

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

E&T VENTURES, LLC,
Petitioner,

vs

EIGHTH JUDICIAL DISTRICT
COURT OF THE STATE OF
NEVADA, IN AND FOR THE
COUNTY OF CLARK, THE
HONORABLE JOANNA KISHNER,
DISTRICT JUDGE,
Respondent,

EUPHORIA WELLNESS, LLC a
Nevada limited liability company,
Real Party in Interest.

Electronically Filed
Jan 28 2022 04:21 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

Supreme Court Case No. 84133

District Court Case: A-19-796919-B

**EMERGENCY MOTION UNDER NRAP 27(E) TO STAY EVIDENTIARY
HEARING ON DISCOVERY SANCTIONS
[ACTION REQUIRED ON OR BEFORE FEBRUARY 7, 2022 AT 5PM]**

LAW OFFICE OF MITCHELL STIPP
MITCHELL STIPP, ESQ. (Nevada Bar No. 7531)
1180 N. Town Center Drive, Suite 100
Las Vegas, Nevada 89144
Telephone: 702.602.1242
mstipp@stiplaw.com
Counsel for Petitioner

I. Facts.

The petition for a writ (Dkt. 22-02590) filed by E&T Ventures, LLC (“Petitioner”) concerns the Order Setting Evidentiary Hearing filed on January 20, 2022. See App., **Exh. A** (the “Subject Order”) (App. 00005-00008).¹ The evidentiary hearing is scheduled to occur at 8:30 a.m. on February 8, 2022. Id. The purpose of the evidentiary hearing is to consider discovery sanctions requested by Euphoria Wellness, LLC (“Euphoria”). See App., **Exhs. B-1, B-2 and B-3** (Euphoria’s Motion for Sanctions, Appendix and Motion for Order Shortening Time) (App. 00009-00299), **Exhs. C-1 and C-2** (Petitioner’s Opposition/Counter-motion and Appendix) (App. 00300-00882), **Exh. D** (Euphoria’s Reply/Opposition) (00883-0094), and **Exh. E** (Petitioner’s Reply) (App. 00905-00915).² The Subject Order requires non-party, Kristin Taracki, to appear at the hearing as the person who verified the interrogatory responses in her role on behalf of Petitioner. See App., **Exh. A** (lines 20-22); see also App. 00525-00565 (Exhibit 2 to Petitioner’s Appendix in Support of Opposition/Counter-motion)

¹ Petitioner’s Appendix and Exhibits to the Appendix shall be referred to herein as “App.” and “Exh.” or “Exhs.” respectively. The Appendix includes Volumes 1-7 (Dkt. Nos. 22-02591 through 22-02597).

² Petitioner contends there have been no violation of any discovery orders and good cause for the evidentiary hearing does not exist.

(Supplemental Discovery Responses and Objections served on October 25, 2021). The Subject Order also demands that counsel for Petitioner “serve a copy of this Order on Ms. Kristin Taracki.” Id. (lines 26-27). Petitioner disclosed to Euphoria and the district court that Joseph Kennedy acquired 100% of the membership interests of Petitioner on or about November 29, 2019. See App. 00311 (Petitioner’s Opposition/Counter-motion) and App. 00890 (Euphoria’s Reply/Opposition). Ms. Taracki is not a party to the district court case. She became un-affiliated with Petitioner once Mr. Kennedy purchased the membership interests of Mr. and Ms. Taracki. Upon information and belief, Ms. Taracki is no longer a resident of the State of Nevada.

II. Petitioner’s Requested Relief.

For the reasons set forth in this Motion, the Petitioner seeks a stay of the evidentiary hearing on discovery sanctions because the Subject Order is a *clear abuse of judicial power*. The Nevada Rules of Appellate Procedure provide a mechanism for seeking a stay pending a decision from the Supreme Court. Under NRAP 8(a)(1), a party must ordinarily first seek a stay from the district court. Petitioner filed an emergency motion to stay on order shortening time on January 26, 2022. See **Exhibit 1** attached hereto. As of the date of this filing, the district

court has not responded to the same. However, the clerk of the district court has scheduled the matter for hearing on March 1, 2022 (but the evidentiary hearing is set for February 8, 2022). See **Exhibit 2** attached hereto.

NRAP 8(2) provides as follows:

A motion for the relief mentioned in Rule 8(a)(1) may be made to the Supreme Court or the Court of Appeals or to one of its justices or judges.

(A) The motion shall:

- (i) show that moving first in the district court would be impracticable; or
- (ii) state that, a motion having been made, the district court denied the motion or failed to afford the relief requested and state any reasons given by the district court for its action.

(B) The motion shall also include:

- (i) the reasons for granting the relief requested and the facts relied on;
- (ii) originals or copies of affidavits or other sworn statements supporting facts subject to dispute; and
- (iii) relevant parts of the record.

(C) The moving party must give reasonable notice of the motion to all parties.

(D) In an exceptional case in which time constraints make consideration by a panel impracticable, the motion may be considered by a single justice or judge.

(E) The court may condition relief on a party's filing a bond or other appropriate security in the district court.

In considering whether to grant the requested stay, the Nevada Supreme Court considers: “(1) whether the object of the ... writ petition will be defeated if the stay ... is denied; (2) whether [] petitioner will suffer irreparable or serious injury if the stay or injunction is denied; (3) whether respondent/real party in interest will suffer irreparable or serious injury if the stay ... is granted; and (4) whether [] petitioner is likely to prevail on the merits in the appeal or writ petition.” NRAP 8(c); Hansen v. Eighth Jud. Dist. Ct., 116 Nev. 650, 657, 6 P.3d 982, 986 (2000). Any one factor is not more important than the others; however, where “one or two factors are especially strong, they may counterbalance other weak factors.” Mikohn Gaming Corp. v. McCrea, 120 Nev. 248, 251, 89 P.3d 36, 38 (2004). Here, these factors, both individually and collectively, justify granting Petitioner's requested stay.

The purpose of the writ petition will be defeated if the stay is denied. The Subject Order is void. “An order is void ab initio if entered by a court in the absence

of jurisdiction of the subject matter or over the parties, if the character of the order is such that the court had no power to render it, or if the mode of procedure used by the court was one that the court could "not lawfully adopt." Dekker/Perich/Sabatini Ltd. v. The Eighth Judicial Dist. Court of the State, 137 Nev. Adv. Op. 53, 8 (Nev. 2021) (quoting Singh v. Mooney, 541 S.E.2d 549, 551 (Va. 2001)). Despite the fact that the order is void, Petitioner and its counsel are required to follow court orders, even erroneous ones, until overturned or terminated. Walker v. City of Birmingham, 388 U.S. 307, 320–21, 87 S.Ct. 1824, 18 L.Ed.2d 1210 (1967) (holding that order violating civil rights should have nevertheless been followed until overturned); see also Howat v. Kansas, 258 U.S. 181, 190, 42 S.Ct. 277, 66 L.Ed. 550 (1922) ("It is for the court of first instance to determine the question of the validity of the law, and until its decision is reversed for error by orderly review, either by itself or by a higher court, its orders based on its decision are to be respected, and disobedience of them is contempt of its lawful authority, to be punished."); see also Rish v. Simao, 368 P.3d 1203, 1210 (Nev. 2016).

The matter which is the subject of the evidentiary hearing is case ending discovery sanctions requested by Euphoria. If Ms. Taracki does not appear as ordered and/or Petitioner's counsel fails to serve her with a copy of the court's order

(despite lacking personal knowledge of Ms. Taracki's address), Petitioner risks a decision by the court to grant Euphoria the relief it is requesting. If the stay is granted, Euphoria will suffer no harm. Ms. Taracki is not a party to the case. Petitioner's attorney does not represent her. Euphoria is not harmed by the failure of Ms. Taracki to appear. The discovery responses by E&T do not violate any discovery orders.

Petitioner is likely to prevail on the merits of the Petition. Nevada law is clear on the issue before the Nevada Supreme Court. "[A] district judge lacks jurisdiction to order anyone to appear without cause and without reasonable notice, or outside the ordinary process of the court." See Cunningham v. District Court, 102 Nev. 551, 729 P.2d 1328 (1986) (emphasis added). According to the Nevada Supreme Court in Cunningham, "[s]uch orders, entered without jurisdiction, constitute an abuse of judicial power." Id. at 560 (emphasis added). The district court does not have personal jurisdiction over Ms. Taracki as a non-party to the case before it. Ms. Taracki also has not been served with a subpoena to appear. Personal jurisdiction is based on conduct that subjects an out-of-state party "to the power of the [Nevada] court to adjudicate its rights and obligations in a legal dispute, sometimes arising out of that very conduct." See Quinn v. Eighth Judicial Dist. Court of Nev., 410 P.3d

984 (Nev. 2018) (citing to Phillips Petroleum Co. v. OKC Ltd. P'ship, 634 S.2d 1186, 1187-88 (La 1984) and NRS 14.065(1) and (2)). Subpoena power “is based on the power and authority of the court to compel the attendance of at a [deposition, hearing or trial] of [a non-party] in a legal dispute between other parties.” Id. (quoting Phillips, 634 So.2d at 1188). Here, Ms. Taracki is not subject to personal jurisdiction of the district court. Further, the district court’s subpoena power over non-parties does not extend beyond the state lines of Nevada. Id. (citing to NRCP 45(b)(2)). According to Euphoria, Ms. Taracki lives out-of-state.

III. Conclusion

For the reasons set forth in this Motion, Petitioner seeks to have this Court enter an order staying the evidentiary hearing on discovery sanctions.

DATED this 28th day of January, 2022

LAW OFFICE OF MITCHELL STIPP

/s/ Mitchell Stipp

MITCHELL STIPP, ESQ.

Nevada Bar No. 7531

1180 N. Town Center Drive

Suite 100

Las Vegas, Nevada 89144

Telephone: (702) 602-1242

mstipp@stipplaw.com

Counsel for Petitioner

NRAP 27(E) CERTIFICATE

The undersigned counsel for Petitioner certifies to the Nevada Supreme Court as follows:

(A) The telephone numbers and office addresses of the attorneys for the parties and the telephone numbers and addresses for any pro se parties:

Nicole E. Lovelock, Esq.

JONES LOVELOCK

6600 Amelia Earhart Court, Suite C

Las Vegas, Nevada 89119

Telephone: (702) 805-8450

Fax: (702) 805-8451

Email: nlovelock@joneslovelock.com

(B) Facts showing the existence and nature of the claimed emergency:

The district court has ordered a non-party to appear at an evidentiary hearing on case ending discovery sanctions and for counsel for Petitioner to serve the non-party, who is no longer a representative of Petitioner and appears to reside out-of-state. The district court scheduled this evidentiary hearing to occur on February 8, 2022 at 8:30 a.m. Petitioner moved the district court for a stay on order shortening time, but the hearing was scheduled for March 1, 2022. The other facts set forth in the motion are true and accurate.

(C) When and how counsel for the other parties and any pro se parties were notified and whether they have been served with the motion; or, if not notified and served, why that was not done: The District Court and Real Party in Interest were notified via District Court's e-filing system.

By: /s/ Mitchell Stipp
Mitchell Stipp, Esq., Law Office of Mitchell Stipp

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 28th day of January, 2022, I filed the foregoing **MOTION**, using the court's electronic filing system.

Notice of the filing of the Motion was made upon acceptance by the Nevada Supreme Court using the District Court's electronic filing system to the following e-service participants in District Court Case and by mail to the addresses as indicated:

Judge Joanna Kishner:

Dept31lc@clarkcountycourts.us

Regional Justice Center
200 Lewis Ave.
Las Vegas, NV 89155

Euphoria Wellness, LLC as Real Parties-in- Interest:

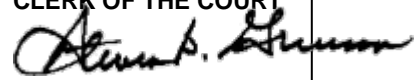
Nicole E. Lovelock, Esq.
Nevada State Bar No. 11187
JONES LOVELOCK
6600 Amelia Earhart Ct., Suite C
Las Vegas, Nevada 89119
Telephone: (702) 805-8450
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Email: nlovelock@joneslovelock.com

By:

/s/ Mitchell Stipp

An employee of Law Office of Mitchell Stipp

EXHIBIT 1-MOTION FOR STAY



MITCHELL D. STIPP, ESQ.
Nevada Bar No. 7531
LAW OFFICE OF MITCHELL STIPP
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Las Vegas, Nevada 89144
Telephone: 702.602.1242
mstipp@stipplaw.com
Attorneys for E&T Ventures, LLC

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

E&T VENTURES, LLC, a Nevada limited liability
company,

Plaintiff,

v.

EUPHORIA WELLNESS, LLC, a Nevada limited
liability company; DOE Individuals I-X, inclusive;
and ROE ENTITIES 1-10, inclusive;

Defendants.

ET AL.

CASE NO.: A-19-796919-B
DEPT. NO.: XXXI

**PLAINTIFF'S EMERGENCY MOTION FOR
STAY OF EVIDENTIARY HEARING ON
DISCOVERY SANCTIONS AND
APPLICATION FOR ORDER
SHORTENING TIME**

HEARING REQUESTED

DATE OF HEARING: _____
TIME OF HEARING: _____

E&T Ventures, LLC, a Nevada limited liability company ("E&T"), by and through Mitchell Stipp, Esq., of the Law Office of Mitchell Stipp, files the above-referenced motion for a stay of the evidentiary hearing on discovery sanctions and its application to hear the same on order shortening time.

This filing is based on the papers and pleadings on file in this case, the memorandum of points and authorities that follow, the exhibits attached hereto or filed separately but concurrently herewith, and the argument of counsel at the hearing.

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1
2 DATED this 26th day of January, 2022.

3 **LAW OFFICE OF MITCHELL STIPP**

4 /s/ Mitchell Stipp

5
6 _____
7 MITCHELL STIPP, ESQ.
8 Nevada Bar No. 7531
9 1180 N. Town Center Drive, Suite 100
10 Las Vegas, Nevada 89144
11 Telephone: 702.602.1242
12 mstipp@stiplaw.com
13 *Attorneys for E&T Ventures, LLC*
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NOTICE OF HEARING

TO: ALL INTERESTED PARTIES AND THEIR COUNSEL OF RECORD

PLEASE TAKE NOTICE that the **MOTION FOR STAY** shall be heard via BLUEJEANS on _____, 2022 at _____. Any opposition to the motion is due on or before _____, and any reply is due on or before _____.

DATED _____.

District Court Judge

DATED this 26th day of January, 2022.

LAW OFFICE OF MITCHELL STIPP

/s/ Mitchell Stipp, Esq.
MITCHELL STIPP, ESQ.
Nevada Bar No. 7531
LAW OFFICE OF MITCHELL STIPP
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Telephone: 702.602.1242
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Attorneys for E&T Ventures, LLC

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**DECLARATION OF MITCHELL STIPP IN SUPPORT OF
REQUEST FOR SHORTENED TIME**

The undersigned, Mitchell Stipp, certifies to the court as follows:

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

2. There is an evidentiary hearing scheduled on February 8, 2022 at 8:30 a.m.

3. E&T filed a petition for a writ to the Nevada Supreme Court, and notice was provided of the same on January 25, 2022 and January 26, 2022.

4. The request for a stay cannot be heard in the ordinary course. Further, if the court denies the stay, E&T needs sufficient time to file a motion before the Nevada Supreme Court under NRAP 8(a)(2).

5. I submit the above-titled declaration in support of the request for an order shortening time. I have personal knowledge of the facts contained in this filing unless otherwise qualified by information and belief or such knowledge is based on the record in this case, and I am competent to testify thereto, and such facts are true and accurate to the best of my knowledge and belief.

Dated this 26th day of January, 2022

/s/ Mitchell Stipp

Mitchell Stipp, Esq.

MEMORANDUM OF POINTS AND AUTHORITIES

The Nevada Rules of Appellate Procedure provide a mechanism for seeking a stay pending a decision from the Supreme Court. Under NRAP 8(a)(1), a party must ordinarily first seek a stay from the district court. In considering whether to grant the requested stay, the Nevada Supreme Court considers: “(1) whether the object of the ... writ petition will be defeated if the stay ... is denied; (2) whether [] petitioner will suffer irreparable or serious injury if the stay or injunction is denied; (3) whether respondent/real party in interest will suffer irreparable or serious injury if the stay ... is granted; and (4) whether [] petitioner is likely to prevail on the merits in the appeal or writ petition.” NRAP 8(c), Hansen v. Eighth Jud. Dist. Ct., 116 Nev. 650, 657, 6 P.3d 982, 986 (2000). Any one factor is not more important than the others; however, where “one or two factors are especially strong, they may counterbalance other weak factors.” Mikohn Gaming Corp. v. McCrea, 120 Nev. 248, 251, 89 P.3d 36, 38 (2004). Here, these factors, both individually and collectively, justify granting E&T’s requested stay.

The purpose of the writ petition will be defeated if the stay is denied. The order which is the subject of the writ petition is void. “An order is void ab initio if entered by a court in the absence of jurisdiction of the subject matter or over the parties, if the character of the order is such that the court had no power to render it, or if the mode of procedure used by the court was one that the court could “not lawfully adopt.” Dekker/Perich/Sabatini Ltd. v. The Eighth Judicial Dist. Court of the State, 137 Nev. Adv. Op. 53, 8 (Nev. 2021) (quoting Singh v. Mooney, 541 S.E.2d 549, 551 (Va. 2001)). Despite the fact that the order is void, E&T and its counsel are required to follow court orders, even erroneous ones, until overturned or terminated. Walker v. City of Birmingham, 388 U.S. 307, 320–21, 87 S.Ct. 1824, 18 L.Ed.2d 1210 (1967) (holding that order violating civil rights should have nevertheless been followed until overturned); see also Howat v. Kansas, 258 U.S. 181, 190, 42 S.Ct. 277, 66 L.Ed. 550

(1922) ("It is for the court of first instance to determine the question of the validity of the law, and until its decision is reversed for error by orderly review, either by itself or by a higher court, its orders based on its decision are to be respected, and disobedience of them is contempt of its lawful authority, to be punished."); see also Rish v. Simao, 368 P.3d 1203, 1210 (Nev. 2016). The matter which is the subject of the evidentiary hearing is case ending discovery sanctions requested by Euphoria Wellness, LLC ("Euphoria"). If Kristin Taracki does not appear as ordered and/or E&T's counsel fails to serve her with a copy of the court's order (despite lacking personal knowledge of Ms. Taracki's address), E&T risks a decision by the court to grant Euphoria the relief it is requesting. If the stay is granted, Euphoria will suffer no harm. **Ms. Taracki is not a party to the case.** E&T's attorney does not represent her. Euphoria is not harmed by the failure to depose Ms. Taracki. **Euphoria has never served notice of its intent to serve a subpoena on Ms. Taracki in this case.** Euphoria has completed the deposition of Joseph Kennedy, who now owns 100% of E&T. Mr. Kennedy clearly and unequivocally testified that he did not know where Ms. Taracki lives. See Deposition Transcript attached hereto as **Exhibit A** (page 58 of Transcript) (emphasis added).

E&T is likely to prevail on the merits of the petition. Nevada law is clear on the issue before the Nevada Supreme Court. "[A] district judge lacks jurisdiction to order anyone to appear without cause and without reasonable notice, **or outside the ordinary process of the court.**" See Cunningham v. District Court, 102 Nev. 551, 729 P.2d 1328 (1986) (emphasis added). According to the Nevada Supreme Court in Cunningham, "[s]uch orders, entered without jurisdiction, constitute **an abuse of judicial power.**" Id. at 560 (emphasis added). The district court does not have personal jurisdiction over Ms. Taracki as a non-party to the case before it. Ms. Taracki also has not been served with a subpoena to appear. Personal jurisdiction is based on conduct that subjects an out-of-state party "to the power of the [Nevada] court to adjudicate its rights and obligations in a legal dispute, sometimes arising out of that very conduct." See Quinn v. Eighth Judicial Dist. Court of Nev., 410 P.3d 984 (Nev.

1 2018) (citing to Phillips Petroleum Co. v. OKC Ltd. P'ship, 634 S.2d 1186, 1187-88 (La 1984) and
2 NRS 14.065(1) and (2)). Subpoena power “is based on the power and authority of the court to compel
3 the attendance of at a [deposition, hearing or trial] of [a non-party] in a legal dispute between other
4 parties.” Id. (quoting Phillips, 634 So.2d at 1188). Here, Ms. Taracki is not subject to personal
5 jurisdiction of the district court. Further, the district court’s subpoena power over non-parties does not
6 extend beyond the state lines of Nevada. Id. (citing to NRCP 45(b)(2)). Upon information and belief,
7 Ms. Taracki lives out-of-state. According to Nicole Lovelock who represents Euphoria, she lives in
8 Tennessee.
9

10 For the reasons set forth above, E&T requests that the court stay the evidentiary hearing pending
11 resolution of the petition for a writ.

12 DATED this 26th day of January, 2022.

13 **LAW OFFICE OF MITCHELL STIPP**

14 /s/ Mitchell Stipp
15

16 _____
17 MITCHELL STIPP, ESQ.
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23 *Attorneys for E&T Ventures, LLC*
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EXHIBIT A

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1 DISTRICT COURT
2 CLARK COUNTY, NEVADA
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4 E&T VENTURES, LLC, a Nevada)
limited liability company,)
5)
Plaintiff,)
6)
vs.) CASE NO. A-19-796919-B
7) DEPT NO. XXXI
8)
EUPHORIA WELLNESS, LLC, a)
Nevada limited liability)
9 company; DOE Individuals I-X,)
inclusive; and ROE ENTITIES)
10 1-10, inclusive,)
11 Defendants.)
12 AND ALL RELATED CLAIMS.)
13
14

15 ***CONFIDENTIAL***
16 DEPOSITION OF JOSEPH KENNEDY
17 Taken on Friday, November 19, 2021
18 At 8:05 a.m.
19 By a Certified Court Reporter
20 At 6600 Amelia Earhart Court, Suite C
21 Las Vegas, Nevada
22
23

24 Reported By: Shanyelle King, CCR No. 943
25 Job No. 819649-A

Page 2	Page 3
<p>1 APPEARANCES:</p> <p>2</p> <p>3</p> <p>4 For Euphoria Wellness, LLC:</p> <p>5 JONES LOVELOCK</p> <p>6 BY: JUSTIN C. JONES, ESQ.</p> <p>7 BY: MARTA D. KURSHUMOVA, ESQ.</p> <p>8 6600 Amelia Earhart Court, Suite C</p> <p>9 Las Vegas, NV 89119</p> <p>10 (702) 805-8450</p> <p>11 jjones@joneslovelock.com</p> <p>12 mkurshumova@joneslovelock.com</p> <p>13</p> <p>14 For E&T Ventures, LLC, Miral Consulting, LLC, Happy</p> <p>15 Campers, LLC, CBD Supply Co, LLC, Joseph Kennedy, Valjo,</p> <p>16 Inc., and Nye Natural Medicinal Solutions, LLC:</p> <p>17 LAW OFFICE OF MITCHELL STIPP</p> <p>18 BY: MITCHELL D. STIPP, ESQ.</p> <p>19 1180 N. Town Center Drive, Suite 100</p> <p>20 Las Vegas, NV 89114</p> <p>21 (702) 602-1242</p> <p>22 mstipp@stipplaw.com</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 EXAMINATION INDEX</p> <p>2 Page</p> <p>3 Examination by Mr. Jones 4</p> <p>4 Examination by Mr. Stipp 90</p> <p>5 Further Examination by Mr. Jones 92</p> <p>6 * * *</p> <p>7 EXHIBIT INDEX</p> <p>8 No. Item Page</p> <p>9 EXHIBIT 1 Straight note, 4/1/19 49</p> <p>10 EXHIBIT 2 UCC filing 51</p> <p>11 EXHIBIT 3 Confession of judgment 53</p> <p>12 EXHIBIT 4 Responses to RFPs 68</p> <p>13 EXHIBIT 5 Joint defense agreement 77</p> <p>14 EXHIBIT 6 Complaint 80</p> <p>15 EXHIBIT 7 Subpoena 85</p> <p>16 * * *</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
Page 4	Page 5
<p>1 JOSEPH KENNEDY,</p> <p>2 Having first been sworn by the Certified Court Reporter</p> <p>3 to tell the truth, testified under oath as follows:</p> <p>4 * * *</p> <p>5 EXAMINATION</p> <p>6 BY MR. JONES:</p> <p>7 Q. Mr. Kennedy, can you please state your full</p> <p>8 name for the record?</p> <p>9 A. Joseph Eugene Kennedy.</p> <p>10 Q. And you understand you're being deposed in</p> <p>11 your individual capacity here today?</p> <p>12 A. I thought I'm here being deposed as a PMK for</p> <p>13 Nye Natural and Valjo this morning.</p> <p>14 MR. STIPP: So in terms of scheduling, Joe,</p> <p>15 they're going to do your personal depo first, and then</p> <p>16 the PMKs afterwards.</p> <p>17 THE WITNESS: I am now. Sorry about that.</p> <p>18 MR. STIPP: And then, before we get started,</p> <p>19 I just want to -- because I suspect there may be some</p> <p>20 questions concerning private sensitive financial</p> <p>21 matters, that the deposition and the transcript of the</p> <p>22 deposition would be subject to the stipulated protective</p> <p>23 order we have in place in the case.</p> <p>24 MR. JONES: Yeah, does it talk about just</p> <p>25 designating specific portions of the deposition, or the</p>	<p>1 whole thing? I don't remember.</p> <p>2 MR. STIPP: Well, you know, I don't remember</p> <p>3 what it says, but it's been the practice in this case,</p> <p>4 as least as it relates to Ms. Lovelock's position, that</p> <p>5 she's requested confidential treatment of the whole</p> <p>6 thing. So if that's okay with you, I just want to make</p> <p>7 sure that's fine.</p> <p>8 MR. JONES: Yeah, that's fine. I can check</p> <p>9 on the break. If there's something different, then</p> <p>10 we'll let the court reporter know.</p> <p>11 BY MR. JONES:</p> <p>12 Q. I understand from your prior depositions as</p> <p>13 PMK that you've had your deposition taken many times</p> <p>14 before.</p> <p>15 A. That's true, true.</p> <p>16 Q. And I'm not going to go through all the</p> <p>17 traditional admonitions we go through, but I have looked</p> <p>18 at some of the transcripts. I will say I'm going to do</p> <p>19 my best to ask you questions, and give your counsel an</p> <p>20 opportunity to make an objection, and then wait for your</p> <p>21 answer. And so I think between the three of us, let's</p> <p>22 not talk over each other because it drives the court</p> <p>23 reporter nuts. Is that fair?</p> <p>24 A. Fair. I have to remember to give my counsel</p> <p>25 time to object too.</p>

<p style="text-align: right;">Page 6</p> <p>1 Q. Understood. How did you prepare for your 2 deposition today?</p> <p>3 A. I read -- I scanned over the prior 4 deposition, and I took a look at the questions that the 5 court has ordered me -- that we did not answer, the 6 court ordered me to answer.</p> <p>7 Q. And those are the ones for the Valjo and the 8 Nye Natural PMK?</p> <p>9 A. Correct.</p> <p>10 Q. And we'll get to those later, but right now 11 I'm going to ask you questions in your individual 12 capacity. I know from the prior depositions that it was a 13 little bit confusing as to what capacity you were 14 testifying in, so I'm really just kind of focused for 15 now on you as Joe Kennedy, and what you know as Joe 16 Kennedy, as opposed to any other roles that you have. 17 Does that make sense?</p> <p>18 A. It does.</p> <p>19 Q. All right. Do you know what E&T Ventures is?</p> <p>20 A. Yes.</p> <p>21 Q. What is E&T Ventures?</p> <p>22 A. It's a Nevada limited liability company.</p> <p>23 Q. Do you reside in Nevada?</p> <p>24 A. I do.</p> <p>25 Q. How long have you resided in Nevada?</p>	<p style="text-align: right;">Page 7</p> <p>1 A. 11 years.</p> <p>2 Q. When did you first become familiar with E&T 3 Ventures?</p> <p>4 MR. STIPP: And if you don't know or don't 5 remember or don't recall --</p> <p>6 THE WITNESS: I was just going to say, I 7 can't recall.</p> <p>8 BY MR. JONES:</p> <p>9 Q. You said you moved to Nevada 11 years ago. 10 Were you familiar with E&T Ventures before that?</p> <p>11 A. No.</p> <p>12 Q. So it's been some time in the last 11 years?</p> <p>13 A. Yes.</p> <p>14 Q. Would you say it's been within the last five 15 years?</p> <p>16 A. Yes.</p> <p>17 Q. To your knowledge, who are the principals of 18 E&T?</p> <p>19 A. I don't know who they are now.</p> <p>20 Q. What was your understanding as of 2019 who 21 the principals of E&T were?</p> <p>22 A. Alex Taracki and Kristin Ehasz.</p> <p>23 Q. Was there anyone else that you understood 24 back in 2019 were principals in E&T?</p> <p>25 A. No.</p>
<p style="text-align: right;">Page 8</p> <p>1 Q. How did you first come in contact with 2 Mr. Taracki? Actually, there's more than one Taracki, 3 so I will say Alex Taracki.</p> <p>4 A. I was introduced to him by my daughter.</p> <p>5 Q. And what's your daughter's name?</p> <p>6 A. Sarah Rose Kennedy.</p> <p>7 Q. And did your daughter know Alex Taracki?</p> <p>8 A. Obviously.</p> <p>9 Q. How did your daughter come to know Alex 10 Taracki?</p> <p>11 A. She does marketing in the cannabis industry.</p> <p>12 Q. And so as part of her job duties, she came 13 across Alex Taracki?</p> <p>14 A. I think she thinks her job is to know 15 everybody in the industry.</p> <p>16 Q. Fair enough. And when did you first come in 17 contact with Kristin Ehasz?</p> <p>18 A. At the time that I met Alex Taracki.</p> <p>19 Q. And when your daughter introduced you to Alex 20 and Kristin Ehasz, what was the nature of her interest 21 in introducing them to you?</p> <p>22 A. She was trying to introduce me to people who 23 potentially purchase product from Clark Natural 24 Medicinal Solutions.</p> <p>25 Q. That was Clark Natural?</p>	<p style="text-align: right;">Page 9</p> <p>1 A. Clark Natural.</p> <p>2 Q. And is Clark Natural a business that you're 3 involved in?</p> <p>4 A. It is.</p> <p>5 Q. What is Clark Natural?</p> <p>6 A. It's a cultivation and production -- 7 marijuana cultivation and production company.</p> <p>8 Q. Is that located here in Nevada?</p> <p>9 A. It is.</p> <p>10 Q. Do you hold a cultivation license?</p> <p>11 A. Do I hold --</p> <p>12 MR. STIPP: Can we get some clarification?</p> <p>13 MR. JONES: Sure.</p> <p>14 MR. STIPP: So Mr. Kennedy wouldn't have a 15 license personally, but the entity, Clark Natural, has a 16 license, and as a result of that license, he would be 17 regulated.</p> <p>18 MR. JONES: I'll ask him the question.</p> <p>19 BY MR. JONES:</p> <p>20 Q. So does Clark Natural own a cultivation 21 license?</p> <p>22 A. Yes.</p> <p>23 Q. Do they own a production license?</p> <p>24 A. Yes.</p> <p>25 Q. When did Clark Natural obtain its cultivation</p>

<p style="text-align: right;">Page 10</p> <p>1 license?</p> <p>2 A. In 2014.</p> <p>3 Q. And its production license?</p> <p>4 A. 2014.</p> <p>5 Q. Were you involved in some way in Clark</p> <p>6 Natural obtaining its cultivation license?</p> <p>7 A. I was.</p> <p>8 Q. What was your involvement?</p> <p>9 A. I was an applicant, an owner applicant, and I</p> <p>10 contributed to the financial stability -- proof of</p> <p>11 financial stability of the company.</p> <p>12 Q. Did you provide financial support to Clark</p> <p>13 Natural in your individual capacity -- and what I mean</p> <p>14 by that did you, Joe Kennedy, lend money directly to</p> <p>15 Clark Natural?</p> <p>16 A. Never.</p> <p>17 Q. Was that through another entity?</p> <p>18 A. Yes.</p> <p>19 Q. What was the entity that provided financial</p> <p>20 support to Clark Natural?</p> <p>21 A. Unit Lender.</p> <p>22 Q. Unit Lender?</p> <p>23 A. Mm-hmm.</p> <p>24 Q. Are there -- let's say in 2014, were there</p> <p>25 other principals in Clark Natural?</p>	<p style="text-align: right;">Page 11</p> <p>1 A. Yes.</p> <p>2 Q. Who were the other principals of Clark</p> <p>3 Natural?</p> <p>4 A. Actually, there were a few. Pejman Bady,</p> <p>5 P-E-J-M-A-N, Pouya Mohajer, Shane Terry, and Jennifer</p> <p>6 Goldstein.</p> <p>7 Q. So when you're -- strike that.</p> <p>8 Does Clark Natural still hold a cultivation</p> <p>9 license?</p> <p>10 A. Yes.</p> <p>11 Q. Do they still hold a production license?</p> <p>12 A. Yes.</p> <p>13 Q. When your daughter introduced you to Alex</p> <p>14 Taracki and Kristin Ehasz, what was your first</p> <p>15 communication with them?</p> <p>16 A. I visited the facility on Emerald.</p> <p>17 Q. Their facility?</p> <p>18 A. Their facility.</p> <p>19 Q. E&T's facility?</p> <p>20 A. E&T's facility.</p> <p>21 Q. And what kind of facility did E&T have?</p> <p>22 A. Production facility.</p> <p>23 Q. Did you have an understanding for how long</p> <p>24 E&T had been in the business of cannabis production?</p> <p>25 A. I did not.</p>
<p style="text-align: right;">Page 12</p> <p>1 Q. Did they tell you how long they'd been doing</p> <p>2 that?</p> <p>3 A. I'm sure they did.</p> <p>4 Q. But you don't recall what they told you?</p> <p>5 A. I don't recall what they told me.</p> <p>6 Q. So after that first meeting with Alex Taracki</p> <p>7 and Kristin Ehasz, what was your next communication with</p> <p>8 them?</p> <p>9 A. I think they came to visit me at my home.</p> <p>10 Q. In that first meeting, did you talk about</p> <p>11 financial matters?</p> <p>12 A. Well, I guess -- I spoke to them about some</p> <p>13 surplus materials that we had at Clark Natural.</p> <p>14 Q. So the first meeting, it was really about</p> <p>15 product?</p> <p>16 A. Correct.</p> <p>17 Q. So there wasn't any discussion of providing</p> <p>18 money to or lending to E&T?</p> <p>19 A. No.</p> <p>20 Q. So you said the second meeting that you</p> <p>21 recall was that they came to your home; correct?</p> <p>22 A. Correct.</p> <p>23 Q. What do you recall of the discussion for the</p> <p>24 second meeting at your home?</p> <p>25 A. I think it was simply an exchange of</p>	<p style="text-align: right;">Page 13</p> <p>1 experiences. And, you know, there's this who do you</p> <p>2 know type thing. And that's about it.</p> <p>3 Q. Okay. In 2014, Nevada was still medical only</p> <p>4 for cannabis sales?</p> <p>5 A. It was.</p> <p>6 Q. Did you have specific dispensaries that --</p> <p>7 strike that.</p> <p>8 Did Clark Natural have specific dispensaries</p> <p>9 that it was selling product to?</p> <p>10 A. Of course.</p> <p>11 Q. Were you available to all dispensaries at the</p> <p>12 time?</p> <p>13 A. Yes.</p> <p>14 Q. Was it your understanding at the time that</p> <p>15 E&T also sold to all dispensaries?</p> <p>16 A. Yes.</p> <p>17 Q. After your second meeting at your home, did</p> <p>18 you enter into any business transactions with E&T?</p> <p>19 A. At any time after?</p> <p>20 Q. What is the first -- so you did have a</p> <p>21 business relationship with E&T at some point?</p> <p>22 A. At some point.</p> <p>23 Q. When was the first time you had a business</p> <p>24 relationship with E&T?</p> <p>25 A. Alex and Kristin wanted to open a CBD</p>

<p style="text-align: right;">Page 14</p> <p>1 extraction facility. And I was interested in it, and</p> <p>2 so --</p> <p>3 Q. So you wanted to enter into the CBD</p> <p>4 extraction business?</p> <p>5 A. Yes.</p> <p>6 Q. And did you have an interest in CBD</p> <p>7 extraction?</p> <p>8 A. I did.</p> <p>9 Q. Did Clark Natural -- was it already in the</p> <p>10 business of doing CBD extraction at that time?</p> <p>11 A. No.</p> <p>12 Q. So after E&T -- after Alex Taracki and</p> <p>13 Kristin Ehasz expressed interest in CBD extraction, did</p> <p>14 you enter into a business relationship with them?</p> <p>15 A. Yeah, after that, yes.</p> <p>16 Q. And I want to make sure I get all the parties</p> <p>17 here. So in terms of the CBD extraction, did you, Alex</p> <p>18 Taracki, and Kristin Ehasz create a separate entity to</p> <p>19 handle that, or was it under one of your existing</p> <p>20 entities?</p> <p>21 A. We did.</p> <p>22 Q. What was the entity that you created?</p> <p>23 A. Hang on a second. Taking time to think.</p> <p>24 Let's see. I'll recall it, but I can't recall at the</p> <p>25 moment.</p>	<p style="text-align: right;">Page 15</p> <p>1 Q. Okay. We'll come back to it.</p> <p>2 A. I have it. Happy Campers, LLC.</p> <p>3 Q. Happy Campers. Okay. And what was the</p> <p>4 nature of the business relationship for Happy Campers?</p> <p>5 A. We became members of Happy Campers, and</p> <p>6 created the LLC, and filed it with the Secretary of</p> <p>7 State.</p> <p>8 Q. Was the ownership equal between you, Alex</p> <p>9 Taracki, and Kristin Ehasz?</p> <p>10 A. There were four members.</p> <p>11 Q. Okay. Who was the fourth member?</p> <p>12 A. My spouse.</p> <p>13 Q. And what is your spouse's name?</p> <p>14 A. Valerie M. Kennedy.</p> <p>15 Q. Amongst the four members, then, did you each</p> <p>16 have equal ownership?</p> <p>17 A. Yes.</p> <p>18 Q. So you had 25 percent, your wife had</p> <p>19 25 percent, Alex Taracki had 25 percent, and Kristin</p> <p>20 Ehasz had 25 percent?</p> <p>21 A. Correct.</p> <p>22 Q. Did you, in your individual capacity,</p> <p>23 contribute financial resources to Happy Campers when it</p> <p>24 was formed?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 16</p> <p>1 Q. How much did you contribute?</p> <p>2 A. I think the first amount was \$600,000.</p> <p>3 Q. Did your wife contribute financial resources</p> <p>4 to Happy Campers at the time of initiation?</p> <p>5 A. Well, my wife thinks that anything I</p> <p>6 contribute, she contributes.</p> <p>7 Q. Fair enough. So would you say the \$600,000</p> <p>8 was on behalf of both yourself and your wife?</p> <p>9 A. Absolutely.</p> <p>10 Q. Did Alex Taracki contribute financial</p> <p>11 resources to Happy Campers when it was formed?</p> <p>12 A. Not initially.</p> <p>13 Q. Did Kristin Ehasz contribute financial</p> <p>14 resources at the time that Happy Campers was formed?</p> <p>15 A. Not initially.</p> <p>16 Q. Did any of the four members contribute some</p> <p>17 other beneficial use at the time Happy Campers was</p> <p>18 formed, like equipment, or services, or anything like</p> <p>19 that?</p> <p>20 A. No.</p> <p>21 Q. And you said that Alex Taracki did not</p> <p>22 contribute financially to Happy Campers when it was</p> <p>23 formed, but that they may have at a later date?</p> <p>24 A. Yes.</p> <p>25 Q. When did Alex Taracki first contribute</p>	<p style="text-align: right;">Page 17</p> <p>1 financial resources to Happy Campers?</p> <p>2 A. After we found the facility to move into.</p> <p>3 Q. And I want to put a date of reference on</p> <p>4 this. So you first meet Alex Taracki and Kristin Ehasz</p> <p>5 in 2014. Do you recall when Happy Campers was formed?</p> <p>6 A. No, that's incorrect.</p> <p>7 Q. Okay. What did I get wrong?</p> <p>8 A. 2014, that's the date we formed Clark Natural</p> <p>9 Medicinal Solutions.</p> <p>10 Q. Okay. And Clark Natural didn't involve</p> <p>11 Kristin Ehasz or Alex Taracki?</p> <p>12 A. Absolutely not.</p> <p>13 Q. Okay. Then when did you first meet Alex</p> <p>14 Taracki and Kristin Ehasz?</p> <p>15 A. 2017, I think.</p> <p>16 Q. All right. So Clark Natural was in operation</p> <p>17 for approximately three years before you met Alex</p> <p>18 Taracki and Kristin Ehasz?</p> <p>19 A. Approximately.</p> <p>20 Q. And so when I was asking you questions before</p> <p>21 about your first interactions, and them coming to your</p> <p>22 house, that was back in approximately 2017?</p> <p>23 A. 2017, or maybe early 2018.</p> <p>24 Q. And going back to my question about Happy</p> <p>25 Campers, when do you recall Happy Campers was formed?</p>

<p style="text-align: right;">Page 18</p> <p>1 A. 2018.</p> <p>2 Q. So approximately how much time passed between</p> <p>3 when you first met Alex Taracki and Kristin Ehasz and</p> <p>4 when you formed Happy Campers?</p> <p>5 A. Three months.</p> <p>6 Q. Getting back to my question about Alex</p> <p>7 Taracki and providing financial resources. Do you</p> <p>8 recall how much time passed between when Happy Campers</p> <p>9 was formed and when he provided financial resources to</p> <p>10 Happy Campers?</p> <p>11 A. It was when we located the facility to move</p> <p>12 into for Happy Campers. So I think -- and this is a</p> <p>13 rough estimate, I think it was four to five months.</p> <p>14 Q. Okay. And when you located -- or when Happy</p> <p>15 Campers located that facility, where was that facility?</p> <p>16 A. 3643 E. Post Road, in Las Vegas.</p> <p>17 Q. Did Happy Campers intend to buy the building</p> <p>18 or lease the building?</p> <p>19 A. Happy Campers leased the building.</p> <p>20 Q. How much did Alex Taracki contribute to Happy</p> <p>21 Campers at the time that the production -- or that the</p> <p>22 location was identified?</p> <p>23 A. The building needed to be modified for use</p> <p>24 for extraction of the hemp, and his contribution was the</p> <p>25 materials and the labor to equip the building -- would</p>	<p style="text-align: right;">Page 19</p> <p>1 be a substantial amount of money, a couple hundred</p> <p>2 thousand dollars.</p> <p>3 Q. Did Kristin Ehasz also contribute financial</p> <p>4 resources at that time?</p> <p>5 A. They were married at that time, so the same</p> <p>6 answer I gave for my wife.</p> <p>7 Q. Understood. Did you put -- did Happy Campers</p> <p>8 put a dollar value on the material, services, et cetera,</p> <p>9 that were provided by Alex Taracki and Kristin Ehasz?</p> <p>10 A. I'm sure it did.</p> <p>11 Q. Did Happy Campers maintain financial records?</p> <p>12 A. Of course.</p> <p>13 Q. Who specifically maintained those records?</p> <p>14 A. Primarily my wife.</p> <p>15 Q. Did she have -- did she operate in a</p> <p>16 bookkeeping capacity?</p> <p>17 A. We use QuickBooks for most -- for the</p> <p>18 businesses, and she usually does the input for our</p> <p>19 QuickBooks.</p> <p>20 Q. Does she perform that service for all</p> <p>21 businesses that you're involved in?</p> <p>22 A. Pretty much so.</p> <p>23 Q. So after you locate the facility for the CBD</p> <p>24 extraction, how long does it take before Happy Campers</p> <p>25 gets up and running?</p>
<p style="text-align: right;">Page 20</p> <p>1 A. After we moved into the building, about two</p> <p>2 to three months.</p> <p>3 Q. Did you have to get a license to do CBD</p> <p>4 extraction, a cannabis license?</p> <p>5 A. No.</p> <p>6 Q. Just business licenses and traditional --</p> <p>7 A. Business license and the hemp license.</p> <p>8 Q. Is Happy Campers still in business?</p> <p>9 A. It is.</p> <p>10 Q. And who are the current members of Happy</p> <p>11 Campers?</p> <p>12 A. Valerie and myself; my wife and myself.</p> <p>13 Q. So Alex Taracki and Kristin Ehasz are no</p> <p>14 longer affiliated with Happy Campers?</p> <p>15 A. Correct.</p> <p>16 Q. When did they become disassociated with Happy</p> <p>17 Campers?</p> <p>18 A. Do you want an exact date? I can't --</p> <p>19 Q. No, a rough date.</p> <p>20 A. Late 2019, early 2020.</p> <p>21 Q. And what were the circumstance by which they</p> <p>22 became unaffiliated with Happy Campers?</p> <p>23 A. They decided that it wasn't making enough</p> <p>24 money -- actually, it was losing money -- and they</p> <p>25 didn't want bear any of that cost.</p>	<p style="text-align: right;">Page 21</p> <p>1 Q. So in terms of their membership interest, did</p> <p>2 you buy them out, or how did that happen?</p> <p>3 A. I did.</p> <p>4 Q. So you bought out Alex Taracki and Kristin</p> <p>5 Ehasz?</p> <p>6 A. Yes.</p> <p>7 Q. And that was in late 2019 or early 2020?</p> <p>8 A. I think so.</p> <p>9 Q. What did you pay Alex Taracki and Kristin</p> <p>10 Ehasz for their membership interest in Happy Campers?</p> <p>11 A. \$1 each.</p> <p>12 Q. And how did you come to that amount?</p> <p>13 A. I had been taught that a transaction requires</p> <p>14 some exchange, and that the minimum amount is \$1. If I</p> <p>15 could have paid one cent, I would have, but I paid \$1.</p> <p>16 MR. STIPP: It sounds like you overpaid.</p> <p>17 THE WITNESS: Yeah.</p> <p>18 BY MR. JONES:</p> <p>19 Q. How much did -- at that time, the total</p> <p>20 contribution of Alex Taracki and Kristin Ehasz to Happy</p> <p>21 Campers was the value of the equipment, the TI,</p> <p>22 services, et cetera, when the facility was -- when you</p> <p>23 guys moved into the facility and made improvements?</p> <p>24 A. No. I never said they provided the</p> <p>25 equipment.</p>

<p style="text-align: right;">Page 22</p> <p>1 Q. Apologies.</p> <p>2 A. The tenant improvements.</p> <p>3 Q. Tenant improvements. Okay. So it was</p> <p>4 principally the tenant improvements they contributed to</p> <p>5 the value of Happy Campers?</p> <p>6 A. They did.</p> <p>7 Q. And you don't recall what the specific dollar</p> <p>8 value that was attributed to that was?</p> <p>9 A. Well, I recall a --</p> <p>10 Q. I apologize. You did say a couple hundred</p> <p>11 dollars.</p> <p>12 A. Yes.</p> <p>13 Q. Hundred thousand dollars -- sorry. A couple</p> <p>14 hundred thousand dollars.</p> <p>15 A. Yes.</p> <p>16 Q. And if you were to look at Happy Campers'</p> <p>17 QuickBooks, would it tell you more specifically what</p> <p>18 value was assigned to that?</p> <p>19 A. Can I ask my counsel a question to -- and</p> <p>20 then answer. I'm going to give you a specific answer,</p> <p>21 but I want to ask him a question first.</p> <p>22 Q. I don't think that would be appropriate</p> <p>23 unless it calls for attorney-client communications.</p> <p>24 A. Well, that's exactly why I want to ask that</p> <p>25 question.</p>	<p style="text-align: right;">Page 23</p> <p>1 MR. JONES: Okay. We can go off the record.</p> <p>2 (Recess taken from 8:30 to 8:32 a.m.)</p> <p>3 MR. JONES: Can you read back the question.</p> <p>4 (Record read as follows:</p> <p>5 QUESTION: And if you were to look at Happy</p> <p>6 Campers' QuickBooks, would it tell you</p> <p>7 more specifically what value was assigned</p> <p>8 to that?)</p> <p>9 THE WITNESS: No.</p> <p>10 BY MR. JONES:</p> <p>11 Q. Why not?</p> <p>12 A. Because the balance sheets on QuickBooks</p> <p>13 aren't inclusive of all of the capital assets, and we</p> <p>14 had no mechanism for the putting the tenant</p> <p>15 improvements, although we carried them as assets.</p> <p>16 Q. Did Alex Taracki and Kristin Ehasz ever</p> <p>17 provide you or your wife with receipts or other</p> <p>18 documentation of the money they spent on the tenant</p> <p>19 improvements?</p> <p>20 A. I did review those with them, yes.</p> <p>21 Q. And were those records kept in the books and</p> <p>22 records of Happy Campers?</p> <p>23 A. Yes.</p> <p>24 Q. When you bought out Alex Taracki and Kristin</p> <p>25 Ehasz for \$1 each in late 2019 or early 2020, why did</p>
<p style="text-align: right;">Page 24</p> <p>1 you assign a value of \$1?</p> <p>2 MR. STIPP: Objection. Asked and answered.</p> <p>3 Go ahead.</p> <p>4 THE WITNESS: For the exact reason I gave, I</p> <p>5 wanted to have a transaction that was legal, and my</p> <p>6 training was that I needed to have a transaction of at</p> <p>7 least \$1.</p> <p>8 BY MR. JONES:</p> <p>9 Q. Did you value the membership interest at less</p> <p>10 than \$1 at that time?</p> <p>11 A. It was significantly less, yes.</p> <p>12 Q. What was the value of the membership interest</p> <p>13 at that time?</p> <p>14 A. Probably a negative \$1 million.</p> <p>15 Q. So Happy Campers was in debt or in the red by</p> <p>16 \$2 million?</p> <p>17 A. Your math skills are good. Yes.</p> <p>18 Q. Thanks. Okay. So as of late 2019, early</p> <p>19 2020, Happy Campers was in the red by approximately</p> <p>20 \$2 million?</p> <p>21 A. Yes.</p> <p>22 Q. So in essence, by buying out their membership</p> <p>23 interest, buying out Alex Taracki's and Kristin Ehasz's</p> <p>24 membership interest for \$1 each, you relieve them of a</p> <p>25 \$1 million obligation to Happy Campers?</p>	<p style="text-align: right;">Page 25</p> <p>1 A. No.</p> <p>2 Q. Okay. What did I get wrong on that?</p> <p>3 A. Happy Campers was a limited liability</p> <p>4 company, so they didn't -- the purpose of the limited</p> <p>5 liability company is to shield the members from</p> <p>6 individual liability for the debts of the organization.</p> <p>7 So that debt was not their personal debt, it was the</p> <p>8 organization's debt. So therefore, they weren't being</p> <p>9 relieved of debt when I purchased their interest.</p> <p>10 Q. Did Happy Campers have any loans with third</p> <p>11 parties at that time?</p> <p>12 A. Yes.</p> <p>13 Q. With whom?</p> <p>14 A. I can't recall.</p> <p>15 Q. Were Alex Taracki and Kristin Ehasz personal</p> <p>16 guarantors on any loans that related to Happy Campers?</p> <p>17 A. No.</p> <p>18 Q. Were you?</p> <p>19 A. Yes.</p> <p>20 Q. Was your wife?</p> <p>21 A. Pardon me?</p> <p>22 Q. Was your wife?</p> <p>23 A. They're always there to the guarantee, yes.</p> <p>24 Q. So do you recall to whom you had provided a</p> <p>25 personal guarantee related to funds that were supplied</p>

<p style="text-align: right;">Page 26</p> <p>1 for the benefit of Happy Campers?</p> <p>2 A. Yes.</p> <p>3 Q. And who was that?</p> <p>4 A. It's the landlord, J --</p> <p>5 MR. STIPP: If you don't know, you can say --</p> <p>6 THE WITNESS: I don't know the landlord's</p> <p>7 name.</p> <p>8 BY MR. JONES:</p> <p>9 Q. The landlord of the building?</p> <p>10 A. The landlord of the building. I personally</p> <p>11 guaranteed.</p> <p>12 Q. And what was the -- do you recall the value</p> <p>13 of the personal guarantee?</p> <p>14 A. Yes, that's --</p> <p>15 Q. 2 million?</p> <p>16 A. No, no, no. It's significantly less than</p> <p>17 that. It would be about 1.1 million at the time.</p> <p>18 Q. And the 1.1 million reflected the amount of</p> <p>19 rent that was owed?</p> <p>20 A. Correct.</p> <p>21 Q. What other obligations did Happy Campers have</p> <p>22 as of late 2019, early 2020?</p> <p>23 A. They owed money on some of the equipment that</p> <p>24 was in the building.</p> <p>25 Q. Anything else?</p>	<p style="text-align: right;">Page 27</p> <p>1 A. They owed money to some of my entities.</p> <p>2 Q. So some of your other entities had loaned</p> <p>3 money to Happy Campers?</p> <p>4 A. Correct.</p> <p>5 Q. What other of your entities have loaned money</p> <p>6 to Happy Campers?</p> <p>7 A. Unit Lender.</p> <p>8 Q. Unit Lender?</p> <p>9 A. Yeah, Unit Lenders.</p> <p>10 Q. How much did Unit Lenders -- it Lender or</p> <p>11 Lenders?</p> <p>12 A. L-E-N-D-E-R.</p> <p>13 Q. How much did Unit Lender lend to Happy</p> <p>14 Campers?</p> <p>15 A. 1.3 million, approximately.</p> <p>16 Q. Was that all in one tranche or multiple</p> <p>17 tranches?</p> <p>18 A. Multiple transactions.</p> <p>19 Q. Over what time period?</p> <p>20 A. Over the time that Happy Campers was</p> <p>21 operating.</p> <p>22 Q. But you said it's still operating, so I want</p> <p>23 to make sure I understand.</p> <p>24 A. I didn't say that. You asked me if it was</p> <p>25 still in existence, and I said yes.</p>
<p style="text-align: right;">Page 28</p> <p>1 Q. Fair. Okay. So Happy Campers the entity is</p> <p>2 still in is existence, but it is not operational?</p> <p>3 A. Correct.</p> <p>4 Q. Thank you for clarifying that.</p> <p>5 So when did Happy Campers stop operations?</p> <p>6 A. I know the answer to that one. March of</p> <p>7 2020.</p> <p>8 Q. So between 2018 and March of 2020, Unit</p> <p>9 Lender lent \$1.3 million to Happy Campers?</p> <p>10 A. It did.</p> <p>11 Q. Okay. How much of that was before you bought</p> <p>12 out Alex Taracki and Kristin Ehasz?</p> <p>13 A. All of it.</p> <p>14 Q. So all of the money that Unit Lender lent to</p> <p>15 Happy Campers predated your buyout of Alex Taracki and</p> <p>16 Kristin Ehasz?</p> <p>17 A. Correct.</p> <p>18 Q. So within that approximately \$2 million of</p> <p>19 debt that existed when you bought them out, it included</p> <p>20 some portion of the \$1.3 million from Unit Lender?</p> <p>21 A. Yeah.</p> <p>22 Q. Did it include all of it? Let me rephrase my</p> <p>23 question.</p> <p>24 As of when you bought out Alex Taracki and</p> <p>25 Kristin Ehasz, had Happy Campers paid back any of the</p>	<p style="text-align: right;">Page 29</p> <p>1 \$1.3 million that Unit Lender lent to it?</p> <p>2 A. No.</p> <p>3 Q. So I want to make sure I get the amount right</p> <p>4 here. \$1.3 million is owed to Unit Lender as of the</p> <p>5 time you bought Alex Taracki and Kristin Ehasz out;</p> <p>6 correct?</p> <p>7 A. Correct.</p> <p>8 Q. \$1.1 million is owed to the landlord as of</p> <p>9 the time that Alex Taracki and Kristin Ehasz were bought</p> <p>10 out?</p> <p>11 A. That's the amount of the liability to the</p> <p>12 landlord. It wasn't due a payable at the time that Alex</p> <p>13 and Kristin left, it was just that we had guaranteed the</p> <p>14 lease for the term of the lease.</p> <p>15 Q. Understood. Did you or some entity that</p> <p>16 you're affiliated with pay back the landlord the</p> <p>17 \$1.1 million?</p> <p>18 A. The landlord is continuing to be paid, and we</p> <p>19 are current with the landlord.</p> <p>20 Q. Understood. So was the lease amended to</p> <p>21 allow for those payments?</p> <p>22 A. I don't understand that question.</p> <p>23 Q. Well, you said that you're current with the</p> <p>24 landlord; right?</p> <p>25 A. Yes.</p>

<p style="text-align: right;">Page 30</p> <p>1 Q. Happy Campers is not operational?</p> <p>2 A. Right.</p> <p>3 Q. Is some other tenant that you are affiliated</p> <p>4 with in that space?</p> <p>5 A. It's funny because the landlord is asking the</p> <p>6 same question. Happy Campers is paying the lease, but</p> <p>7 it is being compensated by another entity each month to</p> <p>8 pay the lease.</p> <p>9 Q. Who is it being complicated by?</p> <p>10 A. It's a company called Qualis Standard.</p> <p>11 Q. Qualis?</p> <p>12 A. Yes.</p> <p>13 Q. Can you spell it?</p> <p>14 A. Latin for quality.</p> <p>15 Q. Okay. Can you spell it? I'm sure the court</p> <p>16 reporter would appreciate it, if you know.</p> <p>17 A. Q-U-A-L-I-S.</p> <p>18 Q. And are you affiliated with Qualis?</p> <p>19 A. I am.</p> <p>20 Q. What is your interest in Qualis?</p> <p>21 A. 49 percent.</p> <p>22 Q. Who is the -- who else owns Qualis?</p> <p>23 A. A company called Top of the Hill.</p> <p>24 Q. Are you affiliated with Top of the Hill?</p> <p>25 A. Obviously. Oh, you mean as a member of Top</p>	<p style="text-align: right;">Page 31</p> <p>1 of the Hill?</p> <p>2 Q. Yes.</p> <p>3 A. No, I'm not.</p> <p>4 Q. So what is the -- who are the principals of</p> <p>5 Top of the Hill?</p> <p>6 A. I think this is not calculated to lead to</p> <p>7 anything that -- I mean, this is an invasion of privacy.</p> <p>8 Do you want to know everybody I do business with?</p> <p>9 Q. I do, and it's your attorney that gets to</p> <p>10 make objections. The deposition was --</p> <p>11 A. Obviously he gets to make the objection. I</p> <p>12 was --</p> <p>13 Q. Understood, but it's your lawyer that gets to</p> <p>14 make the objections.</p> <p>15 MR. STIPP: He can object if he wants to. I</p> <p>16 mean, it's up to him. I'm trying to, because of the</p> <p>17 nature of the prior depositions, not object, and allow,</p> <p>18 since he's a nonparty, to just, you know, resolve any</p> <p>19 issues.</p> <p>20 But if Mr. Kennedy doesn't feel comfortable</p> <p>21 revealing the names of his partners in another entity</p> <p>22 because it's personal, confidential, he has every right</p> <p>23 to assert that privilege. And so we're going to say</p> <p>24 that information is confidential.</p> <p>25 But I would say this. If you -- and I don't</p>
<p style="text-align: right;">Page 32</p> <p>1 think Mr. Kennedy would have an objection to this. If</p> <p>2 you want to ask whether or not Alex or Kristin are</p> <p>3 involved in that entity, I'm sure Mr. Kennedy could</p> <p>4 answer that question.</p> <p>5 BY MR. JONES:</p> <p>6 Q. Are Alex Taracki or Kristin Ehasz involved in</p> <p>7 Top of the Hill?</p> <p>8 A. No.</p> <p>9 Q. But Top of the Hill has a 51-percent</p> <p>10 ownership interest?</p> <p>11 A. In Qualis Standard.</p> <p>12 Q. In Qualis Standard.</p> <p>13 A. Yes.</p> <p>14 Q. Are there any operations currently at the</p> <p>15 location?</p> <p>16 A. Yes.</p> <p>17 Q. What operation?</p> <p>18 A. Manufacturing gummies, tinctures, role-ons --</p> <p>19 for CBD, not for cannabis.</p> <p>20 Q. And is it Qualis that is operating that</p> <p>21 facility?</p> <p>22 A. It is.</p> <p>23 Q. Getting back to the debt that you said was</p> <p>24 associate with the equipment at the facility. Do you</p> <p>25 recall approximately what the debt owed on the equipment</p>	<p style="text-align: right;">Page 33</p> <p>1 was as of the date that you bought out Alex Taracki and</p> <p>2 Kristin Ehasz?</p> <p>3 A. Yeah, I think about \$900,000.</p> <p>4 Q. And I want to make sure I get everything,</p> <p>5 cover everything. As of the date you bought out Alex</p> <p>6 Taracki and Kristin Ehasz, \$1.3 million was owed to Unit</p> <p>7 Lender?</p> <p>8 A. Correct.</p> <p>9 Q. Approximately 1.1 million was owed to the</p> <p>10 landlord?</p> <p>11 A. Correct.</p> <p>12 Q. And approximately 900,000 was owed on the</p> <p>13 equipment?</p> <p>14 A. Yeah. And I apologize. The reason I didn't</p> <p>15 include that in the amount was it was a secured debt,</p> <p>16 and ultimately has been paid.</p> <p>17 Q. Okay. So it was owed at the time, there was</p> <p>18 an asset, and it's now been paid off?</p> <p>19 A. It's now been paid off.</p> <p>20 Q. Who paid it off?</p> <p>21 A. Qualis Standard.</p> <p>22 Q. And there was no -- was there a personal</p> <p>23 guarantee on the equipment lease?</p> <p>24 A. No.</p> <p>25 Q. All right. So getting back to my questions</p>

<p style="text-align: right;">Page 34</p> <p>1 with regards to E&T and your initial interactions with 2 Kristin Ehasz and Alex Taracki. 2018, you enter into a 3 business transaction with Alex Taracki and Kristin Ehasz 4 for ownership interest in Happy Campers. Aside from the 5 interest in Happy Campers, did you have any other 6 business relationships with Alex Taracki and Kristin 7 Ehasz? 8 A. No. 9 Q. That was in regards to them individually, 10 so -- 11 MR. STIPP: I just want to be clear about 12 your question. Do you believe that your question 13 includes the loan arrangement between -- 14 MR. JONES: I'm going to get to that. 15 MR. STIPP: Okay. So I just -- is it 16 included in that question? 17 MR. JONES: I'll follow up. 18 BY MR. JONES: 19 Q. So when I ask you these questions -- 20 A. I'm sorry. I was answering that 21 individually. 22 MR. STIPP: Yeah, but you would have personal 23 knowledge of the transactions as well. So that's the 24 confusing part, is that, you know, even though you're 25 being deposed in an individual capacity, you can't</p>	<p style="text-align: right;">Page 35</p> <p>1 ignore the fact that you have personal knowledge of 2 other transactions in other capacities. So you want to 3 make sure that your answers are as accurate as possible. 4 So if you need to make qualifications, dos that. 5 THE WITNESS: I always think of C-corp as a 6 nonnatural person. I'm sorry. I thought I was 7 answering that individually. The answer is that one of 8 our entities, Valjo, has -- had a business relationship 9 with Alex and Kristin, in which we -- money was lent, 10 not included in. 11 BY MR. JONES: 12 Q. Have you ever lent money, you individually, 13 ever lent money to Alex Taracki? 14 A. Yes. 15 Q. How much did you loan to Alex Taracki? 16 A. I happened to have \$10,000 in cash in my 17 hand, and he said, can I have that, and I said okay. 18 And I'm still waiting for him to pay it back. 19 Q. When was that? 20 A. Probably 2020. 21 Q. Why did he ask you for \$10,000? 22 A. He just needed it to pay something. 23 Q. And he didn't pay it back? 24 A. I'm making light of it. It just so happens 25 somebody came and handed me \$10,000. And Alex said, I</p>
<p style="text-align: right;">Page 36</p> <p>1 have to pay a \$10,000 bill. I said, okay, and gave him 2 the money. And he said he'd pay it back the next week. 3 MR. STIPP: How much money do you have on you 4 now that you might want to give me? 5 THE WITNESS: I don't have -- probably 100 6 bucks. 7 BY MR. JONES: 8 Q. Did you paper that transaction, was there a 9 loan agreement or anything like that? 10 A. No, a handshake. 11 Q. It was handshake? 12 A. It was a handshake transaction. 13 Q. Did you ever loan money to Kristin Ehasz in 14 your personal capacity? 15 A. No. 16 Q. You mentioned there were loans from Valjo. 17 Who did Valjo loan money to? 18 A. Valjo lent money to E&T Ventures, Kristin, 19 and Alex. 20 Q. Okay. So Valjo lent money to all three of 21 them? 22 A. Yes. 23 Q. Was that in one transaction? 24 A. Yes. 25 Q. And what was the amount?</p>	<p style="text-align: right;">Page 37</p> <p>1 A. It was half a million dollars. 2 Q. When was that? 3 A. I don't recall that. 4 Q. Some time before March 2019? 5 A. Yes. You mean March 2020. 6 Q. Before March 2020? 7 A. Yes. 8 MR. STIPP: Again, if you don't remember, you 9 can say you don't remember, or if there are documents 10 that exist, like a loan agreement, you can ask to see it 11 if you -- that doesn't mean they have to give it to you, 12 but just so you know. 13 THE WITNESS: That's my answer, I don't 14 remember the date. 15 BY MR. JONES: 16 Q. Did Valjo -- strike that. 17 Did you ever loan money in your individual 18 capacity to E&T? 19 A. No. 20 Q. Did any of your entities other than Valjo 21 loan money to E&T? 22 A. I don't think so. 23 Q. Did any of your other entities ever loan 24 money to Kristin Ehasz? 25 A. No.</p>

<p style="text-align: right;">Page 38</p> <p>1 Q. Did any of your other entities ever loan 2 money to Alex Taracki? 3 A. I just remembered. The answer to did any of 4 my other entities ever lend money to Alex and Kristin is 5 yes. 6 Q. What other entity? 7 A. I think it was USA Consolidators, Inc. 8 Q. USA Consolidated -- 9 A. Consolidators, Inc. 10 Q. Consolidatedtors -- 11 A. Not ed. 12 Q. What? 13 A. Consolidators, C-O-N-S-O-L-I-D-A-T-O-R-S. 14 Q. Okay. Consolidators. 15 So that was to Kristin and Alex individually? 16 A. It was a mortgage. 17 Q. On a home? 18 A. On a home. 19 Q. And how much did you USA Consolidators, Inc. 20 loan to Kristin and Alex? 21 A. 450,000. 22 Q. Was that amount repaid? 23 A. Yes. 24 Q. When? 25 A. Good question. Let me think.</p>	<p style="text-align: right;">Page 39</p> <p>1 MR. STIPP: After this question, can we take 2 a break, after you finish this one? 3 MR. JONES: Sure. 4 THE WITNESS: I think it was about September 5 of 2020, but it could have been a little later that. 6 MR. JONES: Okay. We'll go off the record. 7 (Recess taken from 8:54 to 9:00 a.m.) 8 BY MR. JONES: 9 Q. Mr. Kennedy, I wanted to clarify. When you 10 were answering questions, a couple of times you said 11 "Christian." Do I understand it correctly you meant 12 Kristin Ehasz? 13 A. Well, Kristin, I knew them before they were 14 married, Kristin and Alex before they were married. And 15 so I was thinking, actually, about whether she was 16 single at the time or whether she was married, but it's 17 interchangeable. 18 Q. But in terms of -- it's Kristin, for the 19 court reporter, just so -- 20 A. Kristin. 21 Q. Okay. 22 A. K-R-I-S-T-I-N. 23 Q. All right. So you mentioned prior to the 24 break that USA Consolidators, Inc., one of your 25 entities, had a mortgage on a home that was owned by</p>
<p style="text-align: right;">Page 40</p> <p>1 Kristin and Alex? 2 A. Correct. 3 Q. What was the location of the home? 4 A. It was 2240 Summerwind, in Henderson. 5 Q. And that was sold or repaid in September 6 2020? 7 A. It was sold and repaid somewhere around 8 there. 9 Q. Do any of your entities hold any mortgages on 10 any properties that Kristin and Alex currently have? 11 A. Not that I can recall. 12 Q. So Valjo lent to E&T, Kristin, and Alex; 13 correct? 14 A. That's correct. 15 Q. \$500,000? 16 A. Correct. 17 Q. Was there any other -- were there any other 18 loans from Valjo to E&T, Kristin, and Alex, other than 19 the 500,000? 20 A. Not that I can recall. 21 Q. Was the \$500,000 repaid? 22 A. No. 23 Q. Was there a personal guarantee on the 24 \$500,000 loan? 25 A. Yes.</p>	<p style="text-align: right;">Page 41</p> <p>1 Q. From whom? 2 A. From Kristin and Alex. 3 Q. Did you attempt to execute on the personal 4 guarantees? 5 A. I don't know the answer to that. We went to 6 court and got a judgment, but who the judgment was 7 against is -- I'm not clear. I can't remember. But 8 anyway, we did, we went and got a judgment. And we also 9 had filed a UCC 1 on the equipment that they said they 10 owned. 11 Q. That Kristin and Alex said they owned? 12 A. Yes. 13 Q. So they told you that they owned equipment in 14 their personal capacities? 15 A. Maybe it was E&T. 16 Q. But you filed a UCC -- 17 A. 1. 18 Q. -- 1 statement on that -- 19 A. Correct. 20 Q. -- claiming to -- 21 A. When we made it. 22 Q. Okay. So Valjo had a UCC 1 on the equipment 23 as of the date of the \$500,000 loan? 24 A. I believe so -- or within days. 25 Q. But you're not sure whether you have a</p>

<p style="text-align: right;">Page 42</p> <p>1 judgment from the legal proceedings against Kristin and 2 Alex personally?</p> <p>3 A. I am not sure.</p> <p>4 Q. Do you currently have any security interest 5 in E&T?</p> <p>6 A. I'm not sure what that means. Could you ask 7 it a little differently?</p> <p>8 Q. Sure. Aside from the equipment that was 9 mentioned, is there any other -- are there any other 10 assets of E&T that you hold a secured interest?</p> <p>11 A. No.</p> <p>12 Q. Aside from the \$500,000 loan from Valjo to 13 E&T, Kristin, and Alex, is there any other agreement 14 between Valjo and E&T?</p> <p>15 A. No.</p> <p>16 Q. Do you personally have any agreements with 17 E&T?</p> <p>18 A. Yes.</p> <p>19 Q. What agreements do you have -- personally 20 have with E&T?</p> <p>21 A. I've agreed to fund the litigation, this 22 litigation.</p> <p>23 Q. Is that agreement in writing?</p> <p>24 A. If it is, I don't know where the document is.</p> <p>25 Q. When did you make that agreement with E&T?</p>	<p style="text-align: right;">Page 43</p> <p>1 A. When we were unable to pick up the equipment 2 from the production facility on Crystal, we decided 3 that it would be -- that E&T would be the proper party 4 to file a lawsuit against Euphoria. And the attorneys 5 wanted a guarantee that they would get paid, and so I 6 stepped up to the plate.</p> <p>7 Q. When you say we decided, are you talking 8 about yourself, Alex Taracki, and Kristin Ehasz?</p> <p>9 A. I don't know -- I don't know if you're 10 including me in that, but my counsel was they should do 11 it. But I was not a party to the filing the suit, I was 12 simply a guarantor the payments for the legal fees.</p> <p>13 Q. I just wanted to clarify. You said we made 14 the decision --</p> <p>15 A. I know.</p> <p>16 Q. -- that was it E&T that should file a suit? 17 I just want to make sure that I understand "we."</p> <p>18 A. Yeah, I know. I got it. No. I gave counsel 19 that they should do it, and Alex and Kristin decided to 20 do it.</p> <p>21 Q. So you told Kristin and Alex that they -- 22 strike that.</p> <p>23 You told Kristin and Alex that it is E&T that 24 should file the litigation?</p> <p>25 A. I told them that they should file litigation.</p>
<p style="text-align: right;">Page 44</p> <p>1 I didn't -- it wasn't specific about the entities that 2 should do it, but that they were not being treated 3 fairly, and that they had -- they should take recourse.</p> <p>4 Q. And at that time, you told them that you 5 would fund the litigation if they filed it?</p> <p>6 A. Yes.</p> <p>7 Q. And you said that the attorneys wanted a 8 guarantee of payment. Who were the attorneys you're 9 referring to?</p> <p>10 A. Erika Pike Turner was the first attorney.</p> <p>11 Q. Do you know who retained Erika Pike Turner's 12 firm?</p> <p>13 A. Yes.</p> <p>14 Q. Who was it?</p> <p>15 A. Alex and Kristin.</p> <p>16 Q. Them individually?</p> <p>17 A. No, I don't know.</p> <p>18 Q. Have you ever seen the retention agreement or 19 engagement agreement between Alex and Kristin and Garman 20 Turner Gordon?</p> <p>21 A. I may have.</p> <p>22 Q. And when you said the attorneys from Erika 23 Pike Turner's firm wanted a guarantee, did you provide 24 that guarantee to her firm?</p> <p>25 A. I did.</p>	<p style="text-align: right;">Page 45</p> <p>1 Q. How was that communicated to Erika Pike 2 Turner's firm, Garman Turner Gordon?</p> <p>3 A. I gave her verbal promise to pay.</p> <p>4 Q. And you gave that to Erika Pike Turner 5 herself or someone else?</p> <p>6 A. Yes.</p> <p>7 Q. Did you tell Alex and Kristin that you had 8 given that verbal promise to Erika Pike Turner?</p> <p>9 A. Obvious -- yes.</p> <p>10 Q. Did you fulfill your commit to Garman Turner 11 Gordon to pay the legal fees associated with litigation 12 between E&T, Kristin and Alex, and Euphoria?</p> <p>13 A. Yes.</p> <p>14 Q. Do you recall how much you paid to Garman 15 Turner Gordon?</p> <p>16 A. No.</p> <p>17 Q. How long -- strike that.</p> <p>18 At some point did Garman Turner Gordon stop 19 representing E&T, Kristin Ehasz, and Alex Taracki?</p> <p>20 A. They did.</p> <p>21 Q. At what point?</p> <p>22 A. I don't know.</p> <p>23 Q. Do you recall roughly? Was it a week? A 24 month? A year?</p> <p>25 A. Well, it wasn't a week or a month. It was --</p>

<p style="text-align: right;">Page 46</p> <p>1 I think it was less than a year.</p> <p>2 Q. Do you know why Garman Turner Gordon stopped</p> <p>3 representing E&T, Kristin Ehasz, and Alex Taracki?</p> <p>4 A. I have no idea.</p> <p>5 Q. Did you have any agreement with Kristin Ehasz</p> <p>6 and Alex Taracki regarding them repaying you for the</p> <p>7 attorney's fees?</p> <p>8 A. Yes.</p> <p>9 Q. What was the agreement?</p> <p>10 A. If there's an award, they'd reimburse me for</p> <p>11 the attorney's fees.</p> <p>12 Q. And was that -- did that agreement include</p> <p>13 that you would receive the amount that was recovered in</p> <p>14 the litigation, or just the attorney's fees?</p> <p>15 A. Just the attorney's fees.</p> <p>16 Q. Okay. So if E&T is successful in this</p> <p>17 litigation, you don't get back anything other than</p> <p>18 attorneys fees?</p> <p>19 A. I think that calls for a legal conclusion,</p> <p>20 but the answer --</p> <p>21 Q. I'm trying to understand.</p> <p>22 A. I know. No, I understand. That's my</p> <p>23 understanding at the moment.</p> <p>24 Q. So you would say that you don't have any</p> <p>25 interest other than recovery of attorney's fees in this</p>	<p style="text-align: right;">Page 47</p> <p>1 case?</p> <p>2 A. Not true.</p> <p>3 Q. Okay.</p> <p>4 A. We have the half million dollar judgment that</p> <p>5 we would expect to be paid back from the proceeds of the</p> <p>6 judgment.</p> <p>7 Q. Okay. So if E&T is successful in this</p> <p>8 litigation, you expect that those funds will be used by</p> <p>9 E&T, Kristin, and Alex to repay Valjo?</p> <p>10 A. Correct.</p> <p>11 Q. So then, Valjo has an interest in the outcome</p> <p>12 of this litigation?</p> <p>13 A. Yes.</p> <p>14 Q. You mentioned before some lawsuits that were</p> <p>15 associated with the equipment at E&T's facility?</p> <p>16 A. Yes.</p> <p>17 Q. And that was part of the \$500,000 loan that</p> <p>18 you made to E&T, Kristin, and Alex?</p> <p>19 A. Yes.</p> <p>20 Q. And Valjo went into court seeking an order to</p> <p>21 go take that equipment?</p> <p>22 A. No. Valjo went into court to -- well, Valjo</p> <p>23 went into court to enforce its note and the -- and the</p> <p>24 UCC 1., and the court gave us a judgment. And whether</p> <p>25 or not it was specifically just to get the equipment or</p>
<p style="text-align: right;">Page 48</p> <p>1 not, I don't -- I think it was broader than that, but it</p> <p>2 included that we should be awarded the equipment.</p> <p>3 Q. Okay. So has Valjo asserted an ownership</p> <p>4 interest in the equipment that's the subject of this</p> <p>5 litigation?</p> <p>6 A. I don't know if it's the subject of the</p> <p>7 litigation, but --</p> <p>8 Q. Well, let me go back, then. What is your</p> <p>9 understanding of what this lawsuit is all about?</p> <p>10 A. Breach of contract.</p> <p>11 Q. What contract?</p> <p>12 A. The contract between E&T and Euphoria.</p> <p>13 Q. And what was your understanding of the</p> <p>14 contract between E&T and Euphoria?</p> <p>15 A. E&T was to operate the production facility on</p> <p>16 Crystal, and that the -- it was a five-year agreement</p> <p>17 for them to operate, and they also provided the</p> <p>18 equipment to be used, and then they were locked out of</p> <p>19 the building.</p> <p>20 Q. And when you say they provided --</p> <p>21 A. E&T.</p> <p>22 Q. E&T provided the equipment?</p> <p>23 A. Yes.</p> <p>24 Q. And so when I reference equipment with you in</p> <p>25 questions, that's the equipment that I'm referring to,</p>	<p style="text-align: right;">Page 49</p> <p>1 it's the equipment that E&T provided for the production</p> <p>2 facility on Crystal?</p> <p>3 A. Correct.</p> <p>4 Q. So does Valjo have an interest in the</p> <p>5 equipment that E&T provided at the Crystal facility?</p> <p>6 A. I don't know the answer to that because I'm</p> <p>7 not sure it survives, that interest survives the</p> <p>8 judgment. But if it does, then they do. You're an</p> <p>9 attorney, you would know.</p> <p>10 Q. Do you have any agreement with E&T relating</p> <p>11 to that equipment?</p> <p>12 A. Yes.</p> <p>13 Q. What is the agreement?</p> <p>14 A. It's a promissory note.</p> <p>15 Q. What is the promissory note for?</p> <p>16 A. For \$500,000.</p> <p>17 (Exhibit 1 marked.)</p> <p>18 BY MR. JONES:</p> <p>19 Q. I'm going to hand you what the court reporter</p> <p>20 is marking as Exhibit 1. I'll give you a minute to take</p> <p>21 a look at it.</p> <p>22 Did you have a chance to review it?</p> <p>23 A. I have.</p> <p>24 Q. Have you seen this document before?</p> <p>25 A. Yes.</p>

<p style="text-align: right;">Page 50</p> <p>1 Q. Do you know who prepared it?</p> <p>2 A. It would be me.</p> <p>3 Q. Why did you prepare this document?</p> <p>4 A. Because I was lending E&T \$500,000, and I</p> <p>5 wanted to memorialize the loan.</p> <p>6 Q. And you lent that money on April 1, 2019?</p> <p>7 A. Before April 1, 2019.</p> <p>8 Q. When did you loan the money?</p> <p>9 A. Within the two months before.</p> <p>10 Q. But you waited until April 1st to memorialize</p> <p>11 the loan?</p> <p>12 A. Yeah. It doesn't sound very good, huh.</p> <p>13 Q. Was that common in your many business</p> <p>14 practices, to not memorialize a loan until up to two</p> <p>15 months after the fact?</p> <p>16 A. This was a little unusual. This was -- so it</p> <p>17 was a little unusual. We were expecting that the</p> <p>18 Tarackis would have more than this money available to</p> <p>19 them before we -- and I was advancing against that</p> <p>20 expectation. And then it didn't happen, so we</p> <p>21 memorialized it with a note.</p> <p>22 Q. In your other business dealings, have you</p> <p>23 ever -- have you or any of your entities ever lent half</p> <p>24 a million dollars to someone without a note or some</p> <p>25 other type of agreement?</p>	<p style="text-align: right;">Page 51</p> <p>1 A. Yes.</p> <p>2 Q. How many times?</p> <p>3 A. I don't know.</p> <p>4 Q. Well, you said it was unusual. I'm just</p> <p>5 trying to understand what you mean by that.</p> <p>6 A. Yeah, I mean, you know -- a couple of times.</p> <p>7 Q. Did those other ones get repaid?</p> <p>8 A. I think so.</p> <p>9 Q. And at the time that this was executed on</p> <p>10 April 1, 2019, did you know that Euphoria had given a</p> <p>11 notice of default and notice to cure to E&T?</p> <p>12 A. I'm sure I did.</p> <p>13 Q. At the time that you executed this -- I'm</p> <p>14 sorry. At the time that Mr. Taracki and Ms. Ehasz</p> <p>15 executed this straight note on April 1, 2019, did you</p> <p>16 know that E&T had until the day before, March 31st, to</p> <p>17 cure their default?</p> <p>18 A. I didn't know.</p> <p>19 (Exhibit 2 marked.)</p> <p>20 BY MR. JONES:</p> <p>21 Q. I'm going to hand you what the court reporter</p> <p>22 will mark as Exhibit 2. Take a look at it, and let me</p> <p>23 know if you're familiar with that document.</p> <p>24 A. Yes.</p> <p>25 Q. And what is Exhibit 2?</p>
<p style="text-align: right;">Page 52</p> <p>1 A. What is this?</p> <p>2 Q. Yes.</p> <p>3 A. It's a UCC 1 filing.</p> <p>4 Q. Were you involved in filing this UCC?</p> <p>5 A. I was not.</p> <p>6 Q. Who was?</p> <p>7 A. Valerie Kennedy.</p> <p>8 Q. That's your wife?</p> <p>9 A. Yes.</p> <p>10 Q. And what is the UCC for?</p> <p>11 A. To secure an interest in the equipment owned</p> <p>12 by Alex -- by E&T Ventures.</p> <p>13 Q. And according to this UCC, E&T Ventures and</p> <p>14 Alex Taracki, as managing member, conveyed the ownership</p> <p>15 of the equipment as collateral for the April 1st note in</p> <p>16 favor of Valjo?</p> <p>17 A. Correct.</p> <p>18 Q. And this was -- this wasn't recorded until</p> <p>19 June 4, 2019?</p> <p>20 A. This was an amended UCC 1 that was because</p> <p>21 the list wasn't complete. That I do remember. My wife</p> <p>22 came and told me that she had to refile it. And so</p> <p>23 that's why it has a later date.</p> <p>24 Q. Do you know when the prior UCC was filed?</p> <p>25 A. I believe it was earlier.</p>	<p style="text-align: right;">Page 53</p> <p>1 (Exhibit 3 marked.)</p> <p>2 BY MR. JONES:</p> <p>3 Q. I'm going to hand you what the court reporter</p> <p>4 is marking as Exhibit 3. Take a look at that, and let</p> <p>5 me know when you've had a chance to review it.</p> <p>6 A. Okay. I've read it.</p> <p>7 Q. Are you familiar with this document?</p> <p>8 A. Yeah, I've seen it before.</p> <p>9 Q. When did you first see this document?</p> <p>10 A. Back in 2019.</p> <p>11 Q. Around the time that it was filed?</p> <p>12 A. Yes.</p> <p>13 Q. What's your understanding of what a</p> <p>14 confession of judgment is?</p> <p>15 A. My understanding is that a suit has been</p> <p>16 filed, and the defendant is not offering a defense.</p> <p>17 Q. Okay. And in this case, it was E&T Ventures</p> <p>18 that was not providing a defense?</p> <p>19 A. Correct.</p> <p>20 Q. So they agreed to this confession of</p> <p>21 judgment?</p> <p>22 A. Apparently.</p> <p>23 Q. Did you have any discussions with Alex</p> <p>24 Taracki or Kristin Ehasz with regards to this confession</p> <p>25 of judgment?</p>

<p style="text-align: right;">Page 54</p> <p>1 A. I don't recall.</p> <p>2 Q. Do you recall whether E&T Ventures was</p> <p>3 represented by counsel at the time this confession of</p> <p>4 judgment was drafted?</p> <p>5 A. I do not recall.</p> <p>6 Q. At the time the confession of judgment was</p> <p>7 filed, did you know E&T had filed a complaint against</p> <p>8 Euphoria?</p> <p>9 A. The chronology of those events is not vivid</p> <p>10 for me, but obviously you have access to the filing</p> <p>11 dates if -- so I don't know, but I would suspect that I</p> <p>12 did know at the time.</p> <p>13 Q. Do you know whether this confession of</p> <p>14 judgment was used in the attempt to take the equipment</p> <p>15 from the production facility?</p> <p>16 A. Well, it was used in order to obtain the</p> <p>17 order from the court. So yeah, obviously, yes.</p> <p>18 Q. And I know there might have been some</p> <p>19 references from one or the other of us, to clarify, to</p> <p>20 Crystals, the location was in Crystals. Was that 5900</p> <p>21 Emerald Avenue?</p> <p>22 A. Yeah, that's it.</p> <p>23 Q. I just want to make sure.</p> <p>24 Do you and E&T have an agreement that you</p> <p>25 will not enforce your right to the equipment until after</p>	<p style="text-align: right;">Page 55</p> <p>1 this litigation?</p> <p>2 A. I think there's an assumption there that</p> <p>3 misses the point. We have a judgment, which, to me, is</p> <p>4 an enforcement of Valjo's right. But as a pragmatic</p> <p>5 matter, since we were unable to pick up the equipment,</p> <p>6 and they're unable to provide it, I would say it's not</p> <p>7 so much an agreement, as a necessary period of time to</p> <p>8 wait.</p> <p>9 Q. After Valjo made its initial attempt to take</p> <p>10 the equipment from the Emerald facility, did Valjo take</p> <p>11 any other action in order to enforce its rights to the</p> <p>12 equipment?</p> <p>13 A. We were pretty discouraged after you guys</p> <p>14 showed up with AK-47s, and the police department</p> <p>15 wouldn't stay because they didn't feel that we would be</p> <p>16 safe and they couldn't put seven hours into waiting for</p> <p>17 us. So yeah, we just gave up.</p> <p>18 Q. Okay. So you stood down from enforcing your</p> <p>19 rights under the UCC and the confession of judgment</p> <p>20 since --</p> <p>21 A. And the intimidation of Euphoria's actions.</p> <p>22 Q. Intimidation in that they owned the facility?</p> <p>23 A. No, in that they used armed guards to prevent</p> <p>24 us from exercising our right to the equipment.</p> <p>25 Q. And you agreed with E&T that you won't</p>
<p style="text-align: right;">Page 56</p> <p>1 enforce the confession of judgment until after</p> <p>2 litigation?</p> <p>3 A. I have no agreement with them on that.</p> <p>4 Q. But you haven't?</p> <p>5 A. Pardon me?</p> <p>6 Q. You haven't enforced it since then; right?</p> <p>7 A. I have not.</p> <p>8 Q. And you haven't gone after Alex Taracki or</p> <p>9 Kristin Ehasz based on the personal guarantees under the</p> <p>10 note?</p> <p>11 A. I have not.</p> <p>12 Q. Does Valjo have an agreement with E&T that if</p> <p>13 E&T is successful in obtaining the equipment under this</p> <p>14 litigation, that Valjo will have an interest in it?</p> <p>15 A. No.</p> <p>16 Q. If Valjo -- I'm sorry. If E&T is able to</p> <p>17 obtain possession of the equipment that's subject of</p> <p>18 this litigation, will Valjo execute on that equipment?</p> <p>19 A. I don't know the answer to that. It depends</p> <p>20 upon the condition of the equipment. It's been years</p> <p>21 now.</p> <p>22 Q. When was the last time you talked to Kristin</p> <p>23 Taracki -- Kristin Ehasz?</p> <p>24 A. I haven't talked to Kristin in six months.</p> <p>25 Q. When was the last time you talked to Alex</p>	<p style="text-align: right;">Page 57</p> <p>1 Taracki?</p> <p>2 A. A couple weeks ago.</p> <p>3 Q. So fewer months than Kristin?</p> <p>4 A. Fewer months than Kristin, yeah.</p> <p>5 Q. Why did you talk to Alex a few months ago?</p> <p>6 A. Something to do with this litigation I called</p> <p>7 him up about. I don't remember the -- I don't even</p> <p>8 remember what the issue was.</p> <p>9 Q. So you initiated the call?</p> <p>10 A. I don't think so. I think he called me.</p> <p>11 Q. How often since March of 2019 have you been</p> <p>12 in contact with Alex Taracki?</p> <p>13 A. Well, in 2019, we were in contact daily. I</p> <p>14 mean, it was tapered off -- after February -- not</p> <p>15 February -- March of 2020, when we got the order from</p> <p>16 the State of Nevada that we had to stop operating the</p> <p>17 facility, our contact tapered off significantly after</p> <p>18 that.</p> <p>19 Q. And when you say the order from the State,</p> <p>20 what do you mean by that?</p> <p>21 A. If you remember with the pandemic, there was</p> <p>22 an order that all facilities that were not essential</p> <p>23 close. This was a manufacturing facility, it wasn't</p> <p>24 something we could do remotely, so we sent all of the</p> <p>25 employees home, and basically stopped operating the</p>

<p style="text-align: right;">Page 58</p> <p>1 facility.</p> <p>2 Q. When you said we couldn't operate anymore,</p> <p>3 you mean --</p> <p>4 A. I mean Happy Campers.</p> <p>5 Q. Okay. So Happy Campers was still operating</p> <p>6 in March of 2020?</p> <p>7 A. It was.</p> <p>8 Q. How do you generally communicate with Kristin</p> <p>9 Taracki?</p> <p>10 A. I would say that more of my communication</p> <p>11 with her was by text or e-mail than in person. She's</p> <p>12 been off and busy doing some new business.</p> <p>13 Q. Do you know what that new business is?</p> <p>14 A. I don't.</p> <p>15 Q. Do you know where Kristin Ehasz currently</p> <p>16 lives?</p> <p>17 A. I don't.</p> <p>18 Q. Are you aware of whether she is involved in a</p> <p>19 CBD company?</p> <p>20 A. I don't know what the business is.</p> <p>21 Q. When was the last time that you texted with</p> <p>22 Kristin Ehasz?</p> <p>23 A. About six months ago, maybe a little more.</p> <p>24 Q. Do you retain your text messages on your</p> <p>25 phone?</p>	<p style="text-align: right;">Page 59</p> <p>1 A. Not generally.</p> <p>2 Q. So you wouldn't have your text messages with</p> <p>3 Kristin Ehasz?</p> <p>4 A. I don't know. I would have to check.</p> <p>5 Q. Just to make sure I got it. Do you have any</p> <p>6 written agreements between you and Ms. Ehasz?</p> <p>7 A. Well, the agreement to sell her interest in</p> <p>8 Happy Campers.</p> <p>9 Q. Fair. The buyout?</p> <p>10 A. The buyout.</p> <p>11 Q. And the loan from Valjo?</p> <p>12 A. And the loan from Valjo.</p> <p>13 Q. Anything else?</p> <p>14 A. Not that I can think of.</p> <p>15 Q. The mortgage?</p> <p>16 A. No, not the mortgage. The mortgage was paid.</p> <p>17 We had a mortgage, but it was paid.</p> <p>18 Q. Any other agreements that you've had in the</p> <p>19 past with Ms. Ehasz?</p> <p>20 A. No.</p> <p>21 Q. Do you know where Alex Taracki is currently</p> <p>22 located?</p> <p>23 A. No, I do not.</p> <p>24 Q. When was the last time you texted with</p> <p>25 Mr. Taracki?</p>
<p style="text-align: right;">Page 60</p> <p>1 A. About a month ago I talked to him on the</p> <p>2 phone, two weeks vaguely now.</p> <p>3 Q. And that was the conversation about the</p> <p>4 litigation?</p> <p>5 A. Yes.</p> <p>6 Q. And do you recall what you talked about?</p> <p>7 MR. STIPP: Don't guess, if you don't</p> <p>8 remember.</p> <p>9 THE WITNESS: Yeah, no, no, no. I forgot I</p> <p>10 was going to say it would have been something to do with</p> <p>11 a decision from the court on something, you know. This</p> <p>12 has been -- there have been a few, but whatever it was,</p> <p>13 I don't recall now.</p> <p>14 BY MR. JONES:</p> <p>15 Q. There's been a few calls?</p> <p>16 A. Pardon me?</p> <p>17 Q. When you said there's been a few, does that</p> <p>18 mean there's been a few calls?</p> <p>19 A. There's been a few decisions in this thing.</p> <p>20 Q. So you think you talked to him about court</p> <p>21 decisions?</p> <p>22 A. Yeah.</p> <p>23 Q. Anything else?</p> <p>24 A. There's nothing else to talk about.</p> <p>25 Q. You ever talk to Alex Taracki about settling</p>	<p style="text-align: right;">Page 61</p> <p>1 this lawsuit?</p> <p>2 A. Ever, yes.</p> <p>3 Q. When was the last time you talked to him</p> <p>4 about settling the lawsuit?</p> <p>5 A. I spoke with Joe Lamarca about, I don't know,</p> <p>6 about a year and a half ago or something. We met at the</p> <p>7 Polaris facility. And you know, I said to him what</p> <p>8 about settling for the equipment at the time. And Joe</p> <p>9 said no. And I related that information, that they</p> <p>10 weren't prepared to pay for the equipment either at the</p> <p>11 time to settle it, and that's the settlement discussion</p> <p>12 I had with Alex.</p> <p>13 Q. And have you talked to Mr. Lamarca since then</p> <p>14 about settling the lawsuit?</p> <p>15 A. Yeah, he called me from New Hampshire the</p> <p>16 other day.</p> <p>17 Q. And did you talk to Alex Taracki before or</p> <p>18 after that call?</p> <p>19 A. I did not.</p> <p>20 Q. Did you tell Mr. Lamarca what you'd settle</p> <p>21 the lawsuit for?</p> <p>22 A. No, I -- the summary was that he's still not</p> <p>23 even prepared to pay the value of the equipment. And</p> <p>24 so, you know, Joe Lamarca and I got along pretty well,</p> <p>25 and we just said, well, okay, that's where we're at, and</p>

<p style="text-align: right;">Page 62</p> <p>1 have the nice time opening your dispensaries in 2 New Hampshire. 3 Q. Okay. You've been the one negotiating any 4 settlement terms in this case? 5 A. I've been the one that they came to to ask. 6 Q. You mentioned earlier that one of your 7 entities had provided a mortgage -- USA Consolidators, 8 Inc. had provided a mortgage to Alex Taracki and Kristin 9 Ehasz for their home here in Henderson? 10 A. Correct. 11 Q. Have you ever provided a mortgage to Alex 12 Taracki or Kristin Ehasz anywhere else? 13 A. No. 14 Q. When you last talked to Alex Taracki, do you 15 know where he was living at the time? 16 A. Actually, no. 17 Q. No? 18 A. He wasn't settled. 19 Q. He wasn't settled? 20 A. Yeah. 21 Q. And that was one or two months ago? 22 A. Two months ago, maybe. 23 Q. Do you know who Maral Consulting is? 24 A. Maral Consulting? 25 MR. STIPP: Miral.</p>	<p style="text-align: right;">Page 63</p> <p>1 BY MR. JONES: 2 Q. Miral. Sorry. Miral? 3 A. Yes. 4 Q. What's Miral Consulting? 5 A. I think it's an LLC that Miral Taracki and 6 Alex and Kristin formed. 7 Q. Okay. You mentioned Miral Taracki. That's 8 another family member? 9 A. Yes. 10 Q. That's Alex Taracki's brother? 11 A. Correct. 12 Q. Do you know what the nature of Miral 13 Consulting's businesses? 14 A. No. 15 Q. To your knowledge, who are the principals of 16 Miral Consulting? 17 A. Miroslav Taracki, Alex Taracki, and Kristin 18 Taracki, to my knowledge. 19 Q. Do you have any business relationship with 20 Miral Consulting? 21 A. None. 22 Q. Have you ever had any business relationship 23 with Miral Consulting? 24 A. No. 25 Q. Have any of your entities ever had a business</p>
<p style="text-align: right;">Page 64</p> <p>1 relationship with Miral Consulting? 2 A. I don't know if it's a business relationship, 3 but we prepared some documents for them one time, but we 4 didn't charge for it, so -- 5 Q. Which of your entities prepared documents for 6 Miral Consulting? 7 A. Pro Advice, LLC. 8 Q. And what is your ownership interest in Pro 9 Advice, LLC? 10 A. Valerie and I own it. 11 Q. 100 percent? And what does Pro Advice, LLC 12 do? 13 A. It's an agent for service, professional agent 14 for service, and it's also a licensed tax preparation 15 company. 16 Q. So it's like a professional registered agent? 17 A. Yes. 18 Q. And it does tax preparation? 19 A. Yes. 20 Q. So was Pro Advice, LLC the registered agent 21 for Miral Consulting? 22 A. I don't think so. 23 Q. Did Miral Consulting provide tax preparation 24 services to Miral Consulting? 25 A. You mean did Pro Advice --</p>	<p style="text-align: right;">Page 65</p> <p>1 Q. Did Pro Advice provide tax services to Miral 2 Consulting? 3 A. I think it filed one tax return for them. 4 Q. How did that come about? 5 A. I was doing the tax returns for Happy Campers 6 and E&T, and he asked me to do, additionally, Miral 7 Consulting -- which I think was the last return that 8 they ever filed. 9 Q. So Pro Advice was doing the taxes for Happy 10 Campers? 11 A. Yes. 12 Q. And E&T? 13 A. Yes. 14 Q. Was Pro Advice the registered agent for Happy 15 Campers? 16 A. Yes. 17 Q. Was it the registered agent for E&T? 18 A. I don't think so. 19 Q. Do you know who the registered agent for E&T 20 was? 21 A. I don't know. 22 Q. Do you have any financial interest in Miral 23 Consulting? 24 A. No. 25 Q. Are there any written agreements between you</p>

<p style="text-align: right;">Page 66</p> <p>1 and Miral Consulting?</p> <p>2 A. No.</p> <p>3 Q. Do any of your businesses have a security</p> <p>4 interest in Miral Consulting?</p> <p>5 A. No.</p> <p>6 Q. Do any of your businesses have written</p> <p>7 agreements with Miral Consulting?</p> <p>8 A. No.</p> <p>9 Q. Have you ever made any loans to Miral</p> <p>10 Consulting?</p> <p>11 A. No.</p> <p>12 Q. Have any of your entities ever made any loans</p> <p>13 to Miral Consulting?</p> <p>14 A. No.</p> <p>15 Q. Does Happy Campers have a board of directors?</p> <p>16 A. No.</p> <p>17 Q. Are you aware that Happy Campers is a party</p> <p>18 to this litigation, that they've been sued?</p> <p>19 A. On the counterclaims?</p> <p>20 Q. Crossclaims.</p> <p>21 A. Crossclaims.</p> <p>22 Q. Mm-hmm.</p> <p>23 A. I'm aware that it was named.</p> <p>24 Q. Are you involved in Happy Campers'</p> <p>25 decision-making related to the claims against it in this</p>	<p style="text-align: right;">Page 67</p> <p>1 litigation?</p> <p>2 A. I would have to be.</p> <p>3 Q. Because it's just you and your wife that have</p> <p>4 a membership interest in?</p> <p>5 A. Yeah.</p> <p>6 Q. Are you aware that Happy Campers was</p> <p>7 previously dissolved as an entity?</p> <p>8 A. I am.</p> <p>9 Q. And how did that happen?</p> <p>10 A. We thought Happy Campers' business was more</p> <p>11 or less finished, and rather than continuing to have it</p> <p>12 file tax returns and file with the Secretary of State,</p> <p>13 we thought we'd just dissolve it, which turned out to be</p> <p>14 something that we had to -- we had to revive it for the</p> <p>15 landlord at Post Road.</p> <p>16 Q. Why did you have to revive it for the</p> <p>17 landlord?</p> <p>18 A. Because Happy Campers is the lessee, and they</p> <p>19 weren't happy that the party they had their lease</p> <p>20 agreement with was dissolving.</p> <p>21 Q. So they asked you to revive the entity?</p> <p>22 A. I don't know if they asked for it, but --</p> <p>23 Q. They expressed concern?</p> <p>24 A. -- in case, it was required.</p> <p>25 Q. And when did Happy Campers stop operating the</p>
<p style="text-align: right;">Page 68</p> <p>1 facility again?</p> <p>2 A. In March of 2020.</p> <p>3 Q. Aside from maintaining the lease, is there</p> <p>4 anything else that Happy Campers currently does?</p> <p>5 A. I'm not sure -- you mean --</p> <p>6 Q. Is there any other business that Happy</p> <p>7 Campers currently has other than simply maintaining the</p> <p>8 lease?</p> <p>9 A. At this date, no.</p> <p>10 (Exhibit 4 marked.)</p> <p>11 BY MR. JONES:</p> <p>12 Q. I'm going to hand you what the court reporter</p> <p>13 will mark as Exhibit 4, which is the first supplemental</p> <p>14 responses and objections to the requests for the</p> <p>15 production of documents. And this was on behalf of</p> <p>16 Happy Campers.</p> <p>17 And I might ask you a specific question, but</p> <p>18 is this a document that you've seen before?</p> <p>19 A. I have, yes.</p> <p>20 Q. When do you recall having seen it?</p> <p>21 A. I don't recall when.</p> <p>22 Q. If you'll turn to the second to last page,</p> <p>23 page 28.</p> <p>24 A. Okay.</p> <p>25 Q. All right. So you see there there's a</p>	<p style="text-align: right;">Page 69</p> <p>1 /s/Joseph Kennedy. Do you see that?</p> <p>2 A. Yes.</p> <p>3 Q. In lawyer's terms, we allow for electronic</p> <p>4 signatures. Did you electronically sign this</p> <p>5 declaration?</p> <p>6 A. I'm sure I did.</p> <p>7 Q. Okay. Or at least you authorized --</p> <p>8 A. I authorized.</p> <p>9 Q. -- Mr. Stipp to electronically sign it?</p> <p>10 A. Yes.</p> <p>11 Q. And you understand, in providing a</p> <p>12 declaration, that you were attesting to the answers in</p> <p>13 the document being truthful and accurate?</p> <p>14 A. To the best of my knowledge.</p> <p>15 Q. And did you review the responses before you</p> <p>16 executed this?</p> <p>17 A. Did I what?</p> <p>18 Q. Did you review the document before you --</p> <p>19 A. Oh, review the document, yes.</p> <p>20 Q. You signed it or let Mr. Stipp know that he</p> <p>21 could sign it on your behalf?</p> <p>22 A. He could sign on my behalf.</p> <p>23 Q. Do you know what a pass-through entity is?</p> <p>24 A. Yes.</p> <p>25 Q. What's a pass-through entity?</p>

<p style="text-align: right;">Page 70</p> <p>1 A. A pass-through entity is an entity that</p> <p>2 doesn't have income, but the income is attributed to the</p> <p>3 members.</p> <p>4 Q. Did Happy Campers provide you any documents</p> <p>5 in support of schedule C on your tax return for 2018?</p> <p>6 A. Schedule C?</p> <p>7 Q. Mm-hmm. Pass-through.</p> <p>8 A. Pardon me?</p> <p>9 Q. Income from a pass-through entity.</p> <p>10 A. Yeah -- no, there was no schedule C.</p> <p>11 Q. Did you declare Happy Campers' income on your</p> <p>12 taxes in 2018?</p> <p>13 A. I had a K-1.</p> <p>14 Q. Okay.</p> <p>15 A. And I'm sure I did.</p> <p>16 Q. So Happy Campers issued a K-1 to you?</p> <p>17 A. Yes.</p> <p>18 Q. And did you produce the K-1 in response to</p> <p>19 the subpoena duces tecum?</p> <p>20 A. I don't know.</p> <p>21 Q. But you know that there is one?</p> <p>22 A. I know that there is one.</p> <p>23 Q. Did you declare Happy Campers' income on your</p> <p>24 taxes in 2019?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 71</p> <p>1 Q. And is there a K-1 representing the --</p> <p>2 A. Yes.</p> <p>3 Q. Do you know if you produced that in response</p> <p>4 to the subpoena duces tecum?</p> <p>5 A. I do not know.</p> <p>6 Q. Did you declare Happy Campers' income on your</p> <p>7 taxes in 2020?</p> <p>8 A. Yes.</p> <p>9 Q. Is there a K-1 that reflects that?</p> <p>10 A. Yes.</p> <p>11 Q. Do you know if it was produced in response to</p> <p>12 the subpoena duces tecum?</p> <p>13 A. I do not know. My experience in law is that</p> <p>14 you don't have to produce tax returns because unless --</p> <p>15 unless you're ordered by the court to produce tax</p> <p>16 returns. So I don't know if that would apply to the</p> <p>17 K-1, which is only a portion of the tax return.</p> <p>18 Q. Have you individually made any loans to Happy</p> <p>19 Campers?</p> <p>20 A. Individually, no.</p> <p>21 Q. Have any of your other entities made loans to</p> <p>22 Happy Campers?</p> <p>23 A. Yes.</p> <p>24 Q. When did your other entities make loans to</p> <p>25 Happy Campers?</p>
<p style="text-align: right;">Page 72</p> <p>1 A. In 2019 and 2020.</p> <p>2 Q. Which of your entities provided those loans?</p> <p>3 A. Unit Lender, it would be.</p> <p>4 Q. And that was the \$2.3 million?</p> <p>5 A. No.</p> <p>6 Q. 1.3 million?</p> <p>7 A. 1.3.</p> <p>8 Q. \$1.3 million. Aside from Unit Lender, was</p> <p>9 there any other of your entities that lent money to</p> <p>10 Happy Campers?</p> <p>11 A. I can't recall any.</p> <p>12 Q. Do you know who CBD Supply Company is?</p> <p>13 A. Do you have a -- CBD Supply Company was a dba</p> <p>14 for Happy Campers, and it also -- if has LLC on the end</p> <p>15 of it, it was an LLC formed by Kristin and Alex Taracki.</p> <p>16 Q. Did you have any membership interest in CBD</p> <p>17 Supply Co., LLC?</p> <p>18 A. No.</p> <p>19 Q. Did you have any financial interest in CBD</p> <p>20 Supply Co.?</p> <p>21 A. No.</p> <p>22 Q. Did you ever lend money to CBD Supply Co.?</p> <p>23 A. No.</p> <p>24 Q. Did you ever provide any product to CBD</p> <p>25 Supply Co.?</p>	<p style="text-align: right;">Page 73</p> <p>1 A. No.</p> <p>2 Q. Aside from Alex Taracki and Kristin Ehasz,</p> <p>3 were you aware of any other owners or members of CBD</p> <p>4 Supply Co.?</p> <p>5 A. I think Miroslav was a member.</p> <p>6 Q. Do any of your other entities have any</p> <p>7 business dealings with CBD Supply Co.?</p> <p>8 A. No.</p> <p>9 Q. So you haven't made any loans to CBD Supply</p> <p>10 Co.?</p> <p>11 A. No.</p> <p>12 Q. None of your entities have made any loans to</p> <p>13 CBD Supply Co.?</p> <p>14 A. No.</p> <p>15 Q. How long have you known Mr. Stipp?</p> <p>16 A. How long have I known Mr. Stipp?</p> <p>17 Q. Yep.</p> <p>18 A. A few years.</p> <p>19 Q. Does Mr. Stipp have any financial interest in</p> <p>20 any of your business entities?</p> <p>21 A. No.</p> <p>22 Q. Do you have any business partnerships with</p> <p>23 Mr. Stipp?</p> <p>24 A. No.</p> <p>25 Q. Aside from the conversation that you said you</p>

<p style="text-align: right;">Page 74</p> <p>1 had with Erika Pike Turner guaranteeing the payments on</p> <p>2 behalf of E&T, have you ever had any other</p> <p>3 communications with Ms. Turner regarding this</p> <p>4 litigation?</p> <p>5 A. No.</p> <p>6 Q. Have you ever had any communications with any</p> <p>7 other attorney or staff at Garman Turner Gordon</p> <p>8 regarding this litigation?</p> <p>9 A. No.</p> <p>10 Q. So aside from that one conversation where you</p> <p>11 guaranteed the payments --</p> <p>12 A. I was at a hearing where I spoke with her</p> <p>13 after the hearing, but she was reluctant to speak with</p> <p>14 me because I wasn't the client, rightfully so. I had no</p> <p>15 problem.</p> <p>16 Q. And you've had communications with Mr. Stipp</p> <p>17 regarding this litigation, I presume?</p> <p>18 A. I have.</p> <p>19 Q. In what capacity do you understand that you</p> <p>20 are speaking to Mr. Stipp?</p> <p>21 A. Simply as a guarantor of the payments, the</p> <p>22 legal fees.</p> <p>23 Q. Do you have an understanding as to whether</p> <p>24 Mr. Stipp is in contact with Alex Taracki or Kristin</p> <p>25 Ehasz?</p>	<p style="text-align: right;">Page 75</p> <p>1 A. I do not.</p> <p>2 Q. Are you paying Mr. Stipp's legal fees in this</p> <p>3 case?</p> <p>4 A. I am.</p> <p>5 Q. Are you paying them on behalf of E&T?</p> <p>6 A. Yes, plus the other defendants.</p> <p>7 Q. So all of -- you're paying a hundred percent</p> <p>8 of Mr. Stipp's bills in this case?</p> <p>9 A. Unfortunately, yes.</p> <p>10 MR. STIPP: Thanks, Justin.</p> <p>11 THE WITNESS: It wasn't you, personally.</p> <p>12 MR. STIPP: Soon he'll be asking for my tax</p> <p>13 returns.</p> <p>14 THE WITNESS: Yeah, exactly.</p> <p>15 BY MR. JONES:</p> <p>16 Q. Did you sign an engagement letter with</p> <p>17 Mr. Stipp?</p> <p>18 A. For the defense of Happy Campers?</p> <p>19 Q. We'll start with that, yeah.</p> <p>20 A. I can't recall, actually.</p> <p>21 Q. What about E&T?</p> <p>22 A. For sure no.</p> <p>23 Q. Do you make decisions in this litigation on</p> <p>24 behalf of Happy Campers?</p> <p>25 A. Yes.</p>
<p style="text-align: right;">Page 76</p> <p>1 Q. Do you make decisions in this case on behalf</p> <p>2 of E&T?</p> <p>3 A. No.</p> <p>4 Q. Who does?</p> <p>5 A. Alex and Kristin Taracki.</p> <p>6 MR. STIPP: Again, if you don't know for</p> <p>7 sure --</p> <p>8 THE WITNESS: Good point.</p> <p>9 BY MR. JONES:</p> <p>10 Q. Do you know what a joint defense agreement</p> <p>11 is?</p> <p>12 A. Yes, I think we do.</p> <p>13 MR. STIPP: He's going to give you copy.</p> <p>14 BY MR. JONES:</p> <p>15 Q. I'm just asking you more general, do you know</p> <p>16 what it is, what the joint defense agreement is?</p> <p>17 A. Yes, I do.</p> <p>18 MR. STIPP: To keep me from having to</p> <p>19 redirect on this particular matter, if he provides you a</p> <p>20 copy.</p> <p>21 MR. JONES: Well, I just wanted to ask him</p> <p>22 more generally.</p> <p>23 BY MR. JONES:</p> <p>24 Q. Have you -- how many prior litigation cases</p> <p>25 have you or your entities been involved in?</p>	<p style="text-align: right;">Page 77</p> <p>1 A. Hundreds.</p> <p>2 Q. And in any of those cases, other than this</p> <p>3 one, have you been involved in a joint defense</p> <p>4 agreement?</p> <p>5 A. Yes.</p> <p>6 Q. What is your understanding of what a joint</p> <p>7 defense agreement is?</p> <p>8 A. Where an attorney is defending multiple</p> <p>9 parties, and the parties consent to the concept of</p> <p>10 having that defense shared with that one attorney</p> <p>11 because -- therefore your interest is tied to the other</p> <p>12 parties from the perspective of defense.</p> <p>13 (Exhibit 5 marked.)</p> <p>14 BY MR. JONES:</p> <p>15 Q. I'm going to show you what the court reporter</p> <p>16 is going to mark as Exhibit 5. Take a look at that, and</p> <p>17 let me know if you've seen it before.</p> <p>18 A. Yes.</p> <p>19 Q. Going to page 6 and 7.</p> <p>20 A. Yeah.</p> <p>21 Q. You see there's some digital signatures on</p> <p>22 those pages?</p> <p>23 A. Yeah, these are DocuSign.</p> <p>24 Q. Right. And for Happy Campers, it shows that</p> <p>25 it was DocuSigned on your behalf?</p>

<p style="text-align: right;">Page 78</p> <p>1 A. Correct.</p> <p>2 Q. And you authorized that it be DocuSigned?</p> <p>3 A. I did.</p> <p>4 Q. And for Nye Natural Medicinal Solutions, you</p> <p>5 authorized the document to be executed on your behalf?</p> <p>6 A. I did.</p> <p>7 Q. And for Valjo, Inc., you authorized the</p> <p>8 document to be DocuSigned on your behalf?</p> <p>9 A. I did.</p> <p>10 Q. And then for you personally, you DocuSigned</p> <p>11 on your behalf?</p> <p>12 A. I did.</p> <p>13 Q. Do you recall when you DocuSigned this</p> <p>14 document?</p> <p>15 A. I cannot.</p> <p>16 Q. The agreement on page 1 said it is effective</p> <p>17 as of June 18, 2019. Do you know if this document was</p> <p>18 signed on June 18, 2019?</p> <p>19 A. I do not.</p> <p>20 Q. Do you know if it was signed after June 18,</p> <p>21 2019?</p> <p>22 A. I do not know.</p> <p>23 Q. Would you have any record of when you</p> <p>24 DocuSigned this document?</p> <p>25 A. DocuSign would.</p>	<p style="text-align: right;">Page 79</p> <p>1 Q. And you have access to your DocuSign account?</p> <p>2 A. I do.</p> <p>3 Q. So you could look at your DocuSign and --</p> <p>4 A. This wouldn't be on my DocuSign account, this</p> <p>5 would be on somebody else's, probably Mr. Stipp's.</p> <p>6 Q. Okay. So you believe that Mr. Stipp -- that</p> <p>7 Mr. Stipp DocuSigned this document?</p> <p>8 A. No, he arranged to have it circulated for</p> <p>9 DocuSign.</p> <p>10 Q. But he sent you the DocuSign invitation?</p> <p>11 A. That's what I'm saying, yes.</p> <p>12 Q. I'm not an expert in DocuSign, but my</p> <p>13 understanding is that when someone asks you to DocuSign</p> <p>14 something, they'll send you an e-mail saying you've</p> <p>15 DocuSigned, there's a receipt saying you --</p> <p>16 A. You're right, your confirmation.</p> <p>17 Q. You would have a receipt of --</p> <p>18 A. An e-mail with the confirmation, right.</p> <p>19 Q. So if you looked in your e-mail, you could</p> <p>20 tell when you actually DocuSigned this?</p> <p>21 A. I could.</p> <p>22 Q. Did you produce that information in the case?</p> <p>23 A. I'm unaware of whether or not I did.</p> <p>24 Q. Were you represented by counsel when you</p> <p>25 entered into this agreement?</p>
<p style="text-align: right;">Page 80</p> <p>1 A. I believe not.</p> <p>2 Q. Was Happy Campers represented by counsel when</p> <p>3 you executed this document?</p> <p>4 A. Yes.</p> <p>5 Q. By whom?</p> <p>6 A. By Mr. Stipp.</p> <p>7 Q. Was Valjo represented by counsel when you</p> <p>8 executed this document on their behalf?</p> <p>9 A. Yes.</p> <p>10 Q. By whom?</p> <p>11 A. Mr. Stipp.</p> <p>12 Q. Was Nye Natural represented by counsel when</p> <p>13 you executed this document on behalf of Nye Natural?</p> <p>14 A. Yes.</p> <p>15 Q. By whom?</p> <p>16 A. By Mr. Stipp.</p> <p>17 Q. To your knowledge, were there the other</p> <p>18 signatories also represented by counsel?</p> <p>19 MR. STIPP: If you don't know, don't guess.</p> <p>20 THE WITNESS: I don't know.</p> <p>21 (Exhibit 6 marked.)</p> <p>22 BY MR. JONES:</p> <p>23 Q. I'm going to hand you what will be marked as</p> <p>24 Exhibit 6. This is the complaint that was filed by E&T</p> <p>25 Ventures in this case. Let me know if you've seen this</p>	<p style="text-align: right;">Page 81</p> <p>1 before?</p> <p>2 A. I have.</p> <p>3 Q. When did you first see this document?</p> <p>4 A. In 2019.</p> <p>5 Q. The documents was filed on June 18, 2019. Do</p> <p>6 you recall if you saw it before that day?</p> <p>7 A. I did.</p> <p>8 Q. Who gave it to you before that?</p> <p>9 A. I'm sorry?</p> <p>10 Q. Who gave it to you?</p> <p>11 A. Alex Taracki, or Kristin Taracki, or both.</p> <p>12 Q. And they gave it to you before June 18, 2019?</p> <p>13 A. Before it was filed, it -- they received a</p> <p>14 copy from their attorney, and they asked me to look at</p> <p>15 it.</p> <p>16 Q. Did you provide them any feedback on the</p> <p>17 complaint?</p> <p>18 A. Probably.</p> <p>19 Q. Do you know if there were any changes made to</p> <p>20 the draft complaint you got?</p> <p>21 A. I'm not aware of any changes that were made.</p> <p>22 Q. Are you aware E&T asserted a claim for breach</p> <p>23 of contract against Euphoria at that point?</p> <p>24 A. Yes.</p> <p>25 Q. A breach of duty of good faith and fair</p>

<p style="text-align: right;">Page 82</p> <p>1 dealing. You understand what the claims were in this</p> <p>2 case?</p> <p>3 A. I think so.</p> <p>4 Q. In the complaint. Do you have an</p> <p>5 understanding of what your common interest was under the</p> <p>6 terms of the joint defense agreement with E&T?</p> <p>7 A. On the joint defense agreement, my</p> <p>8 understanding was that Euphoria had added all these</p> <p>9 entities as defendants, and that the -- that the</p> <p>10 principal in the case is E&T Ventures, and that there</p> <p>11 isn't a conflict of interest regarding this litigation</p> <p>12 that would prevent the attorney from offering the</p> <p>13 defense for the other entities. So we agreed to it for</p> <p>14 economic reasons.</p> <p>15 Q. Okay. But you understand as of June 18,</p> <p>16 2019, it was E&T Ventures that sued Euphoria Wellness,</p> <p>17 not vice versa?</p> <p>18 A. I do.</p> <p>19 Q. And at that time, Happy Campers wasn't named</p> <p>20 as a party.</p> <p>21 A. Okay, yes.</p> <p>22 Q. CBD Supply wasn't named as a party.</p> <p>23 A. Okay.</p> <p>24 Q. Miral Consulting wasn't named as a party.</p> <p>25 Nye Natural wasn't named as a party. Valjo wasn't named</p>	<p style="text-align: right;">Page 83</p> <p>1 as a party.</p> <p>2 A. Those were the good old days, huh.</p> <p>3 Q. Well, understood, but I'm trying to get at --</p> <p>4 according to this, there was a joint defense agreement</p> <p>5 effective as of June 18th, the same day that E&T signed</p> <p>6 its -- or E&T filed its complaint. And I'm trying to</p> <p>7 understand what common interest you thought there was as</p> <p>8 of that date, because none of those other parties were</p> <p>9 in the case?</p> <p>10 MR. STIPP: If you don't know, don't guess.</p> <p>11 THE WITNESS: I would guess. I don't know.</p> <p>12 BY MR. JONES:</p> <p>13 Q. Do you think you signed the joint defense</p> <p>14 agreement on June 18, 2019?</p> <p>15 A. I don't know.</p> <p>16 Q. When did you first become aware there might</p> <p>17 be a common interest between you and Happy Campers?</p> <p>18 A. When counterclaims were filed.</p> <p>19 Q. So not before then?</p> <p>20 A. That would be when I would know that we had a</p> <p>21 common interest.</p> <p>22 Q. Do you know who decided who was going to be a</p> <p>23 party to the joint defense agreement?</p> <p>24 A. The attorney.</p> <p>25 Q. Mr. Stipp?</p>
<p style="text-align: right;">Page 84</p> <p>1 A. Probably.</p> <p>2 MR. STIPP: If you don't know, don't guess.</p> <p>3 THE WITNESS: I don't know.</p> <p>4 BY MR. JONES:</p> <p>5 Q. Okay. Well, was Mr. Stipp your attorney as</p> <p>6 of June 18, 2019?</p> <p>7 A. I had a relationship with Mr. Stipp in 2019,</p> <p>8 yes.</p> <p>9 Q. Was Mr. Stipp Happy Campers' attorney as of</p> <p>10 June 18, 2019?</p> <p>11 A. I can't recall.</p> <p>12 Q. Was Mr. Stipp Valjo's attorney as of June 18,</p> <p>13 2019?</p> <p>14 A. I'm not sure Valjo was formed at that time.</p> <p>15 Q. As of June 18, 2019?</p> <p>16 A. Yeah, I'm just saying I'm not sure.</p> <p>17 Q. Well, I think you testified today that Valjo</p> <p>18 lent money to E&T.</p> <p>19 A. No, you're right. It probably was. I just</p> <p>20 don't remember when Valjo was organized.</p> <p>21 Q. Okay. And you couldn't have signed on behalf</p> <p>22 of Valjo on June 18, 2019, if it wasn't formed; right?</p> <p>23 A. Right.</p> <p>24 MR. STIPP: Can we take a break?</p> <p>25 MR. JONES: Yeah.</p>	<p style="text-align: right;">Page 85</p> <p>1 (Recess taken from 10:11 to 10:20 a.m.)</p> <p>2 (Exhibit 7 marked.)</p> <p>3 BY MR. JONES:</p> <p>4 Q. Mr. Kennedy, I've handed you what the court</p> <p>5 reporter's marked as Exhibit 7. Take a look at it, and</p> <p>6 let me know when you've had a chance to review it.</p> <p>7 A. I'm flattered. They say I'm 50 to 60 years</p> <p>8 old. I'll take it.</p> <p>9 MR. STIPP: That's what you told me.</p> <p>10 THE WITNESS: Yeah, right. I worked my way</p> <p>11 through college doing service, document servicing. My</p> <p>12 big accomplishment was I served Willie Davis in the On</p> <p>13 Deck Circle at Dodger's Stadium.</p> <p>14 MR. STIPP: That is cool.</p> <p>15 THE WITNESS: Yeah. They threw me out, and</p> <p>16 then I couldn't go back to for a decade.</p> <p>17 BY MR. JONES:</p> <p>18 Q. Let me know when you're ready. Ready?</p> <p>19 A. Okay. I've looked at it.</p> <p>20 Q. This is a subpoena duces tecum to you. Were</p> <p>21 you served with a subpoena?</p> <p>22 A. Apparently, yes.</p> <p>23 Q. If you turn to page 6, it identifies the</p> <p>24 documents you were requested to provide. Can you tell</p> <p>25 me what you did in order to identify documents that you</p>

<p style="text-align: right;">Page 86</p> <p>1 were requested to provide?</p> <p>2 A. I made a good faith effort to locate all of</p> <p>3 these documents.</p> <p>4 Q. What did that involve?</p> <p>5 A. It involved a search of my computer files and</p> <p>6 my drawer files at my office.</p> <p>7 Q. What do you keep in your hard copy files?</p> <p>8 A. I usually keep documents that -- like deeds</p> <p>9 and promissory notes, things that I'm supposed to have</p> <p>10 originals of. Otherwise, I do a lot of scanning, and I</p> <p>11 scan documents, and I try to -- I try to define them in</p> <p>12 the file definition so that I can relocate them.</p> <p>13 I also do a search of my Adobe files that can</p> <p>14 be -- the entire file can be searched for keywords.</p> <p>15 Q. On your hard copy files, you have a lot of</p> <p>16 entities that you're affiliated with, do you keep</p> <p>17 separate hard copy files for each of those entities?</p> <p>18 A. I do.</p> <p>19 Q. So did you have a file for Miral Consulting?</p> <p>20 A. I'm sure I do not.</p> <p>21 Q. Do you have a file for Happy Campers?</p> <p>22 A. Yes.</p> <p>23 Q. And did you look for your file that was for</p> <p>24 Happy Campers?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">Page 87</p> <p>1 Q. What did you find in the hard copy file for</p> <p>2 Happy Campers?</p> <p>3 A. I can't remember.</p> <p>4 Q. But whatever you found in there, you provided</p> <p>5 it to Mr. Stipp?</p> <p>6 A. Yes.</p> <p>7 Q. And did you have a hard copy file for CBD</p> <p>8 Supply Company?</p> <p>9 A. No.</p> <p>10 Q. With regards to electronic files, do you keep</p> <p>11 a separate folder on your computer for each entity?</p> <p>12 A. Yes.</p> <p>13 Q. And do you store those locally on your hard</p> <p>14 drive, or you use Dropbox or something along those</p> <p>15 lines?</p> <p>16 A. I store them on the cloud.</p> <p>17 Q. What cloud service do you use?</p> <p>18 A. I use OneDrive.</p> <p>19 Q. And you have a separate folder for each</p> <p>20 entity.</p> <p>21 A. I'm pretty sure.</p> <p>22 Q. Some of them, I assume, have subfolders?</p> <p>23 A. Pardon me?</p> <p>24 Q. Some of them probably have subfolders, I</p> <p>25 assume?</p>
<p style="text-align: right;">Page 88</p> <p>1 A. Yes.</p> <p>2 Q. And so you looked for the folders on your</p> <p>3 OneDrive account for E&T?</p> <p>4 A. I did.</p> <p>5 Q. And did you produce to Mr. Stipp all</p> <p>6 documents that were in your OneDrive folder for E&T?</p> <p>7 A. All documents that were responsive.</p> <p>8 Q. How did you determine what was responsive and</p> <p>9 not responsive?</p> <p>10 A. I reviewed the documents.</p> <p>11 Q. With regards to E&T, you understand</p> <p>12 essentially everything with regards to E&T would have</p> <p>13 been responsive; right?</p> <p>14 A. I'm sure almost everything.</p> <p>15 Q. Okay. Anything you recall not providing to</p> <p>16 Mr. Stipp?</p> <p>17 MR. STIPP: If you don't know, don't guess.</p> <p>18 THE WITNESS: Sorry. I'm thinking. I can't</p> <p>19 think of anything I didn't provide.</p> <p>20 BY MR. JONES:</p> <p>21 Q. With regards to Happy Campers, do you recall</p> <p>22 what you found in the OneDrive folder?</p> <p>23 A. No, I don't recall.</p> <p>24 Q. Did you provide to Mr. Stipp everything that</p> <p>25 was in the folder for Happy Campers?</p>	<p style="text-align: right;">Page 89</p> <p>1 A. I did.</p> <p>2 Q. Did you have a folder in OneDrive for CBD</p> <p>3 Supply Company?</p> <p>4 A. I do not.</p> <p>5 Q. Did you search your e-mails for responsive</p> <p>6 documents?</p> <p>7 A. I did.</p> <p>8 Q. How did you go about searching your e-mails?</p> <p>9 A. I usually would go and put the party who</p> <p>10 would be involved, whoever they have correspondence</p> <p>11 with, and then take a look down the e-mails that are</p> <p>12 responsive to it.</p> <p>13 Q. And there's some requests here, three and</p> <p>14 four, with Kristin Ehasz and Alex Taracki. Did you</p> <p>15 specifically search your e-mail for e-mails to and from</p> <p>16 Kristin Ehasz?</p> <p>17 A. I did.</p> <p>18 Q. How did you go about that?</p> <p>19 A. By doing a search, a specific search. You</p> <p>20 know, you can do a search where it will search</p> <p>21 everything, but you can do a search where it will search</p> <p>22 certain lines. And I was looking for sender or receiver</p> <p>23 on both of the parties, and I produced those.</p> <p>24 Q. Okay. After you provided the documents to</p> <p>25 Mr. Stipp, did you see what he produced in response to</p>

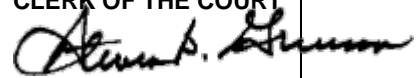
<p style="text-align: right;">Page 90</p> <p>1 the subpoena?</p> <p>2 A. I can't recall.</p> <p>3 Q. So you don't know whether he produced all of</p> <p>4 the documents that you provided to him?</p> <p>5 A. Yeah, I can't recall, so I don't know.</p> <p>6 MR. JONES: Give us two minutes.</p> <p>7 (Recess taken from 10:29 to 10:30 a.m.)</p> <p>8 MR. JONES: Thank you, Mr. Kennedy. I am</p> <p>9 done with my questions for you in your individual</p> <p>10 capacity. I don't know if Mr. Stipp has any questions.</p> <p>11 * * *</p> <p>12 EXAMINATION</p> <p>13 BY MR. STIPP:</p> <p>14 Q. I just have a couple of follow-up questions,</p> <p>15 Mr. Kennedy, about your testimony today.</p> <p>16 MR. STIPP: The joint defense agreement, what</p> <p>17 was the exhibit number?</p> <p>18 MR. JONES: 5.</p> <p>19 BY MR. STIPP:</p> <p>20 Q. You testified today regarding Exhibit 5. Do</p> <p>21 you recall that testimony?</p> <p>22 A. I do recall.</p> <p>23 Q. Just so that the record is clear, do you know</p> <p>24 for a fact whether or not I prepared this joint defense</p> <p>25 agreement?</p>	<p style="text-align: right;">Page 91</p> <p>1 A. I do not know.</p> <p>2 Q. Do you know for a fact whether I circulated</p> <p>3 this document via DocuSign for signature?</p> <p>4 A. I do not know.</p> <p>5 Q. Is it possible that someone else other than</p> <p>6 myself prepared this form?</p> <p>7 A. It's possible.</p> <p>8 Q. Do you know for a fact who prepared the form?</p> <p>9 A. I don't know for a fact, but looking at the</p> <p>10 date, I realize Erika Pike Turner was more than likely</p> <p>11 the person that prepared it.</p> <p>12 Q. Do you recall whether or not I represented</p> <p>13 you personally, or any entity in which you have an</p> <p>14 interest, in connection with the preparation and</p> <p>15 completion of this joint defense agreement?</p> <p>16 A. I do not know.</p> <p>17 Q. Mr. Jones today discussed the tax returns for</p> <p>18 Happy Campers, and as part of his line of inquiry, he</p> <p>19 had referred you to your signed declaration to</p> <p>20 interrogatories pertaining to the tax returns for Happy</p> <p>21 Campers. Do you remember that line of questioning?</p> <p>22 A. I remember the line of questioning today,</p> <p>23 yes.</p> <p>24 Q. Do you recall your testimony as it relates to</p> <p>25 the preparation of tax returns for Happy Campers?</p>
<p style="text-align: right;">Page 92</p> <p>1 A. I do.</p> <p>2 Q. Is it accurate that Happy Campers has a</p> <p>3 separate tax return?</p> <p>4 A. I'd have to check.</p> <p>5 Q. Is it possible that you did not prepare a tax</p> <p>6 return for Happy Campers, and that the profits, losses,</p> <p>7 and distributions for Happy Campers were reported</p> <p>8 directly on schedule C for the members of Happy Campers?</p> <p>9 A. It's possible.</p> <p>10 MR. STIPP: That's all I have.</p> <p>11 * * *</p> <p>12 FURTHER EXAMINATION</p> <p>13 BY MR. JONES:</p> <p>14 Q. I just want to follow up. With regards to</p> <p>15 the DocuSign in the joint defense agreement, would that</p> <p>16 have come up in your search of your e-mails, because it</p> <p>17 does refer to E&T, et cetera?</p> <p>18 A. It would have, if the confirmation is still</p> <p>19 in my e-files.</p> <p>20 Q. Okay. Well, I'll talk to Mr. Stipp and ask</p> <p>21 that you go back and check to make sure that there is a</p> <p>22 confirmation.</p> <p>23 A. Okay.</p> <p>24 MR. JONES: That's all I have.</p> <p>25 (DEPOSITION ADJOURNED AT 10:34 A.M.)</p>	<p style="text-align: right;">Page 93</p> <p>1 REPORTER'S CERTIFICATE</p> <p>2</p> <p>3 STATE OF NEVADA)</p> <p>4) ss.</p> <p>5 COUNTY OF CLARK)</p> <p>6</p> <p>7 I, Shanyelle L. King, Nevada CCR No. 943, do</p> <p>8 hereby certify: That I reported the taking of the</p> <p>9 deposition of the witness, JOSEPH KENNEDY, at the time</p> <p>10 and place aforesaid;</p> <p>11 That prior to being examined, the witness was</p> <p>12 by me duly sworn to testify to the truth, the whole</p> <p>13 truth and nothing but the truth;</p> <p>14 That I thereafter transcribed my said</p> <p>15 shorthand notes into typewriting and that the</p> <p>16 typewritten transcript of said deposition is a complete,</p> <p>17 true and accurate transcription of said shorthand notes</p> <p>18 taken down at said time to the best of my ability.</p> <p>19 I further certify that I am not a relative or</p> <p>20 employee of any party involved in said action, nor a</p> <p>21 person financially interested in the action; and that</p> <p>22 transcript review was not requested.</p> <p>23 Dated at Las Vegas, Nevada, this 1st day of</p> <p>24 December, 2021.</p> <p>25 <i>Shanyelle L. King</i></p> <p>Shanyelle L. King, CCR No. 943, RPR</p>

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<p style="text-align: center;">ERRATA SHEET</p> <p>1 I declare under penalty of perjury that I have read the</p> <p>2 foregoing _____ pages of my testimony, taken</p> <p>3 on _____ (date) at</p> <p>4 _____ (city), _____ (state),</p> <p>5 and that the same is a true record of the testimony given</p> <p>6 by me at the time and place herein</p> <p>7 above set forth, with the following exceptions:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Page</th> <th style="width: 10%;">Line</th> <th style="width: 40%;">Should read:</th> <th style="width: 40%;">Reason for Change:</th> </tr> </thead> <tbody> <tr><td>13</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>14</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>15</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>16</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>17</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>18</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>19</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>20</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>21</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>22</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>23</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>24</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>25</td><td>---</td><td>---</td><td>---</td></tr> </tbody> </table>	Page	Line	Should read:	Reason for Change:	13	---	---	---	14	---	---	---	15	---	---	---	16	---	---	---	17	---	---	---	18	---	---	---	19	---	---	---	20	---	---	---	21	---	---	---	22	---	---	---	23	---	---	---	24	---	---	---	25	---	---	---	<p style="text-align: center;">ERRATA SHEET</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Page</th> <th style="width: 10%;">Line</th> <th style="width: 40%;">Should read:</th> <th style="width: 40%;">Reason for Change:</th> </tr> </thead> <tbody> <tr><td>2</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>3</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>4</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>5</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>6</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>7</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>8</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>9</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>10</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>11</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>12</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>13</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>14</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>15</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>16</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>17</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>18</td><td>---</td><td>---</td><td>---</td></tr> <tr><td>19</td><td>Date: _____</td><td colspan="2">_____</td></tr> <tr><td>20</td><td></td><td colspan="2" style="text-align: center;">Signature of Witness</td></tr> <tr><td>21</td><td></td><td colspan="2">_____</td></tr> <tr><td>22</td><td></td><td colspan="2" style="text-align: center;">Name Typed or Printed</td></tr> <tr><td>23</td><td></td><td colspan="2"></td></tr> <tr><td>24</td><td></td><td colspan="2"></td></tr> <tr><td>25</td><td></td><td colspan="2"></td></tr> </tbody> </table>	Page	Line	Should read:	Reason for Change:	2	---	---	---	3	---	---	---	4	---	---	---	5	---	---	---	6	---	---	---	7	---	---	---	8	---	---	---	9	---	---	---	10	---	---	---	11	---	---	---	12	---	---	---	13	---	---	---	14	---	---	---	15	---	---	---	16	---	---	---	17	---	---	---	18	---	---	---	19	Date: _____	_____		20		Signature of Witness		21		_____		22		Name Typed or Printed		23				24				25			
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<p style="text-align: center;">Page 96</p> <p>1 HEALTH INFORMATION PRIVACY & SECURITY: CAUTIONARY NOTICE</p> <p>2 Litigation Services is committed to compliance with applicable federal</p> <p>3 and state laws and regulations ("Privacy Laws") governing the</p> <p>4 protection and security of patient health information. Notice is</p> <p>5 hereby given to all parties that transcripts of depositions and legal</p> <p>6 proceedings, and transcript exhibits, may contain patient health</p> <p>7 information that is protected from unauthorized access, use and</p> <p>8 disclosure by Privacy Laws. Litigation Services requires that access,</p> <p>9 maintenance, use, and disclosure (including but not limited to</p> <p>10 electronic database maintenance and access, storage, distribution/</p> <p>11 dissemination and communication) of transcripts/exhibits containing</p> <p>12 patient information be performed in compliance with Privacy Laws.</p> <p>13 No transcript or exhibit containing protected patient health</p> <p>14 information may be further disclosed except as permitted by Privacy</p> <p>15 Laws. Litigation Services expects that all parties, parties'</p> <p>16 attorneys, and their HIPAA Business Associates and Subcontractors will</p> <p>17 make every reasonable effort to protect and secure patient health</p> <p>18 information, and to comply with applicable Privacy Law mandates,</p> <p>19 including but not limited to restrictions on access, storage, use, and</p> <p>20 disclosure (sharing) of transcripts and transcript exhibits, and</p> <p>21 applying "minimum necessary" standards where appropriate. It is</p> <p>22 recommended that your office review its policies regarding sharing of</p> <p>23 transcripts and exhibits - including access, storage, use, and</p> <p>24 disclosure - for compliance with Privacy Laws.</p> <p>25 © All Rights Reserved. Litigation Services (rev. 6/1/2019)</p>																																																																																																																																																													

EXHIBIT 2 -MOTION FOR STAY

DISTRICT COURT
CLARK COUNTY, NEVADA

Electronically Filed
1/27/2022 8:04 AM
Steven D. Grierson
CLERK OF THE COURT



E&T Ventures LLC, Plaintiff(s)
vs.
Euphoria Wellness LLC, Defendant(s)

Case No.: A-19-796919-B
Department 31

NOTICE OF HEARING

Please be advised that the Plaintiff's Emergency Motion for Stay of Evidentiary Hearing on Discovery Sanctions and Application for Order Shortening Time in the above-entitled matter is set for hearing as follows:

Date: March 01, 2022
Time: 8:30 AM
Location: RJC Courtroom 16B
Regional Justice Center
200 Lewis Ave.
Las Vegas, NV 89101

NOTE: Under NEFCR 9(d), if a party is not receiving electronic service through the Eighth Judicial District Court Electronic Filing System, the movant requesting a hearing must serve this notice on the party by traditional means.

STEVEN D. GRIERSON, CEO/Clerk of the Court

By: /s/ Imelda Murrieta
Deputy Clerk of the Court

CERTIFICATE OF SERVICE

I hereby certify that pursuant to Rule 9(b) of the Nevada Electronic Filing and Conversion Rules a copy of this Notice of Hearing was electronically served to all registered users on this case in the Eighth Judicial District Court Electronic Filing System.

By: /s/ Imelda Murrieta
Deputy Clerk of the Court