiss; draft and send e-mail to A. Bowden, D. Bowden, B. Skalla, and J. Rassas requesting [REDACTED] (1.4).
12/14/20	Stine, Lauren E.	Partner	9.70	\$4,607.50	Communications with local counsel re: latest orders and motions (.1); draft motion to dismiss (6.0); research for motion to dismiss (2.8); work on declarations and supporting

					materials for personal jurisdiction arguments (.8).
12/15/20	Stahl, Christian G.	Partner	1.70	\$909.50	Review and comment on first draft of motion to dismiss (1.1); correspond with B. Mikkelson regarding [REDACTED] (0.2); review additional information from defendants to support declarations (0.4).
12/16/20	Landolt, Lukas M.	Associate	3.40	\$1,037.00	Strategy regarding content and structure of motion to dismiss (.6); review and edit motion to dismiss (2.8).
12/16/20	Stahl, Christian G.	Partner	1.80	\$963.00	Speak with B. Mikkelson (0.5); review draft of motion to dismiss (0.7); draft and revise declarations of Bowden, Skalla, Rassas, and D. Bowden (0.6).
12/16/20	Stine, Lauren E.	Partner	5.90	\$2,802.50	follow up communications with A.Bowden and team re: [REDACTED] information (.3); call with Bobby re: [REDACTED] information and related follow up (.5); continue to draft motion to dismiss (4.2); research and analysis for motion (.9).
12/17/20	Landolt, Lukas M.	Associate	1.90	\$579.50	Review and edit motion to dismiss (.7); research and analyze Nevada statutes and case law regarding [REDACTED] (1.0); strategy regarding [REDACTED] of motion to dismiss (.2).
12/17/20	Stahl, Christian G.	Partner	1.90	\$1,016.50	Complete drafts of declarations in support of motion to dismiss for Viridis Group I9 Capital and Viridis Group Holdings (0.7); revise declarations in support of motions to dismiss for individual defendants (0.3); revise motion to dismiss brief (0.8); email with local counsel and client (0.1).
12/17/20	Stine, Lauren E.	Partner	4.60	\$2,185.00	Continue to draft and revise motion (3.4); communications with team re: same (.9); communications to/from I9 (.3).
12/18/20	Landolt, Lukas M.	Associate	1.40	\$427.00	Review and edit motion to dismiss, including citations to pleadings and case citations.
12/18/20	Stahl, Christian G.	Partner	0.70	\$374.50	Review edits and revisions to motion to dismiss (0.4); receive declarations from individual defendants (0.1); provide additional edits and comments (0.2).
12/18/20	Stine, Lauren E.	Partner	5.10	\$2,422.50	Finalize declarations and motion for filing (2.9); multiple communications with item 9 team re: [REDACTED] (1.4); multiple communications with local counsel re: same (.4); review Gullickson motion (.4).
12/22/20	Stine, Lauren E.	Partner	0.40	\$190.00	Review Burton/Lemons filings.
12/23/20	Stahl, Christian G.	Partner	0.30	\$160.50	Review motion to extend and new appearance (0.2); research plaintiffs' new counsel (0.1).
12/23/20	Stine, Lauren E.	Partner	1.10	\$522.50	Review multiple filings from new counsel (.6); communications re: [REDACTED] with local counsel (.4); email with clients re: same (.1).
01/08/21	Stine, Lauren E.	Partner	0.20	\$95.00	Review filing from Marimed.
01/20/21	Stahl, Christian G.	Partner	1.00	\$535.00	Review plaintiffs' responses to Marimed and Snowell's motions to dismiss (0.3); review Marimed's and Snowell's reply in support of motion to dismiss (0.2); correspond with local

					counsel regarding [REDACTED] (0.1); debrief with L. Stine regarding [REDACTED] (0.2); discuss next steps (0.2).
01/20/21	Stine, Lauren E.	Partner	4.00	\$1,900.00	Review latest filings (1.0); observe Snowell et al. motion to dismiss hearing and related follow up work and communications (2.7); debrief with team and review court hearing minutes (.3).
01/22/21	Stahl, Christian G.	Partner	0.30	\$160.50	Prepare for and conduct discussion with A. Bowden, M. Keksey, regarding [REDACTED].
01/27/21	Landolt, Lukas M.	Associate	0.40	\$122.00	Review and analyze plaintiffs' oppositions to motions to dismiss.
01/27/21	Stahl, Christian G.	Partner	0.80	\$428.00	Review motions to associate counsel (0.1); correspond with local counsel regarding same (0.1); consider and annotate plaintiffs' response to Item 9's motion to dismiss (0.4); discuss same with L. Stine (0.2).
01/27/21	Stine, Lauren E.	Partner	1.00	\$475.00	Review and evaluate motion to dismiss response (.8); communications with local counsel re: [REDACTED] (.2).
01/29/21	Landolt, Lukas M.	Associate	0.50	\$152.50	Review and analyze response to motion to dismiss and create chart of remaining defendants and claims.
01/29/21	Stahl, Christian G.	Partner	0.50	\$267.50	Consider arguments in support of motion to dismiss.
02/11/21	Stine, Lauren E.	Partner	1.00	\$475.00	Develop arguments for reply brief.
02/12/21	Landolt, Lukas M.	Associate	7.10	\$2,165.50	Research and analyze case law supporting reply (1.6); work on reply in support of motion to dismiss (5.5).
02/15/21	Stahl, Christian G.	Partner	1.00	\$535.00	Review and revise reply brief in support of motion to dismiss
02/17/21	Landolt, Lukas M.	Associate	1.10	\$335.50	Review and edit reply in support of motion to dismiss.
02/17/21	Stahl, Christian G.	Partner	0.60	\$321.00	Review and revise reply brief; correspond with L. Stine regarding same
02/17/21	Stine, Lauren E.	Partner	4.60	\$2,185.00	Review and revise reply brief (3.8); communications with local counsel re: [REDACTED] (.3); prepare for and participate in court call re: pro hac admission (.5).
02/18/21	Stine, Lauren E.	Partner	0.40	\$190.00	Review Marimed reply (.4)
02/24/21	Stahl, Christian G.	Partner	1.00	\$535.00	Review and edit outline for motion to dismiss hearing argument (0.5); discuss [REDACTED] with L. Stine (0.2); assist in preparation for hearing argument with L. Stine and strategy for same (0.3).
02/24/21	Stine, Lauren E.	Partner	7.60	\$3,610.00	Prepare for and participate in lengthy oral argument on motions to dismiss (7.3); emails with client re: [REDACTED] (.2); review email from J. Brandt (.1).
03/01/21	Stine, Lauren E.	Partner	0.20	\$95.00	Communications with local counsel re: [REDACTED].
03/02/21	Stahl, Christian G.	Partner	0.50	\$267.50	Consider correspondence from local counsel regarding [REDACTED] (0.2); discuss same with L. Stine (0.2); next steps to confirm dismissal (0.1).

03/12/21	Stahl, Christian G.	Partner	0.60	\$321.00	Review dismissal order from Marimed (0.1); consider draft order for dismissal (0.4); correspond with local counsel regarding [REDACTED] (0.1).
03/12/21	Stine, Lauren E.	Partner	1.40	\$665.00	Review latest filings and communications with team re: same.
03/17/21	Stahl, Christian G.	Partner	2.00	\$1,070.00	Review hearing transcript for motion to dismiss (0.5); review Marimed's order to dismiss (0.2); correspond with local counsel regarding [REDACTED] (0.1); draft Item 9 Defendants order for dismissal (1.2).
03/17/21	Stine, Lauren E.	Partner	1.10	\$522.50	Review and revise proposed order granting motion to dismiss (.9); review multiple orders (2).
03/22/21	Stahl, Christian G.	Partner	0.20	\$107.00	Review order to dismiss from Snowell Holdings and respond to local counsel on same.
03/23/21	Stahl, Christian G.	Partner	0.20	\$107.00	Consider edits to order granting motion to dismiss.
03/24/21	Stahl, Christian G.	Partner	0.30	\$160.50	Review revised order granting motion to dismiss and provide additional edits.
03/25/21	Stahl, Christian G.	Partner	0.80	\$428.00	Review motion for attorneys' fees from Snowell and notice of hearing of same (0.4); consider Item 9 motion for attorneys' fees and arguments for same (0.4).
03/25/21	Stine, Lauren E.	Partner	0.50	\$237.50	Communications with Item 9 and local counsel regarding [REDACTED] (.3); review and revise proposed order (.2).
03/26/21	Stine, Lauren E.	Partner	0.20	\$95.00	Communications regarding dismissal filing.
03/31/21	Stahl, Christian G.	Partner	0.20	\$107.00	Review and consider opposing counsel's proposed changes to order for dismissal (0.1); correspond with K. Nielsen regarding [REDACTED] (0.1).
04/01/21	Stine, Lauren E.	Partner	0.30	\$142.50	Evaluate proposed edits to dismissal order and communications with M.Keskey re: [REDACTED].
04/05/21	Stahl, Christian G.	Partner	0.10	\$53.50	Consider e-mail from M. Keksey regarding [REDACTED] and next steps; discuss same with L. Stine.
04/07/21	Stahl, Christian G.	Partner	0.30	\$160.50	Review and consider plaintiffs' response to Snowell's motion for attorneys' fees (0.3).
04/13/21	Stine, Lauren E.	Partner	0.20	\$95.00	Review notice and order re: dismissal of Item 9 defendants.
04/14/21	Stahl, Christian G.	Partner	0.10	\$53.50	Consider attorneys' fees motion
04/22/21	Stahl, Christian G.	Partner	0.20	\$107.00	Review Snowell's reply in support of attorneys' fees motion.

<u>DATE</u>	<u>COSTS AND DISBURSEMENTS</u>	<u>AMOUNT</u>
10/08/20	Copy Service: Clark County Courts	\$124.89
10/14/20	Copy Service: Clark County Courts	\$12.50
11/04/20	Copy Service: Clark County Nevada Court	\$30.00
11/04/20	Copy Service: Clark County Court Nevada	\$13.50
11/12/20	Copy Service: TransUnion	\$1.80
12/04/20	Copy Service: Illinois Supreme Court Clerk's Office - Certificate of Good Standing - C. Stahl	\$16.00
12/21/20	VENDOR: First Legal Network LLC; INVOICE#: 26053442; DATE: 12/21/2020 - ARIZONA SUPREME COURT	\$58.31
01/05/21	VENDOR: First Legal Network LLC; INVOICE#: 26053936; DATE: 1/5/2021 - ARIZONA SUPREME COURT	\$20.91
01/19/21	UPS delivery to Smith Larsen & Wixom Las Vegas, NV 1/13/2021, INVOICE #: 0387PR40U7	\$14.56
01/19/21	UPS delivery to Karl L. Nielson Smith Larsen & Wixom Las Vegas, NV 1/11/2021, L. Stine Pro Hac, INVOICE #: 0387PR40U7	\$10.80
02/12/21	Copy Service: Clark County Court	\$9.50
02/15/21	Copy Service: Clark County Court	\$24.00
	TOTAL COSTS AND DISBURSEMENTS:	\$336.77

EXHIBIT B

EXHIBIT B

Smith Larsen & Wixom

Hills Center Business Park
1935 Village Center Circle
Las Vegas, NV 89134

Ph: (702) 252-5002

Fax: (702) 252-5006

Tax ID No. 88-0365967

Item 9 Labs Corp., et al
c/o Quarles & Brady
One Renaissance Square, Two North Central Ave
Phoenix, AZ 85004-2391

Oct 31, 2020

Attention: Lauren Elliott Stine

File #: c5360

Inv #: 63219

RE: JDD, LLC et al.

DATE	DESCRIPTION	HOURS	AMOUNT	ATT/PAR
Oct-21-20	Review/analyze documents from client.	0.50	172.50	MBW
Oct-22-20	Redacted	0.70	241.50	MBW
	Review/analyze First Amended Complaint	0.60	180.00	KLN
	Redacted	0.50	150.00	KLN
	Communicate (other external) with opposing counsel regarding extension to respond to first amended complaint	0.30	90.00	KLN
Oct-26-20	Review/analyze status of response to First Amended Complaint	0.10	30.00	KLN
Oct-28-20	Redacted	0.10	30.00	KLN
	Totals	2.80	\$894.00	

FEE SUMMARY:

Attorney/Paralegal	Hours	Effective Rate	Amount
Michael B. Wixom	1.20	\$345.00	\$414.00

PA_0440

Karl L. Nielson	1.60	\$300.00	\$480.00
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Total Fees, Disbursements

\$894.00

Previous Balance

\$0.00

Previous Payments

\$0.00

Balance Due

\$894.00

Smith Larsen & Wixom

Hills Center Business Park
1935 Village Center Circle
Las Vegas, NV 89134

Ph: (702) 252-5002

Fax: (702) 252-5006

Tax ID No. 88-0365967

Item 9 Labs Corp., et al
c/o Quarles & Brady
One Renaissance Square, Two North Central Ave
Phoenix, AZ 85004-2391

Nov 30, 2020

Attention: Lauren Elliott Stine

File #: c5360

Inv #: 63388

RE: JDD, LLC et al.

DATE	DESCRIPTION	HOURS	AMOUNT	ATT/PAR
Nov-03-20	Review/analyze issues regarding acceptance of service issues	0.30	90.00	KLN
Nov-05-20	Review/analyze issues for extension to respond to complaint and related issues	0.30	90.00	KLN
	Review/analyze draft stipulation and order regarding acceptance of service	0.20	60.00	KLN
	Redacted	0.40	120.00	KLN
Nov-06-20	Review/analyze redlines to stipulation and order to extend deadlines	0.20	60.00	KLN
Nov-12-20	Redacted	0.20	60.00	KLN
	Communicate (other external) with opposing counsel regarding approval of stipulation to extend deadlines	0.20	60.00	KLN
Nov-16-20	Review/analyze demand letter from Justin Brandt and response thereto	0.20	60.00	KLN
Nov-19-20	Review/analyze draft stipulation and order to dismiss certain parties	0.30	90.00	KLN
Nov-25-20	Communicate (other external) with opposing counsel regarding stipulation to extend time to respond to complaint	0.30	90.00	KLN

PA_0442

	Review/analyze revised Stipulation to Extend time to respond to complaint	0.30	90.00	KLN
	Redacted	0.30	90.00	KLN
	Review/analyze plaintiffs' counsel's motion to withdraw and next steps	0.30	90.00	KLN
Nov-30-20	Redacted	0.30	90.00	KLN
Totals		3.80	\$1,140.00	

FEE SUMMARY:

Attorney/Paralegal	Hours	Effective Rate	Amount
Karl L. Nielson	3.80	\$300.00	\$1,140.00

Total Fees, Disbursements**\$1,140.00**

Previous Balance

\$894.00

Previous Payments

\$0.00

Balance Due**\$2,034.00**

Smith Larsen & Wixom

Hills Center Business Park
1935 Village Center Circle
Las Vegas, NV 89134

Ph: (702) 252-5002

Fax: (702) 252-5006

Tax ID No. 88-0365967

Item 9 Labs Corp., et al
c/o Quarles & Brady
One Renaissance Square, Two North Central Ave
Phoenix, AZ 85004-2391

Dec 31, 2020

Attention: Lauren Elliott Stine

File #: c5360

Inv #: 63421

RE: JDD, LLC et al.

DATE	DESCRIPTION	HOURS	AMOUNT	ATT/PAR
Dec-01-20	Redacted	0.20	60.00	KLN
	Communicate (other external) with opposing counsel regarding revised stipulation to dismiss and new counsel	0.40	120.00	KLN
	Draft/revise notice of appearance	0.30	90.00	KLN
	Draft/revise stipulation to extend time to respond to amended complaint	0.30	90.00	KLN
	Communicate (other external) with opposing counsel regarding changes to stipulation to extend time to respond to amended complaint	0.40	120.00	KLN
Dec-02-20	Redacted	0.30	90.00	KLN
Dec-03-20	Review/analyze pro hac vice applications for Arizona counsel	0.30	90.00	KLN
Dec-04-20	Communicate (other external) with opposing counsel regarding status of stipulation to extend time to respond to amended complaint	0.20	60.00	KLN
	Review/analyze filed copy of signed stipulation and order to extend time	0.20	60.00	KLN
Dec-08-20	Redacted	0.30	90.00	KLN

PA_0444

	Review/analyze Order Shortening Time on Plaintiffs' motion to extend time to file	0.20	60.00	KLN
	Opposition to Snowell motion to dismiss			
	Review/analyze Defendant Gullickson's notice of joinder	0.20	60.00	KLN
Dec-11-20	Review/analyze order granting motion to withdraw	0.20	60.00	KLN
Dec-14-20	Review/analyze Snowell's motion to dismiss	0.40	120.00	KLN
Dec-15-20	Redacted	0.40	120.00	KLN
	Redacted	0.70	210.00	KLN
Dec-17-20	Review/analyze draft motion to dismiss and declaration drafts	0.90	270.00	KLN
	Redacted	0.40	120.00	KLN
Dec-18-20	Review/analyze letter to Plaintiffs' counsel and attorneys' fees section and provide comments to co-counsel.	0.80	240.00	KLN
	Redacted	0.30	90.00	KLN
	Review/analyze Defendant Gullickson's motion to dismiss	0.50	150.00	KLN
	Review/analyze and finalize motion to dismiss and declarations	0.50	150.00	KLN
	Review/analyze issues regarding service of motion to dismiss on plaintiffs	0.20	60.00	KLN
Dec-21-20	Review/analyze notice of hearing and next steps	0.30	90.00	KLN
	Review/analyze Defendant Burton and Lemons' Answer to amended complaint	0.50	150.00	KLN
Dec-23-20	Review/analyze information regarding plaintiffs' new counsel	0.30	90.00	KLN
	Draft/revise initial appearance fee disclosure	0.40	120.00	KLN
	Review/analyze issues regarding transfer to business court	0.50	150.00	KLN
	Redacted	0.30	90.00	KLN
	Review/analyze Plaintiff's Notice of Appearance, motion to extend deadline to respond to motions to dismiss, request to transfer to business court and business court civil cover sheet	0.60	180.00	KLN
	Review/analyze The Harvest Foundation's answer to amended complaint and corporate disclosure statement	0.50	150.00	KLN
	Review/analyze Defendant Gullickson's notice of joinder to motion to dismiss	0.20	60.00	KLN

	Draft/revise corporate disclosure statement	0.50	150.00	KLN
Dec-31-20	Review/analyze notice of non-opposition to Snowell's motion to dismiss	0.20	60.00	KLN
	Totals	12.90	\$3,870.00	

FEE SUMMARY:

Attorney/Paralegal	Hours	Effective Rate	Amount
Karl L. Nielson	12.90	\$300.00	\$3,870.00

DISBURSEMENTS

		Disbursements	Receipts
Dec-02-20	Court Fees file notice of appearance	3.50	
Dec-31-20	Court Fees Pro Hac Vice Application Lauren Stine	550.00	
	Court Fees Pro Hac Vice Application Christian Stahl	550.00	
	Totals	\$1,103.50	\$0.00
	Total Fees, Disbursements		\$4,973.50
	Previous Balance		\$2,034.00
	Previous Payments		\$0.00
	Balance Due		\$7,007.50

Smith Larsen & Wixom

Hills Center Business Park
1935 Village Center Circle
Las Vegas, NV 89134

Ph: (702) 252-5002

Fax: (702) 252-5006

Tax ID No. 88-0365967

Item 9 Labs Corp., et al
c/o Quarles & Brady
One Renaissance Square, Two North Central Ave
Phoenix, AZ 85004-2391

Jan 31, 2021

Attention: Lauren Elliott Stine

File #: c5360

Inv #: 63528

RE: JDD, LLC et al.

DATE	DESCRIPTION	HOURS	AMOUNT	ATT/PAR
Jan-07-21	Review/analyze notice of reassignment of case to business court and new hearing dates	0.10	30.00	KLN
	Review/analyze Notice of Hearing for motion to dismiss and next steps	0.30	90.00	KLN
	Review/analyze status of Plaintiff's request for extension and to transfer case to business court	0.10	30.00	KLN
	Review/analyze status of corporate disclosure statement	0.20	60.00	KLN
Jan-08-21	Review/analyze notice of non-opposition to Marimed, et al.'s motion to dismiss	0.20	60.00	KLN
Jan-11-21	Review/analyze Nevada State Bar response and required follow up for pro hac vice admission	0.40	120.00	KLN
	Review/analyze status of extension for Plaintiffs to respond to motion to dismiss	0.50	150.00	KLN
	Redacted			
	Redacted	0.30	90.00	KLN
Jan-12-21	Redacted	0.50	150.00	KLN
		0.50	150.00	KLN

PA_0447

CERTIFICATE OF SERVICE

I hereby certify pursuant to NRAP 25(c), that on the 9th day of August, 2021,
I caused service of a true and correct copy of the foregoing **APPENDIX TO
PETITIONERS' WRIT OF MANDAMUS** by the following means:

X BY MAIL: I placed a true copy thereof enclosed in a sealed envelope
addressed as follows:

The Honorable Timothy C. Williams
Eighth Judicial District Court
Civil Dept. XVI
200 Lewis Avenue
Las Vegas, Nevada 89155
Respondent

Michael B. Wixom
Karl L. Nielson
Smith Larsen & Wixom
Hills Center Business Park
1935 Village Center Circle
Las Vegas, Nevada 89134

Lauren Elliott
Christian G. Stahl
Quarles & Brady LLP
Two North Central Avenue
Phoenix, Arizona 85004-5200

Attorneys for Item 9 Labs Corp. et al.

Justin M. Brandt
Makunda Shanbhag
Bianch & Brandt
6710 Scottsdale Road, Ste. 210
Scottsdale, Arizona 85253

Candace C. Herling
Messner Reeves LLP
8945 W. Russel Road, Ste. 300
Las Vegas, Nevada 89148

Attorneys for Snowell Holdings, LLC

/s/ Diana L. Wheelen
An Employee of Fennemore Craig

IN THE SUPREME COURT OF THE STATE OF NEVADA

JDD, LLC; TCS PARTNERS, LLC; JOHN
SAUNDERS; and TREVOR SCHMIDT,

Petitioners,

vs.

THE HONORABLE TIMOTHY C.
WILLIAMS, EIGHTH JUDICIAL DISTRICT
COURT IN AND FOR THE COUNTY OF
CLARK,

Respondent,

-and-

ITEM 9 LABS CORP. f/k/a Airware Labs
Corp. and Crown Dynamics Corp.; ITEM 9
PROPERTIES, LLC; STRIVE
MANAGEMENT, LLC f/k/a Strive Life;
VIRIDIS GROUP I9 CAPITAL, LLC;
VIRIDIS GROUP HOLDINGS, LLC;
SNOWELL HOLDINGS, LLC; ANDREW
BOWDEN; DOUGLAS BOWDEN; BRYCE
SKALLA; and CHASE HERSCHMAN,

Real Parties in Interest.

Case No.:

District Court Case No.: A-20-
811232-C

APPENDIX TO PETITIONER'S WRIT OF MANDAMUS

Volume 2 (Part 3) of 4 – Pages PA_0448-0495

Therese Shanks, Esq.
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(702) 425-5366
Lee@Igoldy.com

Counsel for Petitioners

APPENDIX – CHRONOLOGICAL TABLE OF CONTENTS

DOCUMENT	DATE FILED or ADMITTED	VOL. NO.	PAGE NO.
First Amended Complaint	09.09.2020	1	PA_0001-0063
Snowell Holdings, LLC's Motion to Dismiss	12.01.2020	1	PA_0064-0077
Item 9 Labs Corp.'s et al. Motion to Dismiss	12.18.2020	1	PA_0078-0123
Plaintiff's Opposition to Snowell Holdings, LLC's Motion to Dismiss	01.18.2021	1	PA_0124-0127
Snowell Holdings, LLC's Reply In Support of Motion to Dismiss	01.20.2021	1	PA_0128-0133
Plaintiff's Opposition to Item 9 Labs Corp.'s et al. Motion to Dismiss	01.26.2021	1	PA_0134-0151
Item 9 Labs Corp.'s et al. Reply in Support of Motion to Dismiss	02.17.2021	1	PA_0152-0166
Transcript – Motion to Dismiss	02.24.2021	1	PA_0167-0247
Snowell Holdings, LLC Motion for Attorneys' Fees	03.24.2021	2	PA_0248-0264
Order Granting Snowell Holdings, LLC Motion to Dismiss	03.30.2021	2	PA_0265-0278
Notice of Entry of Order Granting Snowell Holdings, LLC Motion to Dismiss	03.30.2021	2	PA_0279-0295
Plaintiff's Opposition to Snowell Holdings, LLC Motion for Fees	04.07.2021	2	PA_0296-0367
Order Granting Item 9 Labs Corp.'s et al. Motion to Dismiss	04.12.2021	2	PA_0368-0383
Notice of Entry of Order Granting Item 9 Labs Corp.'s et al. Motion to Dismiss	04.13.2021	2	PA_0384-0404
Snowell Holdings, LLC Reply in Support of Motion for Attorneys' Fees	04.22.2021	2	PA_0405-0409

DOCUMENT	DATE FILED or ADMITTED	VOL. NO.	PAGE NO.
Item 9 Labs Corp.'s et al. Motion for Attorneys' Fees and Costs	05.04.2021	2	PA_0410-0494
Minute Order Granting Snowell Holdings, LLC's Motion for Attorneys' Fees	05.12.2021	2	PA_0495
Plaintiff's Opposition to Item 9 Labs Corp.'s Motion for Attorneys' Fees and Costs	05.19.2021	3	PA_0496-0882
Minute Order regarding Snowell Holdings, LLC's Motion for Attorneys' Fees (Issue of Work Performed)	05.26.2021	4	PA_0883
Item 9 Lab Corp.'s Reply in Support of Motion for Attorneys' Fees and Costs	06.01.2021	4	PA_0884-0895
Minute Order Granting Item 9 Labs Corp.'s Motion for Attorneys' Fees and Costs	06.08.2021	4	PA_0896
Order Granting Item 9 Labs Corp.'s Motion for Attorneys' Fees and Costs	07.07.2021	4	PA_0897-0911
Notice of Entry of Order Granting Item 9 Labs Corp.'s Motion for Attorneys' Fees and Costs	07.07.2021	4	PA_0912-0930

APPENDIX – ALPHABETICAL TABLE OF CONTENTS

DOCUMENT	DATE FILED or ADMITTED	VOL. NO.	PAGE NO.
First Amended Complaint	09.09.2020	1	PA_0001-0063
Item 9 Lab Corp.’s Reply in Support of Motion for Attorneys’ Fees and Costs	06.01.2021	4	PA_0884-0895
Item 9 Labs Corp.’s et al. Motion for Attorneys’ Fees and Costs	05.04.2021	2	PA_0410-0494
Item 9 Labs Corp.’s et al. Motion to Dismiss	12.18.2020	1	PA_0078-0123
Item 9 Labs Corp.’s et al. Reply in Support of Motion to Dismiss	02.17.2021	1	PA_0152-0166
Minute Order Granting Item 9 Labs Corp.’s Motion for Attorneys’ Fees and Costs	06.08.2021	4	PA_0896
Minute Order Granting Snowell Holdings, LLC’s Motion for Attorneys’ Fees	05.12.2021	2	PA_0495
Minute Order regarding Snowell Holdings, LLC’s Motion for Attorneys’ Fees (Issue of Work Performed)	05.26.2021	4	PA_0883
Notice of Entry of Order Granting Item 9 Labs Corp.’s et al. Motion to Dismiss	04.13.2021	2	PA_0384-0404
Notice of Entry of Order Granting Item 9 Labs Corp.’s Motion for Attorneys’ Fees and Costs	07.07.2021	4	PA_0912-0930
Notice of Entry of Order Granting Snowell Holdings, LLC Motion to Dismiss	03.30.2021	2	PA_0279-0295
Order Granting Item 9 Labs Corp.’s et al. Motion to Dismiss	04.12.2021	2	PA_0368-0383
Order Granting Item 9 Labs Corp.’s Motion for Attorneys’ Fees and Costs	07.07.2021	4	PA_0897-0911

DOCUMENT	DATE FILED or ADMITTED	VOL. NO.	PAGE NO.
Order Granting Snowell Holdings, LLC Motion to Dismiss	03.30.2021	2	PA_0265-0278
Plaintiff's Opposition to Item 9 Labs Corp.'s et al. Motion to Dismiss	01.26.2021	1	PA_0134-0151
Plaintiff's Opposition to Item 9 Labs Corp.'s Motion for Attorneys' Fees and Costs	05.19.2021	3	PA_0496-0882
Plaintiff's Opposition to Snowell Holdings, LLC Motion for Fees	04.07.2021	2	PA_0296-0367
Plaintiff's Opposition to Snowell Holdings, LLC's Motion to Dismiss	01.18.2021	1	PA_0124-0127
Snowell Holdings, LLC Motion for Attorneys' Fees	03.24.2021	2	PA_0248-0264
Snowell Holdings, LLC Reply in Support of Motion for Attorneys' Fees	04.22.2021	2	PA_0405-0409
Snowell Holdings, LLC's Motion to Dismiss	12.01.2020	1	PA_0064-0077
Snowell Holdings, LLC's Reply In Support of Motion to Dismiss	01.20.2021	1	PA_0128-0133
Transcript – Motion to Dismiss	02.24.2021	1	PA_0167-0247

Jan-18-21	Review/analyze Plaintiff's Opposition to motion to dismiss	0.50	150.00	KLN
Jan-19-21	Review/analyze Plaintiffs' Opposition to Marimed et al.'s motion to dismiss	0.40	120.00	KLN
	Review/analyze motions to associate counsel	0.20	60.00	KLN
Jan-20-21	Review/analyze Snowell's reply in support of motion to dismiss	0.30	90.00	KLN
	Review/analyze potential issues in late filed responses and need for pro hac vice filing	0.30	90.00	KLN
	Review/analyze court minutes regarding hearing on parties' motions to dismiss	0.40	120.00	KLN
Jan-21-21	Review/analyze and finalize notice of non-opposition	0.10	30.00	KLN
	Review/analyze notices of hearing on motions to associate counsel	0.10	30.00	KLN
Jan-26-21	Review/analyze issues regarding pro hac vice application	0.30	90.00	KLN
	Redacted	0.20	60.00	KLN
	Review/analyze Plaintiffs' opposition to Item Meeting with client Lab, et al.'s motion to dismiss	1.70	510.00	KLN
	Review/analyze Plaintiffs' opposition to Gullickson's motion to dismiss	0.30	90.00	KLN
	Draft/revise motions to associate Quarles counsel and on order shortened time	1.50	450.00	KLN
Jan-27-21	Review/analyze issues regarding expedited motion to associate and rules for appearance of local counsel	0.60	180.00	KLN
Jan-28-21	Draft/revise motion to associate counsel	0.30	90.00	KLN
Jan-29-21	Review/analyze court order on hearing for motion to associate on order shortening time.	0.30	90.00	KLN
Totals		10.60	\$3,180.00	

FEE SUMMARY:

Attorney/Paralegal	Hours	Effective Rate	Amount
Karl L. Nielson	10.60	\$300.00	\$3,180.00

DISBURSEMENTS

	Disbursements	Receipts
Postage	0.50	
Dec-19-20 Court Fees file defendants' motion to dismiss for failure to state a claim	3.50	

PA_0448

Dec-23-20	Court Fees file initial appearance fee disclosures	496.50	
Jan-21-21	Court Fees file notice of non-opposition to defendants' motion to dismiss	3.50	
Jan-29-21	Court Fees file motion to associate counsel-Christian G. Stahl	3.50	
		<hr/>	<hr/>
	Totals	\$507.50	\$0.00
			<hr/>
	Total Fees, Disbursements		\$3,687.50
	Previous Balance		\$7,007.50
	Previous Payments		\$0.00
			<hr/>
	Balance Due		\$10,695.00

Smith Larsen & Wixom

Hills Center Business Park
1935 Village Center Circle
Las Vegas, NV 89134

Ph: (702) 252-5002

Fax: (702) 252-5006

Tax ID No. 88-0365967

Item 9 Labs Corp., et al
c/o Quarles & Brady
One Renaissance Square, Two North Central Ave
Phoenix, AZ 85004-2391

Feb 28, 2021

Attention: Lauren Elliott Stine

File #: c5360

Inv #: 63612

RE: JDD, LLC et al.

DATE	DESCRIPTION	HOURS	AMOUNT	ATT/PAR
Feb-01-21	Review/analyze notice of hearing regarding motion to associate counsel	0.20	60.00	KLN
Feb-03-21	Review/analyze corporate disclosure statement	0.30	90.00	KLN
Feb-15-21	Redacted	0.20	60.00	KLN
Feb-16-21	Draft/revise order approving motion to associate counsel for Lauren Stine	0.30	90.00	KLN
Feb-17-21	Draft/revise and edit reply in support of motion to dismiss	0.70	210.00	KLN
	Review/analyze Marimed and Gullickson replies in support of motions to dismiss	0.50	150.00	KLN
	Plan and prepare for hearing on motion to associate counsel	0.50	150.00	KLN
	Appear for/attend hearing on motion to associate counsel	0.50	150.00	KLN
	Draft/revise order granting motion to associate counsel	0.30	90.00	KLN
Feb-18-21	Review/analyze order admitting Lauren Stine to practice	0.20	60.00	KLN
Feb-19-21	Review/analyze court minute order regarding hearing on motions to dismiss	0.30	90.00	KLN
Feb-22-21	Review/analyze status of motion hearing	0.50	150.00	KLN

PA_0450

Feb-24-21	Redacted	0.30	90.00	KLN
	Review/analyze motion to dismiss, opposition and reply for hearing	1.40	420.00	KLN
	Appear for/attend hearing on motions to dismiss and preparation of order	2.10	630.00	KLN
	Review/analyze issues for preparing order granting motion to dismiss and next steps	0.30	90.00	KLN
Feb-25-21	Review/analyze minute order resolving motion to dismiss	0.20	60.00	KLN
	Totals	8.80	\$2,640.00	

FEE SUMMARY:

Attorney/Paralegal	Hours	Effective Rate	Amount
Karl L. Nielson	8.80	\$300.00	\$2,640.00

DISBURSEMENTS

		Disbursements	Receipts
Feb-03-21	Court Fees file corporate disclosure statement	3.50	
Feb-17-21	Court Fees file defendants reply in support of motion to dismiss	3.50	
Feb-18-21	Court Fees file notice of entry of order admitting Lauren Elliott Stine to practice	3.50	
	Totals	\$10.50	\$0.00

Total Fees, Disbursements**\$2,650.50**

Previous Balance

\$10,695.00

Previous Payments

\$0.00

Balance Due**\$13,345.50**

Smith Larsen & Wixom

Hills Center Business Park
1935 Village Center Circle
Las Vegas, NV 89134

Ph: (702) 252-5002

Fax: (702) 252-5006

Tax ID No. 88-0365967

Item 9 Labs Corp., et al
c/o Quarles & Brady
One Renaissance Square, Two North Central Ave
Phoenix, AZ 85004-2391

Mar 31, 2021

Attention: Lauren Elliott Stine

File #: c5360
Inv #: 63715

RE: JDD, LLC et al.

DATE	DESCRIPTION	HOURS	AMOUNT	ATT/PAR
Mar-01-21	Redacted	0.20	60.00	KLN
	Communicate (other external) with other defendants' counsel regarding timing for orders on motions to dismiss	0.30	90.00	KLN
Mar-02-21	Review/analyze requirements for submitting orders on motions to dismiss	0.30	90.00	KLN
Mar-03-21	Review/analyze minute order regarding motion to associate hearing	0.20	60.00	KLN
Mar-09-21	Review/analyze issues for potential motion for attorneys fees	0.20	60.00	KLN
	Redacted	0.20	60.00	KLN
Mar-11-21	Review/analyze draft Marimed order granting motion to dismiss	0.20	60.00	KLN
Mar-12-21	Redacted	0.20	60.00	KLN
	Review/analyze motion to dismiss hearing transcript	0.30	90.00	KLN
	Review/analyze Yokiell motion to dismiss	0.20	60.00	KLN
	Draft/revise order admitting Christian Stahl to practice	0.20	60.00	KLN

PA_0452

Mar-22-21	Review/analyze Order granting Snowell motion to dismiss	0.20	60.00	KLN
Mar-24-21	Review/analyze and edit draft order granting motion to dismiss	0.40	120.00	KLN
	Review/analyze issues regarding potential motion for attorneys' fees	0.30	90.00	KLN
	Review/analyze Snowell motion for attorneys' fees and potential for clients' similar motion	0.30	90.00	KLN
Mar-25-21	Review/analyze issues for potential motion for attorneys' fees	0.30	90.00	KLN
	Redacted	0.20	60.00	KLN
	Draft/revise order granting motion to dismiss	0.30	90.00	KLN
Mar-26-21	Communicate (other external) with all counsel regarding approval of draft order granting motion to dismiss	0.30	90.00	KLN
	Review/analyze plaintiffs' counsel's proposed redline changes to draft order granting motion to dismiss	0.40	120.00	KLN
	Totals	5.50	\$1,650.00	

FEE SUMMARY:

Attorney/Paralegal	Hours	Effective Rate	Amount
Karl L. Nielson	5.50	\$300.00	\$1,650.00

DISBURSEMENTS

	Disbursements	Receipts
Postage	1.02	
Mar-17-21 Court Fees Copy of MTD Hearing Transcript	140.04	
Court Fees file notice of entry of order admitting Christian G. Sthal to practice	3.50	
Totals	\$144.56	\$0.00

Total Fees, Disbursements	<hr/> \$1,794.56
Previous Balance	\$13,345.50
Previous Payments	\$0.00
Balance Due	<hr/> \$15,140.06

Smith Larsen & Wixom

Hills Center Business Park
1935 Village Center Circle
Las Vegas, NV 89134

Ph: (702) 252-5002

Fax: (702) 252-5006

Tax ID No. 88-0365967

Item 9 Labs Corp., et al
c/o Quarles & Brady
One Renaissance Square, Two North Central Ave
Phoenix, AZ 85004-2391

May 03, 2021

Attention: Lauren Elliott Stine

File #: c5360

Inv #: 63825

RE: JDD, LLC et al.

DATE	DESCRIPTION	HOURS	AMOUNT	ATT/PAR
Apr-05-21	Draft/revise order granting motion to dismiss	0.30	90.00	KLN
	Communicate (other external) with all counsel regarding revised order granting motion to dismiss	0.30	90.00	KLN
Apr-07-21	Review/analyze Plaintiffs' opposition to Snowell's motion for fees	0.20	60.00	KLN
Apr-12-21	Review/analyze court order granting motion to dismiss and next steps	0.20	60.00	KLN
	Totals	1.00	\$300.00	

FEE SUMMARY:

Attorney/Paralegal	Hours	Effective Rate	Amount
Karl L. Nielson	1.00	\$300.00	\$300.00

DISBURSEMENTS

Disbursements

Receipts

Apr-13-21	Court Fees file notice of entry of order granting defendants motion to dismiss amended complaint	3.50
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PA_0455

Totals	\$3.50	\$0.00
Total Fees, Disbursements		\$303.50
Previous Balance		\$15,140.06
Previous Payments		\$7,624.00
Balance Due		\$7,819.56

EXHIBIT C

EXHIBIT C



One Renaissance Square
Two North Central Avenue
Phoenix, AZ 85004-2391
602-229-5200
Fax 602-229-5690
www.quarles.com

Attorneys at Law in
Chicago
Indianapolis
Madison
Milwaukee
Minneapolis
Naples
Phoenix
Tampa
Tucson
Washington, D.C.

Writer's Direct Dial: 602-229-5474
E-Mail: Lauren.Stine@quarles.com

November 10, 2020

VIA EMAIL (hsmith@albrightstoddard.com)

ALBRIGHT, STODDARD, WARNICK & ALBRIGHT
c/o Mr. Hayden R.D. Smith
801 South Rancho Drive, Suite D-4
Las Vegas, Nevada 89106

**Re: JDD, LLC et al. v. Marimed Inc., Case No. A-20-811232-C, District
Court, Clark County, Nevada**

Dear Hayden,

Thank you for speaking with us yesterday regarding our clients, Item 9 Labs Corp., Item 9 Properties LLC, Strive Management, L.L.C., Viridis Group I9 Capital LLC, Viridis Group Holdings, LLC, Andrew Bowden, Douglas Bowden, Bryce Skalla, Jeffrey Rassas, and Chase Herschman (collectively, "Defendants") who have been named as Defendants in the above captioned matter. We are in receipt of the First Amended Complaint ("FAC") filed by your clients JDD, LCC, TCS Partners, LLC, John Saunders, and Trevor Schmidt (collectively, "Plaintiffs").

As discussed during our call, your clients have instituted unsubstantiated claims against Defendants for an improper purpose. We send this letter as a professional courtesy, to inform you of the utter lack of merit of the claims asserted by Plaintiffs against Defendants, and to avoid unnecessary expense of loss of time by you and your client. We respectfully urge you and your clients to reconsider your pursuit of the claims alleged against Defendants in the FAC.

Though very few of the 244 paragraphs in the FAC actually pertain to Defendants, Plaintiffs' claims against them apparently derive from their speculation that Item 9 may have engaged in a business transaction with the Harvest Foundation in Nevada, or that one or more of the Defendants may have engaged in separate business transactions with two of the principals of the Harvest Foundation, Larry Lemons and Donnie Burton. Based solely on those assumptions,

Plaintiffs have asserted a host of claims, ranging from alter ego to intentional interference, against Item 9, its affiliates, officers and directors, and investors or business partners of Item 9.

Putting aside the countless deficiencies in the FAC that render it subject to immediate dismissal (which will be addressed in a forthcoming motion to dismiss, if necessary), the fundamental premise of Plaintiffs' claims in the FAC is pure fiction. None of the Defendants, including Item 9, have entered into contracts or are doing business with the Harvest Foundation. None of the Defendants, including Item 9, have or claim any interest in cannabis licenses held by the Harvest Foundation. And none of the Defendants have knowledge regarding your clients or any agreements they claim to have with Mr. Burton and Mr. Lemons.

The simple truth is that Plaintiffs have no facts or evidence whatsoever to support the claims and allegations they leveled against Defendants in the FAC. In reality, Plaintiffs' lawsuit is a fishing expedition, designed to bully and extort without any legitimate basis whatsoever.

Based on our discussion yesterday, it is unlikely that your clients have shared with you the threatening and harassing messages that their agent, Mr. Brian Roche, sent to Defendants and myself, in which Plaintiffs threatened Defendants and attempted to intimidate them (and me). Copies of these communications are enclosed for your reference. However, here are a few examples of the wholly unprofessional, harassing and intimidating communications Mr. Roche sent to Defendants and myself prior to filing the FAC:

- "Mssrs. [sic] Bowden, Mr. Miller and Mr. Rassas I was hired to come in with a nuclear arsenal and blow up Item 9 Labs and these scammers you entered into business with who have defrauded and stolen from my clients and Trevor and John."
- "I would prefer a direct call with all of you ASAP with or without your lawyer to discuss how I am working to get my guys their money back that Burton and Lemmons have blown on strippers (probably Gullickson), cars, and blow over the last several years while not honoring their obligations after they stole the \$741,250 from my clients who haven't seen jack shit back."
- "You all are either a friend or foe in that regard. I am reaching out to you for help to take the lead to get my guys' money back before a nuclear winter drops on Item 9 for engaging in clear fraud, interference with contract, interference with economic advantage, etc. etc. etc. blah blah blah you know the deal. I was pissed to see the lawsuit AZ DP v. Gullickson dismissed what happened?"
- "I am the fixer. I never stop until the client is paid in full or parties are in jail. ... I am the fixer and here to help you help yourself to get my guys their money back."

- "The only path I am aligned on currently is the path to 100% complete success getting my guys their money back. Anyone not helping in that regard will be roadkill in my rear review mirror."
- "I have amended [sic] out complaint and will be filing it tomorrow and promise this is the lease [sic] of your worries. I reached out to Bryce and crew as a one time [sic] courtesy which I always do before launching my nukes."
- "Bryce don't ever try to fucking bullshit me again I warned you about dishonesty with me."
- "...do I need to have my guy bang on Doug's door at his Whispering Wind home address on the 4th of July weekend ..."
- "...prior attorney Rob Rabatt he's out there is a new sheriff in town."
- "...resources were allocated to investigate the Item 9 sins and transgressions of Bowden, Skalla, and the golden goose Doug Bowden who we have dead to rights as investing into this fugazi deal through Viridis entities..."
- "...save me some time and money and save my guy from going gangster and banging on everyone's doors over the 4th of July weekend to serve them all."
- **"LAUREN STOP CALLING ROB RABBAT HE IS OUT!!!!!! TIME FOR TALK IS OVER...EVEN LITTLE KIDS KNOW WHEN DAD SAYS NO NOT TO RUN TO MOMMY TO ASK FOR A COOKIE STOP CALLING ROBHE IS SUBBED OUT AND LONG OVERDUE."**
- **"LAUREN I JUST GOT OFF WITH A BRILLIANT LAWYER IN OHIO WHO IS FILING A BRAND NEW SHINY LAWSUIT SHE ALREADY DRAFTED NAMING ITEM 9 AND ALL ITS FUGAZI PARTNERS....THIS IS GOING TO BE A BILLING BONANZA FOR QUARLES & BRADY BATTLING US IN VEGAS AND NOW HER IN OHIO WITH ANOTHER LAWSUIT!!!!!!!"**

And here are screen shots of text messages Plaintiffs (or individuals acting on behalf of Plaintiffs) sent to Mr. Chase Herschman prior to serving the FAC. You will note that the individual sending these text messages claims to be "[t]he guy that's suing you and your Item 9 partners" (i.e., either Mr. Saunders or Mr. Schmidt). "Gary" and "Valerie" (referenced below) are Mr. Herschman's parents. This is not the first time Plaintiffs (and individuals acting on their behalf) have threatened the safety and wellbeing of Defendants' family members. (*See, e.g., supra*, "do I need to have my guy bang on Doug's door at his Whispering Wind home address on the 4th of July weekend ...".)

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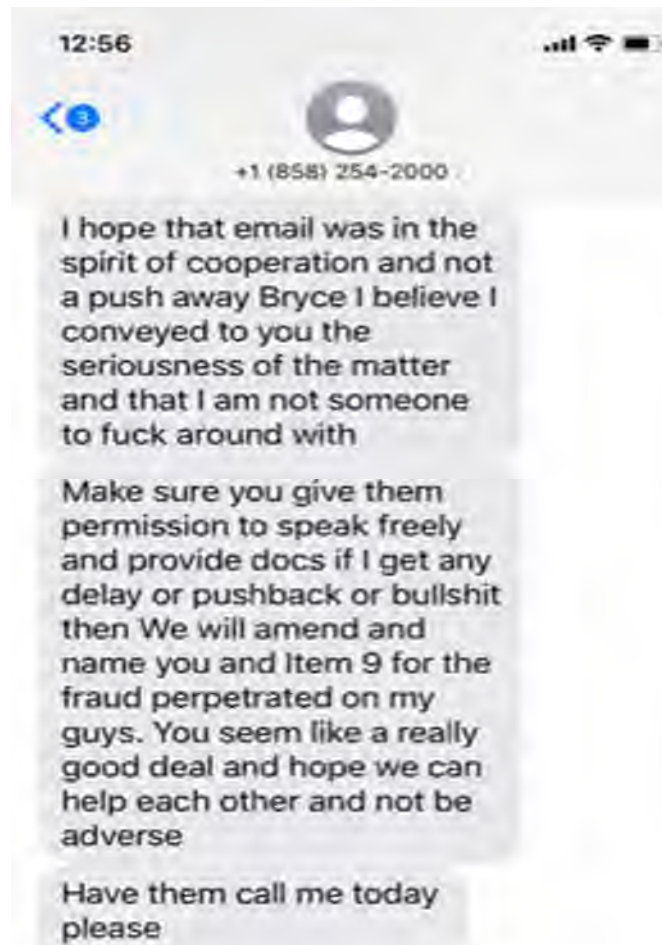
November 10, 2020

Page 5



We are in receipt of your November 3, 2020 email to Mr. Brandt, in which you claim that statements made by Mr. Roche are not attributable to your clients. Candidly, however, it is difficult to accept such assertion, particularly when Mr. Roche represented that he was acting on behalf of Plaintiffs and Plaintiffs' prior counsel (Rob Rabbat) expressly authorized my firm to communicate with Mr. Roche after we questioned the legitimacy of his affiliation with Plaintiffs. Copies of these communications are also enclosed.

In any event, there can be no legitimate dispute that Plaintiffs' lawsuit was filed for an improper purpose and is a transparent attempt to harass and extort Defendants, some of whom are simply investors in totally separate business transactions or employees of Item 9 or its affiliates. Indeed, Mr. Roche admitted as much when he wrote the following to Mr. Bryce Skalla, prior to the FAC filing:



We are continuing to investigate these actions and demand that Plaintiffs and their agents cease and desist from such further conduct. We look forward to speaking with you again to discuss the dismissal of all claims asserted against Defendants in the FAC with prejudice. Defendants reserve all rights and remedies available to them and against responsible persons, including but not limited to the pursuit of sanctions under NRCP Rule 11.

We look forward to speaking with you again soon.

Very truly yours,

/s/ Lauren Elliott Stine

Lauren Elliott Stine

LS:slm
Enclosures

----- Forwarded message -----

From: **Brian Roche** <brian@rochecorp.com>

Date: Fri, Jun 19, 2020 at 3:46 PM

Subject: Item 9 Labs Lawsuit

To: <JeffDevin@item9labs.com>, <abowden@item9labs.com>, <bryec@item9labs.com>

Mssrs. Bowden, Mr. Miller and Mr. Rassas I was hired to come in with a nuclear arsenal and blow up Item 9 Labs and these scammers you entered into business with who have defrauded and stolen from my clients and Trevor and John. I read in interest your recent 10K. I am happy to discuss with you prior to me pressing the red launch button on our Amended complaint we are filing on Monday naming Item 9 Labs as a Defendant,

Strive, and all these parties for this fraud. I truly hope you have been duped by these fugazi's like my clients and friends have been and aren't knowingly or intentionally in business with these scammers?

I would prefer a direct call with all of you ASAP with or without your lawyer to discuss how I am working to get my guys their money back that Burton and Lemmons have blown on strippers (probably Gullickson), cars, and blow over the last several years while not honoring their obligations after they stole the \$741,250 from my clients who haven't seen jack shit back.

You all are either a friend or foe in that regard. I am reaching out to you for help to take the lead to get my guys' money back before a nuclear winter drops on Item 9 for engaging in clear fraud, interference with contract, interference with economic advantage, etc. etc. etc. blah blah blah you know the deal. I was pissed to see the lawsuit AZ DP v. Gullickson dismissed what happened?

I am the fixer. I never stop until the client is paid in full or parties are in jail. I hope to hear from you tonight or tomorrow as this is now squarely on your laps now. Supporting docs attached and direct number below. I promise this is a friendly email and look forward to hearing from you ASAP! Some background on your partners and some of my recent handiwork in AZ below and attached. I am the fixer and here to help you help yourself to get my guys their money back.

I know its a weird first email and a lot to digest but it is what it is. Item 9 is dead center of it all while my guys are out their \$741,250. I kicked every one of the below matters off with emails just like this one to you guys with chances for them to work with me and settle up front many do, these below chose not to. I always give people one final chance to do what is right when a clear fraud and theft of money has been committed under the guise of a marijuana leaf.

I hope to speak soon my friends. Background on your partner Burton and his cohorts attached also.

<https://www.justice.gov/usao-sdny/pr/three-convicted-midhattan-federal-court-fraudulent-issuance-and-sale-more-60-million> [justice.gov]

<https://www.azcentral.com/story/news/local/arizona-investigations/2019/03/27/ken-lasch-phoenix-developer-and-green-tech-firm-founder-charged-37-million-fraud-case/3283210002/> [azcentral.com]

<https://www.azcentral.com/story/news/local/arizona-investigations/2019/03/28/developer-ken-lasch-green-tech-sean-relied-bugus-demos-take-results-feds-say-here-to-help/3291104003/> [azcentral.com]

<https://www.latimes.com/local/lanow/la-me-morre-tolm-college-admissions-scandal-20190331-story.html> [latimes.com]

<https://www.investmentnews.com/article/20130709/FREE/130709912/five-lime-mlb-all-star-swe-ubs-ex-rep-for-7-6m> [investmentnews.com]


Kind Regards,

Brian Roche

(858) 254-2000

 Think Green before printing this email

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 Virus-free. www.avg.com [avg.com]

Stine, Lauren Elliott (PHX x3474)

From: Brian Roche <br@rohecorp.com>
Sent: Saturday, June 20, 2020 4:27 PM
To: Bryce Skalla
Cc: Bobby Mikkelsen; Jeffery Rassas; Andrew Bowden; Stine, Lauren Elliott (PHX x3474); Valentine, Paul J. (PHX x3723)
Subject: Re: Item 9 coordination
Attachments: Strive-About_11-18.pdf

1. Thanks all please send me the agreements and relevant docs related to Harvest, purchase of Distribution License and other Docs relevant to uncover what happened here. I can review this weekend so we can have a meaningful discussion and gameplan by Monday.

2. Since I sent you the Marimed Membership Interest Agreement already you can see that they believed in Aug 2019 to be acquiring the shares and all 3 licenses. Not sure how this Rollup with Strive effects any of it or how you bought the Dist license with cash and shares then these guys turned around and sold it also to Marimed seems like a conspiracy to me. Civil and criminal.

3. Candidly to all of you here my guys gave your rat partners Burton and Lemmons \$741,250 and they haven't seen jack shit back. The NV lawsuit is just the start as stated Bryce I already amended the complaint and filing Monday.

Based on my investigation so far I believe there was interference and fraud all over the place. Also now that my uncle has put a freeze on all Harvest matters and licenses nothing is going to happen anytime soon unless I say so.

The only path I am aligned on currently is the path to 100% complete success getting my guys their money back. Anyone not helping in that regard will be roadkill to my rear view mirror.

I'm working all weekend and look forward to hearing from you Lauren and/or Paul forthwith.

Corporate history

Item 9 Labs Corp. ("Item 9 Labs" or the "Company"), was incorporated under the laws of the State of Delaware on June 15, 2010 as Crown Dynamics Corp. On October 26, 2012, the Company changed its name to Airware Labs Corp. On April 2, 2018, the Company changed its name to Item 9 Labs Corp. to better reflect its business following the acquisition of BSSD, as discussed below.

On March 20, 2018, the Company closed on an Agreement and Plan of Exchange to acquire all of the membership interests of BSSD Group, LLC ("BSSD"), an Arizona limited liability company formed on May 2, 2017, in exchange for newly issued restricted shares of the Company's common stock (the "Shares"), which represent approximately 75% of the issued and outstanding shares of the Company's common stock on a fully-diluted basis. The 40,355,771 shares were distributed pro-rata to the BSSD members.

Effective October 18, 2018, the Company completed a 1-for-20 reverse split of its issued and outstanding common stock.

On November 26, 2018, the company's wholly owned subsidiary AZ DP Holdings, LLC ("AZ DP") closed on an asset acquisition of the majority of the assets of Arizona DP Consulting, LLC, a consulting firm specializing in obtaining marijuana dispensary permits and developing cannabis related business plans. The purchase price was \$1,500,000 in cash and 3,000,000 shares of restricted common stock.

having an aggregate value of \$7,770,000 or \$2.59 per share based on current market price of the Company shares at time asset purchase agreement was executed.

On September 12, 2018, the Company executed a \$1,500,000 promissory note (see Note 8) which was used to make a capital contribution into Strive Management, LLC, a Nevada limited liability company ("Strive Management"). In exchange for the contribution, the Company received a 20% membership interest in Strive Management. The remaining interests are held by three individuals, Sara Gullickson, Larry Lemons, and Donnie Burton. Through a management agreement with Strive Wellness of Nevada, LLC, a related party Strive Management will facilitate the cultivation, processing and distribution of marijuana in Nevada. Strive Wellness of Nevada, LLC has been allocated cultivation, processing and distribution licenses from the State of Nevada. Additionally, the Company will acquire an additional 31% ownership of Strive Management upon the approval from the State of Nevada to operate the cultivation and processing facility.

Our principal offices are located at 2727 N 3rd Street, Phoenix AZ 85004 Suite 201. Our registered agent for service of process in Delaware is located at 108 West 13th St, Wilmington, DE 19801, and our registered agent is Business Filings Incorporated. Our fiscal year end is September 30.

All references to "we," "us," "our," "Item 9," "Item 9 Labs," or similar terms used in this Registration Statement refer to Item 9 Labs Corp.

Corporate Structure

The following chart illustrates, as of the date of this Registration Statement, the Company's wholly-owned subsidiaries, including their respective jurisdictions of incorporation and percentage of voting securities of each that are beneficially owned, controlled or directed by the Company.



Additionally, the Company currently owns a 20% ownership in Strive Management, LLC as discussed in Item 1 of our Notes to Financials (see Note 1). The Company has the right to acquire an additional 31% ownership of Strive Management if certain conditions are met. The Company will raise funds as necessary (approximately \$5,500,000) to construct the facility in Nevada, which will be wholly owned by a subsidiary of Item 9 Labs Corp and leased to Strive Management, LLC. \$3,000,000 has been raised as of the date of this filing. If the funds are not raised, the additional 31% interest due to the Company upon operational approval from the State of Nevada would be subject to reclamation by the other members of Strive Management.

Kind Regards,

Brian Roche
858-254-2000

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On Jun 20, 2020, at 3:45 PM, Bryce Skalla <bryce@item9labs.com> wrote:

Brian,

Spoke with team for several hours last night and after our talk. Seems our paths are aligned so I have brought our attorneys in to help with coordination and see what best path forward is. I have CC'ed Lauren Stine and Paul Valentine, our lawyers with the Quarrels & Brady Firm. They be best for contact going forward.



Bryce Skalla

President/ Co-Founder

Item 9 Labs Corp. "INLB"

M 480-406-9454

W www.item9labs.com



Stine, Lauren Elliott (PHX x3474)

From: Brian Roche <br@rohecorp.com>
Sent: Tuesday, June 23, 2020 7:06 PM
To: Valentine, Paul J. (PHX x3723)
Cc: Bryce Skalla; Bobby Mikkelsen; Jeffery Rassas; Andrew Bowden; Stine, Lauren Elliott (PHX x3474)
Subject: Re: Item 9 coordination

I don't know what this email means so let me be clear I have amended our complaint and will be filing it tomorrow and promise this is the least of your worries. I reached out to Bryce and crew as a one time courtesy which I always do before launching my nukes. If you want to cooperate and hold off litigation feel free to forward the docs related to Harvest foundation, Burton and Lemmons such as the Asset purchase agreement and other agreements you have with them while interfering with my guys ownership rights. If not no biggie there's not much to talk about I have Item 9 dead to rights and we will get the info through discovery, depositions and subpoenas Duces Tecum to some third parties we are serving this week. Right now I am out to recoup the \$741,250 that was paid by my guys to Item 9's partners which Item 9 has clearly profited from after my investigation. Bryce don't ever try to fucking bullshit me again I warned you about dishonesty with me.

Kind Regards,

Brian Roche
858-254-2000

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On Jun 22, 2020, at 12:31 PM, Valentine, Paul J. <Paul.Valentine@quarles.com> wrote:

Brian,

We are in receipt of the information you provided and are working through it. We will be in touch once we finalize our review

Thanks,

<125EvergreenEmailSignature a6b3add9-9dae-435d-970f-4c0911565efe.jpg>

Paul J. Valentine / Partner
Paul.Valentine@quarles.com / [LinkedIn](#) [BIO](#) [vCard](#)
Quarles & Brady LLP
Renaissance One, Two North Central Avenue / Phoenix, AZ 85004-2391
Office 602-229-5723 / [quarles.com](#)
Assistant Pamela McCordley 602-230-5516

[VISIT our COVID-19: Guidance for Clients page](#) for the latest updates from Q&B attorneys

From: Brian Roche <br@rochecorp.com>
Sent: Monday, June 22, 2020 11:29 AM
To: Bryce Skalla <bryce@item9labs.com>
Cc: Bobby Mikkelsen <bobby@item9labs.com>; Jeffery Rassas <jeffrey@item9labs.com>; Andrew Bowden <abowden@item9labs.com>; Stine, Lauren Elliott (PHX x3474) <Lauren.Stine@quarles.com>; Valentine, Paul J (PHX x3723) <Paul.Valentine@quarles.com>
Subject: Re: Item 9 coordination

Waiting to hear from someone on your end please email a time and dial in number to do a call today.

Kind Regards,

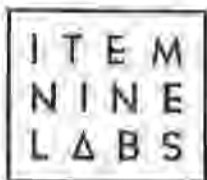
Brian Roche
858-254-2000

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Brian,

Spoke with team for several hours last night and after our talk. Seems our paths are aligned so I have brought our attorneys in to help with coordination and see what best path forward is. I have CC'ed Lauren Stine and Paul Valentine, our lawyers with the Quarrels & Brady Firm. They be best for contact going forward.



Bryce Skalla
President/ Co-Founder
Item 9 Labs Corp. "INLB"

M 480-406-9454

W www.item9labs.com [bryce@item9labs.com]



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Stine, Lauren Elliott (PHX x3474)

From: Brian Roche <br@rohecorp.com>
Sent: Tuesday, June 30, 2020 2:42 AM
To: Valentine, Paul J. (PHX x3723)
Cc: Bryce Skalla; Bobby Mikkelsen; Jeffery Rassas; Andrew Bowden; Stine, Lauren Elliott (PHX x3474)
Subject: Re: Item 9 coordination

Paul we are filing the Amended complaint and need to serve it along with the Summons' are you willing to except service for the entities and individuals we named to save me \$75 x 10? Note we are adding in Andrew, Doug, and Viridis Group Holdings which owns the entity that was at the heart of the alleged conduct and that paid money to Item 9 to engage in.

It took a while to pour through everything from my investigation but we have it tightened up to include Item 9 at the head of the fraud and for interference and aiding and abetting breach of fiduciary duty which is a cause of action in NV (among others). Included in this is the clear tie in to Strive and Harvest circumventing my guys' rights to equity, voting, and tag along right in NV to all Cannabis activity as represented by Burton, Lemons, Yokiels, and Gullickson to them prior to and after their investment of \$741,250 that went to Item 9's efforts in NV. You even reference Harvest in your 10K but had knowledge of my guys ownership and voting based on their investment.

Furthermore, we have Andrew and Daddy Doug dead to rights and naming them. Their entity Viridis Group I9 Capital made a direct investment allowing the conduct to take place, and in fact supported and endorsed the conduct of Item 9 with Skalla and Rassas at the helm as this entity is owned by Andrew, Doug and Viridis Group Holdings, LLC which we know exerts ownership and management control over Viridis Group I9 as the vehicle for the conduct. It provided the capital for Item 9 and the other Def's to engage in their fraudulent scheme, all while taking 5,000,000 shares of Item 9 in order to allow them the capital to engage in interference with contract, interference with economic advantage, aiding and abetting breach of fiduciary duty, civil conspiracy, and alter ego, among others as pled.

So are you willing to accept service for all of these named Defendants or do I need to have my guy bang on Doug's door at his Whispering Wind home address on 4th of July weekend which he might charge me extra for I don't even know?

On Mon, Jun 22, 2020 at 12:31 PM Valentine, Paul J. <Paul.Valentine@quarles.com> wrote:

Brian,

We are in receipt of the information you provided and are working through it. We will be in touch once we finalize our review.

Thanks,



Paul J. Valentine / Partner

Paul.Valentine@quarles.com / [LinkedIn](#) [BIO](#) [vCard](#)

Quarles & Brady LLP

Renaissance One, Two North Central Avenue / Phoenix, AZ 85004-2391

Office 602-229-5723 / quarles.com

Assistant Pamela McCauley 602-230-5516

[VISIT our COVID-19 Guidance for Clients page for the latest updates from Q&B attorneys](#)

From: Brian Roche <br@rochecorp.com>

Sent: Monday, June 22, 2020 11:29 AM

To: Bryce Skalla <bryce@item9labs.com>

Cc: Bobby Mikkelsen <bobby@item9labs.com>; Jeffery Rassas <jeffrey@item9labs.com>; Andrew Bowden <abowden@item9labs.com>; Stine, Lauren Elliott (PHX x3474) <Lauren.Stine@quarles.com>; Valentine, Paul J. (PHX x3723) <Paul.Valentine@quarles.com>

Subject: Re: Item 9 coordination

Waiting to hear from someone on your end please email a time and dial in number to do a call today

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Brian Roche
858-254-2000

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Bryce Skalla
President/ Co-Founder
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M 480-406-9454

W www.item9labs.com [item9labs.com]



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Kind Regards,

Brian Roche

(858) 254-2000



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Stine, Lauren Elliott (PHX x3474)

From: Brian Roche <br@rochecorp.com>
Sent: Wednesday, July 1, 2020 12:18 PM
To: Valentine, Paul J. (PHX x3723)
Cc: Bryce Skalla; Bobby Mikkelsen; Jeffery Rassas; Andrew Bowden; Stine, Lauren Elliott (PHX x3474)
Subject: Re: Item 9 coordination

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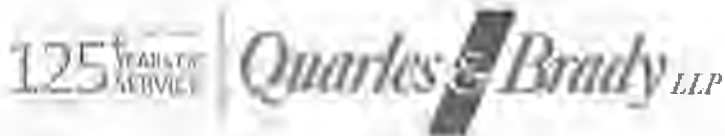
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Assistant Pamela McCauley 602-230-5516

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From: Stine, Lauren Elliott (PHX x3474) <Lauren.Stine@quarles.com>
Sent: Wednesday, July 1, 2020 2:08 PM
To: rrabat@enensteinlaw.com
Cc: Valentine, Paul J. (PHX x3723)
Subject: JDD et al. v. Lemons et al. - Case No. A-20-811232-C

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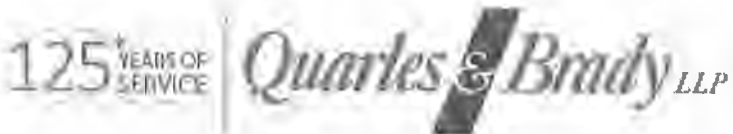
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Mr. Roche's voice message indicates that Plaintiff have (or will soon have) a new lawyer, but it is my understanding that you remain counsel of record. Accordingly, please instruct Mr. Roche that I cannot speak with him regarding this matter, as Plaintiffs are represented by counsel of record (i.e., you).

To the extent a new lawyer is substituting in the matter, please provide me with the contact information for the lawyer who will be representing Plaintiffs moving forward so that I can communicate with that individual regarding the above action. As you know, since Plaintiffs are represented by counsel (you until your withdrawal, and then whoever after that), I need to communicate with Plaintiffs' counsel directly, not through some third-party who purports to be associated with Plaintiffs.

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NEW SHINY LAWSUIT SHE ALREADY
DRAFTED NAMING ITEM 9 AND ALL ITS
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CONSPIRACY, AND OTHER CAUSES OF
ACTION SINCE HER CLIENTS AT
COCREATIVE CLEVELAND WEREN'T PAID.**

**WHY ARE YOU ALL DEFRAUDING 2 NICE
LADIES IN CLEVELAND AND NOT PAYING
YOUR BILLS?**

**THIS IS GOING TO BE A BILLING BONANZA
FOR QUARLES & BRADY BATTLING US IN
VEGAS AND NOW HER IN OHIO WITH
ANOTHER NEW LAWSUIT!!!!!!!**

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Subject: Re: JDD et al. v. Lemons et al. - Case No. A-20-811232-C

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<125EvergreenEmailSignature_a6b3add9-9dae-435d-970f-4c0911565efe.jpg>

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Hello Robert - Following up on our call earlier today. As discussed, I have received several emails and a voice message from Mr. Brian Roche, who purports to have some affiliation with the Plaintiffs (your current clients) in the above-referenced matter. Is Mr. Roche related to your firm and/or your clients in the above-referenced action?

Mr. Roche has made a number of statements in various communications regarding his purported affiliation with Plaintiffs and the filing of an amended complaint, purported claims, service, etc., regarding my client, Item 9. These are the types of statements that I would expect to receive from someone who is licensed to practice law. It is my understanding that Mr. Roche is not licensed to practice law (in Nevada or anywhere else).

Mr. Roche's voice message indicates that Plaintiff have (or will soon have) a new lawyer, but it is my understanding that you remain counsel of record. Accordingly, please instruct Mr. Roche that I cannot speak with him regarding this matter, as Plaintiffs are represented by counsel of record (i.e., you).

To the extent a new lawyer is substituting in the matter, please provide me with the contact information for the lawyer who will be representing Plaintiffs moving forward so that I can communicate with that individual regarding the above action. As you know, since Plaintiffs are represented by counsel (you until your withdrawal, and then whoever after that), I need to communicate with Plaintiffs' counsel directly, not through some third-party who purports to be associated with Plaintiffs.

Finally, as counsel for Plaintiffs, be advised that Item 9 has not acquired and does not purport to have any interest in Harvest Foundation, LLC or Marimed. To the extent that any claims are filed against them based on such a notion, such claims would be frivolous and sanctionable (against the both lawyer who files it and the clients).

Best,

Lauren

CONFIDENTIALITY NOTICE: This electronic mail transmission and any attachments are confidential and may be privileged. They should be read or retained only by the intended recipient. If you have received this transmission in error, please notify the sender immediately and delete the transmission from your system.

This message was secured by .

Kind Regards,

Brian Roche

(858) 254-2000



Think Green before printing this email.

This electronic message (including all attachments) is covered by the Electronic Communications Privacy Act 18 U.S.C 2510-2521, and is confidential and legally privileged.

✎

Purchase/Sale of Stock, Assets, or
Real Estate

COURT MINUTES

May 12, 2021

A-20-811232-B JDD, LLC, Plaintiff(s)
 vs.
 Larry Lemons, Defendant(s)

May 12, 2021 09:00 AM Defendant Snowell Holdings, LLC's Motion for Attorneys' Fees

HEARD BY: Williams, Timothy C. COURTROOM: RJC Courtroom 03H

COURT CLERK: Darling, Christopher

RECORDER:

REPORTER: Isom, Peggy

PARTIES PRESENT:

Candace C. Herling Attorney for Defendant

Lee I. Iglody Attorney for Plaintiff

Mukunda Shanbhag Attorney for Defendant

JOURNAL ENTRIES

Hearing held by BlueJeans remote conferencing. Arguments by Mr. Shanbhag and Mr. Iglody. Court stated ITS FINDINGS and ORDERED, Motion for Attorneys' Fees GRANTED; however, will review issue of work performed. Decision forthcoming. Mr. Iglody requested method to set discovery conference. Colloquy regarding whether answer filed. COURT FURTHER ORDERED, Discovery Conference SET in 30 days. COURT DIRECTED, counsel to meet and confer and submit case conference report in advance of hearing.

6/9/21 9:00 AM DISCOVERY CONFERENCE

CERTIFICATE OF SERVICE

I hereby certify pursuant to NRAP 25(c), that on the 9th day of August, 2021,
I caused service of a true and correct copy of the foregoing **APPENDIX TO
PETITIONERS' WRIT OF MANDAMUS** by the following means:

X BY MAIL: I placed a true copy thereof enclosed in a sealed envelope
addressed as follows:

The Honorable Timothy C. Williams
Eighth Judicial District Court
Civil Dept. XVI
200 Lewis Avenue
Las Vegas, Nevada 89155
Respondent

Michael B. Wixom
Karl L. Nielson
Smith Larsen & Wixom
Hills Center Business Park
1935 Village Center Circle
Las Vegas, Nevada 89134

Lauren Elliott
Christian G. Stahl
Quarles & Brady LLP
Two North Central Avenue
Phoenix, Arizona 85004-5200

Attorneys for Item 9 Labs Corp. et al.

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Attorneys for Snowell Holdings, LLC

/s/ Diana L. Wheelen
An Employee of Fennemore Craig