IN THE SUPREME COURT OF THE STATE OF NEVADA

E&T VENTURES, LLC, a Nevada Limited Liability Company,

Petitioner,

VS.

EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA, IN AND FOR THE COUNTY OF CLARK, THE HONORABLE JOANNA KISHNER, DISTRICT JUDGE, Electronically Filed Feb 03 2022 03:53 p.m. Elizabeth A. Brown Clerk of Supreme Court Supreme Court No.: 84133

District Court No.: A-19-796919-B

Respondent,

EUPHORIA WELLNESS, LLC, a Nevada Limited Liability Company,

Real Party in Interest.

REAL PARTY IN INTEREST'S OPPOSITION TO EMERGENCY MOTION UNDER NRAP 27(E) TO STAY EVIDENTIARY HEARING ON DISCOVERY SANCTIONS [ACTION REQUIRED ON OR BEFORE FEBRUARY 7, 2022 AT 5PM]

NICOLE E. LOVELOCK, ESQ. (Nevada State Bar No. 11187) JUSTIN C. JONES, ESQ. (Nevada State Bar No. 8519) MARTA D. KURSHUMOVA, ESQ. (Nevada State Bar No. 14728) JONES LOVELOCK 6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119 Telephone: (702) 805-8450 Fax: (702) 805-8451 nlovelock@joneslovelock.com jjones@joneslovelock.com mkurshumova@joneslovelock.com

I. <u>INTRODUCTION.</u>

The Emergency Motion under NRAP 27(e) to Stay Evidentiary Hearing on Discovery Sanctions ("Supreme Court Motion to Stay") should be denied. Petitioner's urgent request for a stay is designed to avoid an evidentiary hearing ("Evidentiary Hearing") on Petitioner's failure to abide by a District Court order. On January 20, 2022, the District Court issued an Order ("Evidentiary Hearing Order")¹ setting the Evidentiary Hearing whereby the Petitioner, along with Third-Party Defendants,² will be required to explain what steps were taken to comply with the Court's previous order ("Discovery Order")³ compelling Petitioner, along with Third-Party Defendants, to supplement discovery responses, wherein the District Court has indicated that it will consider sanctions, including the possibility of terminating sanctions.⁴

As detailed below, there is no basis to stay the Evidentiary Hearing pending Petitioner's Writ for Prohibition, Or In The Alternative, Petition for Writ of Mandamus ("Writ"). The Writ challenges just one part of the Evidentiary Hearing

¹ **Exhibit B** is a copy of the Evidentiary Hearing Order issued on January 20, 2022. ² Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC ("Third-Party Defendants") (collectively with Petitioner, "E&T Parties").

³ **Exhibit C** is a copy of the Order: (1) Compelling Joseph Kennedy to Appear for a Deposition; (2) Compelling Nye Natural Medicinal Solutions, LLC and Valjo, Inc. to Answer Deposition Questions; and (3) Compelling E&T Ventures LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC to Supplement Discovery Responses ("Discovery Order") entered on October 18, 2021.

⁴ Transcript of Proceedings on January 4, 2022 at 65:11-15, attached as **Exhibit D**.

Order—namely, the court's authority to order Kristin Taracki f/n/a Kristin Ehasz ("Ms. Taracki") (<u>the individual that verified Petitioner's deficient and untruthful</u> <u>interrogatory responses</u>) to appear at the Evidentiary Hearing and order Petitioner's counsel to serve Ms. Taracki a copy of the Evidentiary Hearing Order. Given that Petitioner is allowed to present any other witnesses to address the violation of the Discovery Order, the District Court's order that Ms. Taracki appear at the hearing is only one facet of the Evidentiary Hearing. Accordingly, the Writ is meritless and the Motion should be denied.⁵ The Court should note that on February 2, 2022, in another attempt to avoid the Evidentiary Hearing, Petitioner filed a motion to disqualify the Honorable Judge Kishner.⁶

II. <u>THE "EMERGENCY" MOTION SHOULD SUMMARILY BE</u> <u>DENIED</u>. NRAP 26(e)(1) states that "[i]f an emergency motion is not filed at the earliest

possible time, the court may summarily deny the motion." Additionally, NRAP 26(e)(4) provides that if the relief sought was available in the district court, the motion "shall state whether all grounds advanced in support of the motion in the court were submitted to the district court, and, if not, why the motion should not be denied." Moreover, NRAP 8(a)(1) requires that a motion for stay must ordinarily be brought in the district court.

⁵ Ex. D, Transcript at 67:18-22.

⁶ Application of E&T Ventures, LLC to Disqualify Judge Joanna Kishner and Affidavit Pursuant to NRS 1.235, attached as **Exhibit E**; Ex. A, Kurshumova Decl.

Here, on January 4, 2022, the District Court, from the bench, ordered Ms. Taracki to appear at the Evidentiary Hearing. Petitioner filed nothing to address this aspect of the order.⁷ Once the Court issued the Evidentiary Hearing Order on January 20, 2022, the Petitioner did not pursue a motion for reconsideration, but, rather, filed the Writ on January 26, 2022.

The same day, Petitioner filed Plaintiff's Emergency Motion for Stay of Evidentiary Hearing on Discovery Sanctions and Application for Order Shortening Time ("District Court Motion to Stay") in the District Court. That Motion was *filed* and not submitted to chambers for an order shortening time. Indeed, because Petitioner (purposefully) failed to seek that the District Court Motion to Stay be heard on shortened time, the hearing was, and is, scheduled for March 1, 2022, *after* the Evidentiary Hearing.

On February 1, 2022, the District Court issued a Minute Order⁸ detailing the procedural issues with the application for shortened time and provided the method for seeking an order shortening time. Following the Minute Order, Petitioner *still* failed to seek shortened time for hearing its District Court Motion to Stay. Petitioner simply again e-filed said motion.⁹ This is not the first time Petitioner has sought a motion be heard on order shortening time demonstrating that this issue was

⁷ Marta Kurshumova's Decl. in support of this opposition is attached as **Exhibit A**. ⁸ **Exhibit F** is a copy of the Minute Order issued on February 1, 2020.

⁹ Ex. A. Kurshumova Decl.

calculated.¹⁰ Because Petitioner did not follow the proper procedure for requesting that the District Court hear the District Court Motion to Stay on order shortening time, instead racing to this Court to file the Supreme Court Motion to Stay, the Motion should be denied outright pursuant to NRAP 27(e) and NRAP 8(a)(1).¹¹

II. FACTUAL AND PROCEDURAL BACKGROUND.

On October 18, 2021, this Court entered the Discovery Order compelling the Petitioner and Third-Party Defendants to supplement their responses to Euphoria's written discovery requests, including requests for production of documents.¹² Thereafter, Petitioner and Third-Party Defendants' supplemental discovery responses (collectively "Court Ordered Discovery Responses") were wholly insufficient.¹³ Moreover, some of the information contained therein appeared patently false. *For instance, Ms. Taracki verified interrogatory responses wherein she provided an invalid address for herself and her husband*.

On November 24, 2021, Euphoria filed a Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC ("Motion for Sanctions") for failing to abide by the Discovery Order.¹⁴ Euphoria sought several sanctions against Petitioner and Third-Party

¹⁰ Ex. A, Kurshumova Decl.

¹¹ Nelson v. Heer, 121 Nev. 832, 836, 122 P.3d 1252, 1254 (2005).

¹² Ex. C, Discovery Order.

¹³ Ex. D, Transcript at p.65-71.

¹⁴ A copy of the Motion for Sanctions is attached hereto as **Exhibit G**.

Defendants, including dispositive sanctions and an order finding that Ms. Taracki is an alter-ego of Petitioner. <u>After the Motion for Sanctions was filed, and Ms.</u> <u>Taracki's deceit was identified, Ms. Taracki purportedly transferred her interest</u> <u>in Petitioner to her business associate, Joseph Kennedy ("Mr. Kennedy")</u>.

At the hearing on the Motion for Sanctions on January 4, 2022, the District Court ruled that the E&T Parties' Court Ordered Discovery Responses were impermissibly nonresponsive and inconsistent with the record and set the Evidentiary Hearing.¹⁵ The Court then issued the Evidentiary Hearing Order, which is the subject of the Writ, setting the Evidentiary Hearing, requiring the attendance of Ms. Taracki, and requiring counsel to serve the Order on Ms. Taracki. The Evidentiary Hearing Order applies to both E&T *and* the Third-Party Defendants. On January 25, 2022, the Court entered the Order Granting In Part Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC that fully detailed the Court's order from the bench on January 4, 2022.¹⁶

III. LEGAL ARGUMENT.

NRAP 8(c) sets forth four factors that this Court will consider when determining whether to stay judgment pending appeal. Those factors are: (1) whether the object of the writ petition will be defeated if a stay is denied; (2) whether

¹⁵ Ex. D, Transcript at p.65-71.

¹⁶ Exhibit H is a copy of the order.

Petitioner will suffer irreparable or serious injury if the stay is denied; (3) whether Real Party in Interest Euphoria will suffer irreparable or serious injury if the stay is granted; and (4) whether Petitioner is likely to prevail on the merits of the writ petition. NRAP 8(c). Here, Petitioner cannot satisfy any of the factors.

A. The Writ is Meritless.

1. The Court Has Jurisdiction Over Ms. Taracki.

After Euphoria filed the Motion for Sanctions, Ms. Taracki (the signatory of Petitioner's verified interrogatories) purportedly transferred her interest in Petitioner to her business associate, Mr. Kennedy. Petitioner now claims that the Court cannot order Ms. Taracki to appear at the Evidentiary Hearing whereby Petitioner will need to explain why the Discovery Order was violated. The Petitioner's argument fails.

First, the District Court has jurisdiction to order Ms. Taracki's appearance at the Evidentiary Hearing in her capacity as the person who verified Petitioner's Court Ordered Discovery Responses.¹⁷ This Court has previously held that a district court "can exercise personal jurisdiction over nonresident officers and directors who directly harm a Nevada corporation."¹⁸ The United States Supreme Court has echoed this Court in holding that "those who are officially responsible for the conduct of [a corporation's) affairs" can be held personally liable and therefore subject to personal jurisdiction "[i)f they … prevent compliance or fail to take appropriate action within

¹⁷ Ex. B, Order at 1:17-22. *See*, Ex. D, Transcript at 68:11-17, 70:4-21.

¹⁸ Consipio Holding, BV v. Carlberg, 128 Nev. Adv. Op. 43, 282 P.3d 751, 756 (2012).

their power for the performance of the corporate duty."¹⁹ Personal jurisdiction also extends beyond official officers and directors to non-parties that aid and abet a corporation's contemptuous acts.²⁰ This mandate covers "de facto as well as de jure officers" of the corporation.²¹ Indeed, this general principle—asserting jurisdiction over nonparties who aid or abet in violating a court's order—applies well past the corporate context.²²

Moreover, because Ms. Taracki verified the Court Ordered Discovery Responses in her capacity as an "Authorized Agent," she attested to the truth of those responses *under oath*.²³ Specifically, NRCP 33(b)(1)(B) requires an officer or agent of the responding party to "furnish the information available to the party."²⁴ Additionally, those responses can be used at trial pursuant to Nevada rules of evidence, ²⁵ making them "nothing short of testimony."²⁶ Regardless of Ms.

¹⁹ Wilson v. United States, 221 U.S. 361, 376 (1911).

²⁰ See United States v. Laurins, 857 F.2d 529, 535 (9th Cir. 1988).

 $^{^{21}}$ *Id*.

²² See, e.g., Peterson v. Highland Music, Inc., 140 F.3d 1313, 1323 (9th Cir. 1998) ("To be held liable in contempt, it is necessary that a nonparty respondent must either abet the defendant in violating the court's order or be legally identified with him."); see also FilmKraft Productions India Pvt Ltd. v. Spektrum Entertainment, Inc., 2011 WL 2791477 at *2 (D. Nev. 2011) (noting specific personal jurisdiction may be found where a non-party assists in violating a court order); NRCP 65 (explaining injunctions bind the named parties and "those persons in active concert or participation with them who receive actual notice of the order by personal service"). ²³ See NRCP 33(b)(3) and (5).

²⁴ NRCP 33(b)(1)(B).

²⁵ NRCP 33(c).

²⁶ Virtue Glob. Holdings Ltd. v. Rearden LLC, No. 15-cv-00797-JST (SK), 2016

Taracki's current corporate status, she was the officer or agent chosen by E&T to be responsible for Petitioner's Court Ordered Discovery Responses. Therefore, as the person responsible for Petitioner's conduct, Ms. Taracki is subject to the District Court's jurisdiction.²⁷

2. Mr. Stipp Can Easily Provide the Order to Ms. Taracki.

Mitchell Stipp, Esq. ("Mr. Stipp"), counsel for Petitioner, claims that he cannot be ordered to serve the Order on Ms. Taracki. Mr. Stipp, who executed the Writ, and has NRCP 11 obligations, provided that he has no knowledge of Ms. Taracki's current address and "it is impossible for Petitioner's counsel to comply..." with service. However, Mr. Stipp is currently counsel of record for Ms. Taracki (and presumably, has communications with her) in *Bionomic Solutions, Inc., et al. v. Alex Taracki dba CBD Supply Co., et al.*, Eighth Judicial District Court case number A-20-818856-C. Until that court enters an order granting a substitution of counsel or a motion to withdraw, Mr. Stipp's duties and responsibilities toward his clients remain the same. Petitioner cannot prevail on its argument that Mr. Stipp could not serve Ms. Taracki with a copy of the Order.

B. Petitioner Has Failed to Establish that the Object of the Writ Will be Defeated in the Absence of a Stay.

The Writ only challenges one part of the Order: the District Court's

U.S. Dist. LEXIS 63114, at *4 (N.D. Cal. May 11, 2016).

²⁷ The District Court also has jurisdiction over Ms. Taracki because Ms. Taracki is an alter-ego of Petitioner. While the District Court has yet to make this ruling, it is sought by Euphoria and may be made by the court at the Evidentiary Hearing.

jurisdiction to order Ms. Taracki's appearance at the Evidentiary Hearing and Mr. Stipp to serve her a copy of the Evidentiary Hearing Order. Given that (1) Petitioner has not articulated any reason why the entire Evidentiary Hearing should be stayed, (2) Petitioner is allowed to present any other witnesses to address the violation of the Discovery Order,²⁸ and (3) Ms. Taracki's appearance at the hearing is but one of the matters before the District Court, the object of the Writ would not be defeated if a stay is not granted. Euphoria is ready and able to proceed with the Evidentiary Hearing regardless of whether Ms. Taracki is required to appear.

In addition, only E&T has filed the instant Writ, and not the Third-Party Defendants. The Evidentiary Hearing Order compels the Third-Party Defendants to appear and answer why sanctions should not be issued as to *their* independent failure to supplement discovery responses as required under the Discovery Order.

C. Petitioner Has Failed to Establish Irreparable Harm.

Petitioner has failed to provide any evidence or argumentation that it would be irreparably injured if the Court does not stay the Evidentiary Hearing. The Motion only offers the vague and conclusory statement that the District Court might grant Euphoria's requested relief, but this relief, if granted, would be based upon Petitioner's failure to justify its violation of the Discovery Order, not solely upon the non-appearance of Ms. Taracki. Moreover, Euphoria must be permitted to go

²⁸ Ex. D, Transcript at 67:18-22.

forward with the Evidentiary Hearing as to the Third-Party Defendants, who have not sought a stay in the instant Writ. Given that Ms. Taracki's appearance is but a discrete part of the Evidentiary Hearing, E&T would not be prejudiced if it continues.

D. The Balance of the Harms is in Euphoria's Favor.

Euphoria will suffer irreparable harm if the Court grants the stay. The record demonstrates there is a high likelihood that, given more time, the E&T Parties would further obfuscate discovery, prevent access to witnesses, and manipulate evidence. As detailed in the declaration of Ms. Kurshumova, there is a long history of such occurrences that have forced Euphoria to incur unnecessary fees.²⁹ To prevent the E&T Parties from engaging in further discovery abuses, delays, and bad faith litigation, thus causing Euphoria irreparable harm through loss of evidence and hiding of witnesses and significantly increased fees, this Court should deny Petitioner's request for a stay of the Evidentiary Hearing.

IV. CONCLUSION.

For the above reasons, Euphoria respectfully requests that the Court deny Petitioner's Motion in its entirety.

DATED this 3rd day of February 2022.

BY: <u>/s/ Marta D. Kurshumova, Esq.</u> Marta D. Kurshumova, Esq. (14728) JONES LOVELOCK Counsel for Euphoria Wellness, LLC

²⁹ Ex. A, Kurshumova Decl.

CERTIFICATE OF SERVICE

This is to certify that on February 3, 2022, a true and correct copy of the

foregoing **REAL PARTY IN INTEREST'S OPPOSITION TO**

EMERGENCY MOTION UNDER NRAP 27(E) TO STAY EVIDENTIARY

HEARING ON DISCOVERY SANCTIONS [ACTION REQUIRED ON OR

BEFORE FEBRUARY 7, 2022 AT 5PM] was served on the following by the

Supreme Court Electronic Filing System:

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@stipplaw.com

By /s/ Julie Linton

An Employee of JONES LOVELOCK

EXHIBIT "A"

EXHIBIT "A"

IN THE SUPREME COURT OF THE STATE OF NEVADA

E&T VENTURES, LLC, a Nevada Limited Liability Company,

Petitioner,

VS.

EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA, IN AND FOR THE COUNTY OF CLARK, THE HONORABLE JOANNA KISHNER, DISTRICT JUDGE, Supreme Court No.: 84133

District Court No.: A-19-796919-B

Respondent,

EUPHORIA WELLNESS, LLC, a Nevada Limited Liability Company,

Real Party in Interest.

DECLARATION OF MARTA D. KURSHUMOVA IN SUPPORT OF REAL PARTY IN INTEREST'S OPPOSITION TO EMERGENCY MOTION UNDER NRAP 27(E) TO STAY EVIDENTIARY HEARING ON DISCOVERY SANCTIONS [ACTION REQUIRED ON OR BEFORE FEBRUARY 7, 2022 AT 5PM]

I, Marta D. Kurshumova, declare and state as follows:

1. I am over the age of 18 and am competent to testify to the matters asserted herein, of which I have personal knowledge, except as to those matters stated upon information and belief. As to those matters stated upon information and belief, I believe them to be true.

2. I am an attorney duly licensed to practice law in the State of Nevada and am counsel for Real Party in Interest Euphoria Wellness, LLC ("Euphoria").

3. On October 18, 2021, this Court entered an Order: (1) Compelling Joseph Kennedy to Appear for a Deposition; (2) Compelling Nye Natural Medicinal Solutions, LLC and Valjo, Inc. to Answer Deposition Questions; and (3) Compelling E&T Ventures LLC ("E&T"), Miral Consulting, LLC ("Miral"), Happy Campers, LLC ("Happy Campers"), and CBD Supply Co, LLC ("CBD Supply" and collectively with Miral and Happy Campers, the "Third-Party Defendants") to Supplement Discovery Responses ("Discovery Order"). **Exhibit C** is a true and correct copy of the Discovery Order entered on October 18, 2021.

4. E&T's and Third-Party Defendants' (collectively the "E&T Parties") supplemental discovery responses (collectively "Court Ordered Discovery Responses") were insufficient. Some of the information contained therein appeared false. For instance, Kristin Taracki ("Ms. Taracki") verified interrogatory responses wherein she provided a Henderson, Nevada address for herself and her husband, Alexander Taracki (collectively, "Tarackis"). Our office was unable to serve a subpoena upon the Tarackis at that address because, as we later discovered, the Tarackis had sold the property and there were new residents at the time of attempted service.

5. On November 24, 2021, Euphoria filed a Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC ("Motion for Sanctions") for failing to abide by the Discovery Order. **Exhibit G** is a true and correct copy of the Motion for Sanctions. For the sake of brevity, all exhibits to the Motion to for Sanctions are omitted.

6. On January 4, 2022, the District Court heard oral argument on the Motion for Sanctions. The District Court ruled that the E&T Parties' Court Ordered Discovery Responses were impermissibly nonresponsive and inconsistent with the record and set an evidentiary hearing ("Evidentiary Hearing") to consider sanctions, including terminating sanctions, as a result of E&T Parties' insufficient discovery responses in violation of the Discovery Order. The District Court, from the bench, also ordered Ms. Taracki to appear at the Evidentiary Hearing. **Exhibit D** is a true and correct copy of the pertinent excerpts of the Transcript of Proceedings on Euphoria's Motion for Sanctions on January 4, 2022.

- 7. Petitioner filed nothing to address this aspect of the order.
- 8. On January 20, 2022, the District Court issued an Order ("Evidentiary

Hearing Order") setting the Evidentiary Hearing whereby the Petitioner, along with Third-Party Defendants, will be required to explain why they failed to comply with the Discovery Order. **Exhibit B** is a true and correct copy of the Order Setting Evidentiary issued on January 20, 2022.

Once the Court issued the Evidentiary Hearing Order on January 20,
 2022, the Petitioner did not pursue a motion for reconsideration.

10. On January 25, 2022, the Court entered the Order (1) Granting In Part Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC; (2) Denying Countermotion for Related Relief; (3) Granting Motion to Seal Exhibits to the Reply in Support of Euphoria Wellness, LLC's Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC and Opposition to Countermotion for Related Relief; (4) Denying Without Prejudice Motion for Sanctions for Failure To Produce a Privilege Log; (5) Denying Without Prejudice Countermotion for Sanctions that fully detailed the Court's order from the bench on January 4, 2022. Exhibit H is a true and correct copy of the order.

11. On January 26, 2022, Petitioner filed the Writ for Prohibition, Or In The Alternative, Petition for Writ of Mandamus ("Writ") with the Nevada Supreme Court. Third-Party Defendants did not join as parties in seeking the Writ.

12. The same day, Petitioner filed Plaintiff's Emergency Motion for Stay

of Evidentiary Hearing on Discovery Sanctions and Application for Order Shortening Time in the District Court ("District Court Motion to Stay"). That Motion to Stay was filed and not properly submitted to chambers seeking an order shortening time. Third-Party Defendants also did not join in the District Court Motion to Stay.

13. On February 1, 2022, the District Court issued a Minute Order detailing the procedural issues with the application for shortened time and provided the proper method for seeking an order shortening time. **Exhibit F** is a true and correct copy of the Minute Order issued on February 1, 2020.

14. Following the Minute Order, Petitioner re-filed the District Court Motion to Stay. No one at our firm received an e-mail from Petitioner to chambers submitting a request for an order shortening time.

15. To my knowledge, this is not the first time Petitioner has sought a motion be heard on order shortening time. On April 21, 2021, Petitioner filed an Ex Parte Application for Order Shortening Time on Motion for Preliminary Injunction Prohibiting Euphoria Wellness, LLC's Transfer of Interest (Licenses P089 and RP089), which was signed by the Honorable Judge Gonzalez. That filing suggests that Petitioner is familiar with the rules for seeking an order shortening time.

16. On February 2, 2022, Petitioner filed an Application of E&T Ventures, LLC to Disqualify Judge Joanna Kishner and Affidavit Pursuant to NRS 1.235 ("Motion to Disqualify"). **Exhibit E** is a true and correct copy of the Motion to Disqualify. For the sake of brevity, all exhibits to the Motion to Disqualify are omitted.

17. I have personal knowledge of the following facts, which indicate the E&T Parties have attempted to obfuscate discovery:

a. I attended the hearing on Euphoria's Motion for Sanctions, where the Honorable Judge Kishner indicated that the E&T Parties' Court Ordered Discovery Responses were insufficient, which demonstrates lack of compliance with the Discovery Order;

b. I attended Joseph Kennedy's deposition on November 19, 2021 and I understood Mr. Kennedy's testimony to mean that that documents responsive to the E&T Parties' Court Ordered Discovery Responses exist. That indicates that the E&T Parties willfully chose to not comply with the Discovery Order by refusing to locate and/or disclose responsive documents;

c. the E&T Parties prevented Euphoria from inspecting responsive documents;

d. Petitioner prevented Euphoria from serving subpoenas upon Ms. Taracki and Alexander Taracki by providing what appears to be a wrong address under oath, by Mitchell D. Stipp, Esq. ("Mr. Stipp") (counsel for the E&T Parties) failing to provide their current address and refusing to produce them for a deposition as Petitioner's principals;

6 of 7

e. Ms. Taracki purportedly transferred her ownership interest in Petitioner immediately after Euphoria informed the court of the factual inconsistencies in the Court Ordered Discovery Responses;

f. After the District Court issued the Order and after Euphoria discovered that Mr. Stipp continues to represent Ms. Taracki in another Eighth Judicial District Court case (*Bionomic Solutions, Inc., et al. v. Alex Taracki dba CBD Supply Co., et al.*, Eighth Judicial District Court case number A-20-818856-C), Mr. Stipp represented in a court filing in *ACC Enterprises LLC v. Euphoria Wellness, LLC*, Eighth Judicial District Court case number A-21-831153-C that he intended to withdraw as counsel of record for Ms. Taracki;

g. After the court's oral ruling setting the Evidentiary Hearing, on or about January 5, 2022, Mr. Stipp informed me, Justin C. Jones, Esq., and Nicole E. Lovelock, Esq. that he planned to withdraw as attorney of record for the Third-Party Defendants.

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

DATED this 3rd day of February 2022.

Kurshumova AARTA D. KURSHUMOVA, ESQ.

EXHIBIT "B"

EXHIBIT "B"

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7	E&T VENTURES, LLC, a Nevada limited liability company;	Case No.: A-19-796919-B
8	PLAINTIFF(S),	Dept. No.: XXXI
9	VS.	
10		
11	EUPHORIA WELLNESS, LLC, a Nevada limited liability company;	
12	DOE Individuals I-X, inclusive; and	
13	ROE ENTITIES 1-10, inclusive;	
14	DEFENDANT(S).	
15		
16	ORDER SETTING EVI	DENTIARY HEARING
17	PLEASE TAKE NOTICE that the	Court has ORDERED that the above-
18		
19	entitled matter be placed on calendar for a	
20	hearing on January 4, 2022, for the a	appearance of <u>Kristin Taracki</u> , who is
21	ORDERED to appear at the hearing as the person who verified the interrogatory	
22	responses in her role on behalf of E & T Ventures. The Evidentiary Hearing will	
23	take place on FEBRUARY 8, 2022, at 8:30 a.m., in Department XXXI, located at	
24	the Regional Justice Center, 200 Lewis Avenue, Las Vegas, NV, 16 th Floor,	
25 26	Courtroom 16B. Counsel for Plaintiff, E & T Ventures, LLC. shall serve a copy of	
20	this Order on Ms. Kristin Taracki.	
21		

The hearing may be attended remotely via Bluejeans if any party has a 1 2 health or safety concern, or parties may appear in-person (masks - covering nose 3 and mouth - required). However, if any party intends to appear remotely via 4 Bluejans, appearances must be attended audiovisually. Telephonic appearances 5 are not permitted. 6 7 The Bluejeans connection information is: 8 **Phone Dial-in** 9 +1.408.419.1715 (United States(San Jose)) +1.408.915.6290 (United States(San Jose)) 10 (Global Numbers) 11 From internet browser, copy and paste: 12 https://bluejeans.com/360511198/2386 13 **Room System** 14 199.48.152.152 or bjn.vc 15 Meeting ID: 360 511 198 16 Participant Passcode: 2386 17 Failure to appear at the hearing may result in an Order to Show Cause being 18 issued with sanctions, up to and including, contempt of court and/or dismissal of 19 case. 20 21 Dated this 20th day of January, 2022 22 K: han 23 HON. JOANNA S. KISHNER 24 DISTRICT COURT JUDGE 25 26 27 28 JOANNA S. KISHNER DISTRICT JUDGE DEPARTMENT XXXI .AS VEGAS, NEVADA 89155 2

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6	CERTIFICATE OF SERVICE	
7	I boroby cortify that on or about the date filed, a copy of this Order was	
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9	Nevada Electronic Filing Rules, and/or served via in one or more of the following manners: fax, U.S. mail, or a copy of this Order was placed in the attorney's file	
10	located at the Regional Justice Center:	
11	ALL REGISTERED COUNSEL AND/OR PARTIES APPEARING IN PROPER	
12	PERSON SERVED VIA ELECTRONIC SERVICE	
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14	/s/ Tracy L. Cordoba TRACY L. CORDOBA-WHEELER	
15	TRACY L. CÓRDOBA-WHEELER JUDICIAL EXECUTIVE ASSISTANT	
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28 Joanna s. kishner District judge Department XXXI Las vegas, nevada 89155	3	

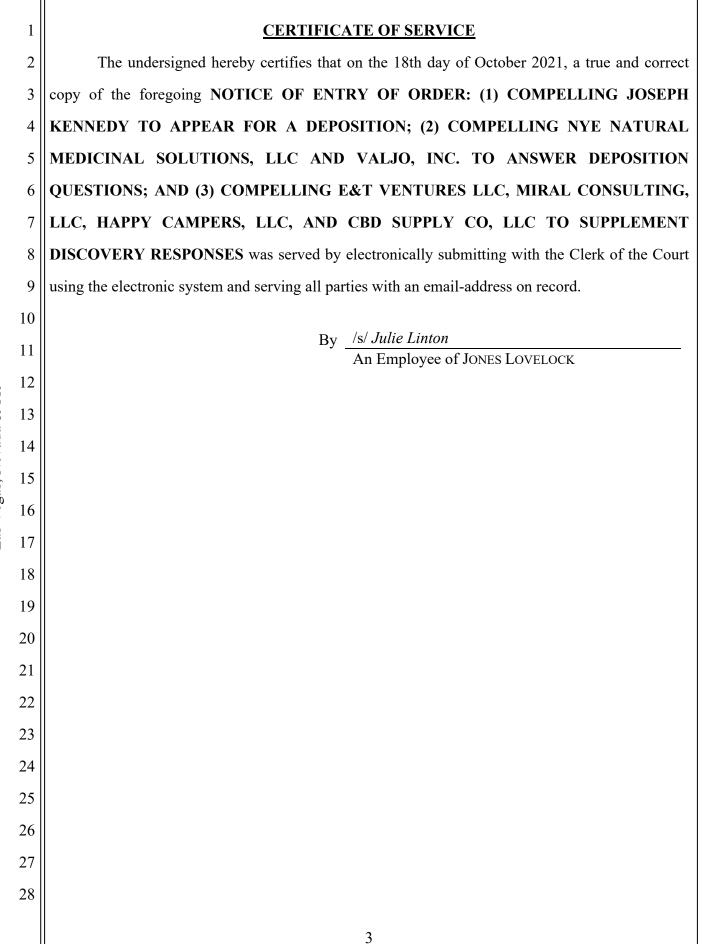
EXHIBIT "C"

EXHIBIT "C"

Electronically Filed 10/18/2021 12:01 PM Steven D. Grierson CLERK OF THE COURT

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1	NEOJ	ann	
2	Nicole E. Lovelock, Esq. Nevada State Bar No. 11187		
2	Justin C. Jones, Esq.		
3	Nevada State Bar No. 8519 Marta D. Kurshumova, Esq.		
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9	Attorneys for Euphoria Wellness, LLC		
10			
11	DISTRIC	CT COURT	
12	CLARK COUNTY, NEVADA		
13	E&T VENTURES, LLC, a Nevada limited	CASE NO.: A-19-796919-B	
14	liability company,	DEPT. NO.: XXXI	
15	Plaintiff,		
	V.	NOTICE OF ENTRY OF ORDER: (1)	
16	EUPHORIA WELLNESS, LLC, a Nevada limited liability company; DOE Individuals I-	COMPELLING JOSEPH KENNEDY TO APPEAR FOR A DEPOSITION; (2)	
17	X, inclusive; and ROE ENTITIES 1-10,	COMPELLING NYE NATURAL	
18	inclusive;	MEDICINAL SOLUTIONS, LLC AND	
	Defendants.	VALJO, INC. TO ANSWER DEPOSITION QUESTIONS; AND (3) COMPELLING	
19		E&T VENTURES LLC, MIRAL	
20		CONSULTING, LLC, HAPPY CAMPERS,	
21		LLC, AND CBD SUPPLY CO, LLC TO SUPPLEMENT DISCOVERY	
		RESPONSES	
22	EUPHORIA WELLNESS, LLC, a Nevada limited liability company,		
23			
24	Counterclaimant, v.		
25			
	E&T VENTURES, LLC, a Nevada limited liability company;		
26			
27	Counter-Defendant.		
28			

1	EUPHORIA WELLNESS, LLC, a Nevada limited liability company,
2	Third- Party Plaintiff,
3	v.
4	
5	MIRAL CONSULTING, LLC, a Nevada limited liability company; HAPPY CAMPERS,
6	LLC, a Nevada limited liability company; CBD SUPPLY CO, LLC, a Nevada limited liability
7	company; DOE Individuals I-X, inclusive; and ROE ENTITIES 1-10, inclusive;
8	Third-Party Defendants.
9	PLEASE TAKE NOTICE that an Order: (1) Compelling Joseph Kennedy to Appear for a
10	Deposition; (2) Compelling Nye Natural Medicinal Solutions, LLC and Valjo, Inc. to Answer
11	Deposition Questions; and (3) Compelling E&T Ventures LLC, Miral Consulting, LLC,
12	Happy Campers, LLC, and CBD Supply Co, LLC to Supplement Discovery Responses was filed on
13	October 15, 2021, a true and correct copy of which is attached hereto.
14	DATED this 18 th day of October 2021.
15	JONES LOVELOCK
16	/s/ Marta D. Kurshumova, Esq.
17	Nicole E. Lovelock, Esq. Nevada Bar No. 11187
18	Justin C. Jones, Esq. Nevada Bar No. 8519
19	Marta D. Kurshumova, Esq. Nevada Bar No. 14728
20	6675 S. Tenaya Way, Suite 200 Las Vegas, Nevada 89113
21	Attorneys for Euphoria Wellness, LLC
22	///
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1	ODDD	Oten P. Martin
	ORDR Nicole E. Lovelock, Esq.	
2	Nevada State Bar No. 11187 Justin C. Jones, Esq.	
3	Nevada State Bar No. 8519	
4	Marta D. Kurshumova, Esq. Nevada State Bar No. 14728	
5	JONES LOVELOCK 6600 Amelia Earhart Ct., Suite C	
6	Las Vegas, Nevada 89119 Telephone: (702) 805-8450	
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8	Email: jjones@joneslovelock.com	
	Email: mkurshumova@joneslovelock.com	
9	Attorneys for Euphoria Wellness, LLC	
10		
11	DISTRIC	CT COURT
12	CLARK COU	NTY, NEVADA
13	E&T VENTURES, LLC, a Nevada limited liability company,	CASE NO.: A-19-796919-B DEPT. NO.: XXXI
14		
15	Plaintiff, v.	ORDER: (1) COMPELLING JOSEPH
16	EUPHORIA WELLNESS, LLC, a Nevada	KENNEDY TO APPEAR FOR A
17	limited liability company; DOE Individuals I- X, inclusive; and ROE ENTITIES 1-10,	DEPOSITION; (2) COMPELLING NYE NATURAL MEDICINAL SOLUTIONS,
18	inclusive;	LLC AND VALJO, INC. TO ANSWER
19	Defendants.	DEPOSITION QUESTIONS; AND (3) COMPELLING E&T VENTURES LLC,
		MIRAL CONSULTING, LLC, HAPPY CAMPERS, LLC, AND CBD SUPPLY CO,
20		LLC TO SUPPLEMENT DISCOVERY
21	EUPHORIA WELLNESS, LLC, a Nevada	RESPONSES
22	limited liability company,	
23	Counterclaimant,	
24	V.	
25	E&T VENTURES, LLC, a Nevada limited liability company;	
26	Counter-Defendant.	
27		
28		
	Case Number: A-19-79	6919-B

Case Number: A-19-796919-B

EUPHORIA WELLNESS, LLC, a Nevada 1 limited liability company, 2 Third- Party Plaintiff, 3 v. 4 CONSULTING, LLC, MIRAL a Nevada 5 limited liability company; HAPPY CAMPERS, LLC, a Nevada limited liability 6 company; CBD SUPPLY CO, LLC, a Nevada limited liability company; DOE Individuals I-7 X, inclusive; and ROE ENTITIES 1-10. inclusive; 8 Third-Party Defendants. 9 10 The following motions came before the Court on September 23, 2021 at 1:00 p.m. with 11 Nicole Lovelock, Esq. of Jones Lovelock appearing on behalf of Euphoria Wellness, LLC 12 ("Euphoria") and Mitchell Stipp, Esq. of Law Offices of Mitchell Stipp appearing on behalf of 13 E&T Ventures LLC ("E&T"), Miral Consulting, LLC ("Miral Consulting"), Happy Campers, LLC 14 ("Happy Campers"), and CBD Supply Co, LLC ("CBD Supply") (collectively "E&T Parties"), and 15 on behalf of Joseph Kennedy ("Mr. Kennedy"), Nye Natural Medicinal Solutions LLC ("Nye 16 Natural"), and Valjo Inc. ("Valjo") (collectively "Non-Parties"): 17 a) Order to Show Cause Why Joseph Kennedy Should Not Be Held in Contempt of 18 Court and for Sanctions; and for Order Compelling Joseph Kennedy to Appear for a Deposition; 19 and for an Award of Attorneys' Fees and Costs, filed by Euphoria; 20 b) Order to Show Cause Why Nye Natural Medicinal Solutions, LLC and Valjo, Inc. 21 Should Not Be Held in Contempt; and for Order Compelling Said Entities to Answer Deposition 22 Questions; and for an Award of Attorneys' Fees and Costs, filed by Euphoria; 23 Motion to Compel the E&T Parties' Discovery Responses and for Sanctions, filed c) 24 by Euphoria; 25 d) Omnibus Opposition to Applications for Order to Show Cause, to Compel 26 Appearance for a Deposition, and for an Award of Attorney's Fees and Costs and Countermotion 27 for a Protective Order and Related Relief, filed by the Non-Parties; 28

1 e) Opposition to Motion to Compel Discovery Responses and for Sanctions and 2 Countermotion for Related Relief, filed by the E&T Parties; and 3 f) Motion to Seal Exhibits to the Declaration of Marta D. Kurshumova in Support of Reply in Support of Euphoria Wellness, LLC's Motion to Compel the E&T Parties' Discovery 4 5 Responses and for Sanctions; and Opposition to Countermotion, filed by Euphoria. 6 The Court having considered the filings, the evidence presented therein, oral argument of 7 counsel, and good cause appearing, hereby orders as follows: 8 <u>JOSEPH KENNEDY</u> 9 **Findings of Fact** 1. 10 On January 2, 2021, Mr. Kennedy, in his individual capacity, was personally served with a Subpoena. Mr. Kennedy's deposition was scheduled for January 28, 2021 at 9:00 a.m. A 11 witness fee was included in the service. 12 13 2. On January 2, 2021, Mr. Kennedy, in his capacity as manager of Nye Natural, was 14 personally served with the Subpoena to Nye Natural. The deposition was scheduled for January 28, 15 2021 at 1:00 p.m. A witness fee was included in the service. 16 3. On January 2, 2021, Mr. Kennedy, in his capacity as registered agent of Valjo, was 17 personally served with the Subpoena to Valjo. The deposition was scheduled for January 29, 2021 18 at 1:00 p.m. A witness fee was included in the service. 19 4. On January 4, 2021, Mr. Stipp sent Euphoria's counsel a letter advising he 20 represented the Non-Parties with respect to the subpoenas. 21 5. Mr. Stipp and Counsel for Euphoria rescheduled the Non-Parties' depositions on 22 several occasions due in part on the agreement that Darlene Purdy's deposition would occur first. 23 6. On March 22, 2021, Mr. Stipp informed Euphoria that he had not and would not 24 accept service of any documents rescheduling the depositions of the Non-Parties. Mr. Stipp 25 requested Euphoria serve the Non-Parties personally again. 26 7. On April 6, 2021, Mr. Stipp requested Euphoria move Nye Natural and Valjo's 27 depositions to April 16, 2021. 28

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8. On April 6, 2021, Mr. Stipp and Justin C. Jones, Esq. had a telephonic conference
 during which Mr. Jones agreed to move the depositions to April 16, 2021, and Mr. Stipp agreed to
 give Euphoria a one-day extension to file an opposition to E&T's Motion for Summary Judgment.

9. On April 16, 2021, Euphoria took the depositions of Nye Natural and Valjo.

5 10. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and
6 Valjo, respectively.

7 11. On April 16, 2021, at the depositions for the persons most knowledgeable for Nye
8 Natural and Valjo, Ms. Lovelock personally served Mr. Kennedy in his individual capacity with a
9 Third Amended Subpoena ("Third Amended Subpoena") scheduling the deposition for May 4,
10 2021 at 9:00 a.m. Ms. Lovelock did not tender a witness fee with the Third Amended Subpoena.

11 12. There is a dispute if Mr. Kennedy still has the original witness fee served upon him
12 on January 2, 2021.

13 13. There was a mutual mistake between Mr. Stipp and counsel for Euphoria regarding
14 the date and time of appearance of Mr. Kennedy in his individual capacity.

15 14. Any of the foregoing findings of fact which shall constitute conclusion of law shall
16 be deemed as a conclusion of law.

Conclusions of Law and Order Thereon

18 15. A subpoena served pursuant to NRCP 45 commands "each person to whom it is
directed to do the following at a specified time and place: attend and testify; produce designated
documents, electronically stored information, or tangible things in that person's possession,
custody, or control; or permit the inspection of premises." NRCP 45(a)(1)(A)(iii). The rule permits
service of the subpoena by "[a]ny person who is at least 18 years old and not a party" to the case
and, should the subpoena order a person's attendance, requires the tendering of a fee for one day's
attendant and the mileage allowed by law. NRCP 45(b)(1).

16. NRCP 26(c) provides the standard for protective orders, which states as follows: "A
party or any person from whom discovery is sought may move for a protective order . . . The
motion must include a certification that the movant has in good faith conferred or attempted to

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	1	confer with o	other affected parties." NRCP 26(c)(1). Should the court find good cause exists, the
	2	court may "is	ssue an order to protect a party or person from annoyance, embarrassment, oppression,
	3	or undue burden or expense." Id.	
	4	17.	This Court orders Mr. Kennedy must appear for a deposition pursuant to the terms
	5	5 of NRCP 45.	
	6	18.	The deposition is to be set for a date no later than thirty (30) days from the notice of
	7	entry of this order.	
	8	19.	Euphoria shall tender a new witness fee to Mr. Kennedy and Mr. Stipp must accept
	9	said witness fee on behalf of Mr. Kennedy.	
	10	20.	Mr. Kennedy did not present an applicable legal basis for seeking a protective order
	11	and, on that b	basis, Mr. Kennedy's Countermotion for a Protective Order is denied.
	12	21.	Euphoria's request for contempt is denied.
	13	22.	Euphoria's request for attorney's fees and costs is denied.
	14	23.	Any of the foregoing conclusions of law which shall constitute a finding of fact shall
15 be deemed as a finding of fact.		a finding of fact.	
	15		
)	16		YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC.
	16		YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC.
	16 17	<u>N</u> 24.	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact
	16 17 18	<u>N</u> 24.	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the
	16 17 18 19	<u>N</u> 24. 30(b)(6) with	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the ess for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and
	16 17 18 19 20	<u>N</u> 24. 30(b)(6) witn 25.	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the ess for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and
	 16 17 18 19 20 21 	<u>N</u> 24. 30(b)(6) with 25. Valjo, respect	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the design for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and tively. Mr. Stipp appeared as Nye Natural and Valjo' counsel of record for the purposes of
	 16 17 18 19 20 21 22 	<u>N</u> 24. 30(b)(6) with 25. Valjo, respect 26.	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the design for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and tively. Mr. Stipp appeared as Nye Natural and Valjo' counsel of record for the purposes of
	 16 17 18 19 20 21 22 23 	N 24. 30(b)(6) with 25. Valjo, respect 26. the deposition	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the ess for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and tively. Mr. Stipp appeared as Nye Natural and Valjo' counsel of record for the purposes of ns.
	 16 17 18 19 20 21 22 23 24 	N 24. 30(b)(6) with 25. Valjo, respect 26. the deposition 27.	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the ess for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and tively. Mr. Stipp appeared as Nye Natural and Valjo' counsel of record for the purposes of ns.
	 16 17 18 19 20 21 22 23 24 25 	N 24. 30(b)(6) with 25. Valjo, respect 26. the deposition 27. a.m. PST.	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the design for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and tively. Mr. Stipp appeared as Nye Natural and Valjo' counsel of record for the purposes of ns. The deposition of Nye Natural commenced at 8:39 a.m. PST and concluded at 10:28
	 16 17 18 19 20 21 22 23 24 25 26 	N 24. 30(b)(6) with 25. Valjo, respect 26. the deposition 27. a.m. PST. 28.	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the design for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and tively. Mr. Stipp appeared as Nye Natural and Valjo' counsel of record for the purposes of ns. The deposition of Nye Natural commenced at 8:39 a.m. PST and concluded at 10:28
	 16 17 18 19 20 21 22 23 24 25 26 27 	N 24. 30(b)(6) with 25. Valjo, respect 26. the deposition 27. a.m. PST. 28.	YE NATURAL MEDICINAL SOLUTIONS, LLC AND VALJO, INC. Findings of Fact On April 16, 2021, Euphoria took the depositions of the person designated as the design for Nye Natural and Valjo. Mr. Kennedy appeared as the designated 30(b)(6) witness for Nye Natural and tively. Mr. Stipp appeared as Nye Natural and Valjo' counsel of record for the purposes of ns. The deposition of Nye Natural commenced at 8:39 a.m. PST and concluded at 10:28

During the depositions, Mr. Stipp instructed Mr. Kennedy, in his capacity as the
 30(b)(6) witness for Nye Natural and Valjo, not to answer multiple deposition questions, as
 summarized in Exhibit R to the Appendix of Exhibits in Support of *Ex Parte* Application for an
 Order to Show Cause Why Nye Natural Medicinal Solutions, LLC and Valjo, Inc. Should Not Be
 Held in Contempt; and for Order Compelling Said Entities to Answer Deposition Questions; and
 for an Award of Attorneys' Fees and Costs. Exhibit R is attached to this Order as Exhibit A.

30. Ms. Lovelock and Mr. Stipp discussed Mr. Stipp's objections and instructions not to
8 answer on the record during the depositions of both Nye Natural and Valjo.

9 31. Mr. Stipp's instructions to Nye Natural's 30(b)(6) witness not to answer the
10 deposition questions were improper.

11 32. Mr. Stipp's instructions to Valjo's 30(b)(6) witness not to answer the deposition
12 questions were improper.

33. None of the questions identified in Exhibit A to this Order are subject to a privilege
or a limitation ordered by this Court. Neither Nye Natural nor Valjo sought relief under Rule
30(d)(3).

34. Nye Natural and Valjo did not present an applicable legal basis for seeking a
protective order and, on that basis, Nye Natural and Valjo's Countermotion for a Protective Order
is denied.

19 35. Any of the foregoing findings of fact which shall constitute conclusion of law shall20 be deemed as a conclusion of law.

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Conclusions of Law and Order Thereon

36. A subpoena served pursuant to NRCP 45 commands "each person to whom it is
directed to do the following at a specified time and place: attend and testify; produce designated
documents, electronically stored information, or tangible things in that person's possession,
custody, or control; or permit the inspection of premises." NRCP 45(a)(1)(A)(iii). The rule permits
service of the subpoena by "[a]ny person who is at least 18 years old and not a party" to the case

27 28 1 and, should the subpoena order a person's attendance, requires the tendering of a fee for one day's 2 attendant and the mileage allowed by law. NRCP 45(b)(1).

3 37. NRCP 26(c) provides the standard for protective orders, which states as follows: "A party or any person from whom discovery is sought may move for a protective order . . . The motion must include a certification that the movant has in good faith conferred or attempted to confer with other affected parties." NRCP 26(c)(1). Should the court find good cause exists, the court may "issue an order to protect a party or person from annoyance, embarrassment, oppression, or undue burden or expense." Id.

9 38. Pursuant to NRCP 30(c)(2), an attorney may only instruct their client not to answer 10 a question "when necessary to preserve a privilege, to enforce a limitation ordered by the court, or 11 to present a motion under Rule 30(d)(3)."

12 39. For those reasons, Nye Natural is ordered to appear for a continued deposition and 13 provide responses to the questions identified in Exhibit A to this Order directed to Nye Natural. 14 The rescheduled deposition is to be set for a date no later than thirty (30) days from the notice of 15 entry of this order. The rescheduled deposition is to last for one (1) hour, not including breaks.

16 40. For those reasons, Valjo is ordered to appear for a continued deposition and provide 17 responses to the questions identified in Exhibit A to this Order directed to Valjo. The rescheduled 18 deposition is to be set for a date no later than thirty (30) days from the notice of entry of this order. 19 The rescheduled deposition is to last for one (1) hour, not including breaks.

41. Euphoria's request for contempt is denied.

21 42.

Euphoria's request for attorney's fees and costs is denied.

22 43. Any of the foregoing conclusions of law which shall constitute a finding of fact shall 23 be deemed as a finding of fact.

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27 E&T VENTURES LLC, MIRAL CONSULTING, LLC, HAPPY CAMPERS, LLC, AND

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	1	CBD SUPPLY CO, LLC		
	2	Findings of Fact		
	3	44. On July 21, 2020, E&T served its Initial Disclosures which contained no documents.		
	4	45. On December 7, 2020, the Third-Party Defendants served their Initial Disclosures		
	5	which contained no documents.		
	6	46. On February 1, 2021, Euphoria propounded Requests for Interrogatories		
	7	("Interrogatories") and Requests for Production of Documents ("RFPs") on the E&T Parties		
	8	("Euphoria's Discovery Requests").		
	9	47. Euphoria had inadvertently omitted to attach an exhibit to its Discovery Requests		
	10) ("Exhibit 1").		
	11	48. Euphoria had also provided the wrong date of filing of the Supplemental Declaration		
IУ	12	of Kristin Ehasz in Support of Motion for Preliminary Injunction on Application for Order		
a 091	13	Shortening Time ("Kristin Ehasz' Declaration") in its Discovery Requests.		
vegas, nevaua 09119	14	49. The E&T Parties did not reach out to Euphoria to request the missing exhibit or a		
as, N	15	copy of Kristin Ehasz' Declaration prior to submitting their Responses to Euphoria's Discovery		
< eg	16	Requests.		
Las	17	50. On February 26, 2021, E&T responded to Euphoria's Interrogatories and RFPs		
	18	("E&T's Discovery Responses") without identifying or producing any documents.		
	19	51. On March 2, 2021, Third-Party Defendants responded to Euphoria's Interrogatories		
	20	and RFPs ("Third-Party Defendants' Discovery Responses") (together with E&T's Discovery		
	21	Responses, "E&T Parties' Discovery Responses") without identifying or producing any documents.		
	22	52. In response to several requests for production, the E&T Parties responded they		
	23	would make documents available for copying or inspection.		
	24	53. Instead of granting Euphoria's requests to copy and inspect the documents, E&T		
	25	served its First Supplemental Disclosures on March 24, 2021, attaching documents bates numbered		
	26	Plaintiff's Documents 00000-00111. The E&T Parties failed to respond to multiple discovery		
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requests based on Euphoria's omission to attach Exhibit 1 and mistaken date of filing of the Kristin
 Ehasz' Declaration.

3 54. On March 5, 2021, counsel for Euphoria, Marta Kurshumova ("Ms. Kurshumova")
4 provided Exhibit 1 to Mr. Stipp.

5 55. On March 16, 2021, Euphoria's counsel sent the E&T Parties a Meet and Confer
6 Letter articulating the deficiencies within the E&T Parties' discovery responses. The Meet and
7 Confer Letter also provided the correct date of filing of Kristin Ehasz' Declaration.

8 56. On March 26, 2021, Euphoria and the E&T Parties held a telephonic meet and
9 confer conference.

10 57. On April 20, 2021, Euphoria and the E&T Parties held another telephonic meet and
11 confer conference.

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JONES LOVELOCK

58. The E&T Parties declined to supplement any of their discovery responses.

13 59. The E&T Parties agreed to provide signed verification pages to their Responses to
14 Interrogatories.

15 60. To date, the E&T parties have not provided signed verification pages to their
16 Responses to Interrogatories. Euphoria and the E&T Parties were unable to resolve the discovery
17 disputes regarding the E&T Parties' discovery responses.

18 61. In its Motion, Euphoria sought supplementation to the following categories of19 requests:

Category 1:The E&T Parties' ownership, operations, and financial documentsE&T:Interrogatory No. 1; RFP Nos. 6-14CBD Supply:Interrogatory Nos. 1-8; RFP Nos. 1-2, 5-13, 26Happy Campers:Interrogatory Nos. 1-8, 15; RFP Nos. 1, 5-13, 26Miral Consulting:Interrogatory Nos. 1-8, 28; RFP Nos. 1, 5-13, 26

<u>Category 2:</u> The Department of Taxation's investigations, audits, and complaints

E&T: Interrogatory Nos. 8-10; RFP Nos. 2, 5

<u>Category 3:</u> The E&T Parties' documents and information relating to Euphoria

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21	E&T:	Interrogatory No. 11; RFP Nos. 15-18
I		
28	CBD Supply:	Interrogatory No. 12; RFP Nos. 14, 18, 22
201		

1		errogatory No. 12; RFP Nos. 14, 18, 22 errogatory No. 12; RFP Nos. 14, 18, 22	
2		Parties' documents and information relating to the	
3	equipmen		
4	CBD Supply: Inte	errogatory Nos. 14-15; RFP Nos. 19-20 errogatory Nos. 13-15; RFP Nos. 23-25	
5		errogatory Nos. 13-14; RFP Nos. 23-25 errogatory Nos. 13-27; RFP Nos. 23-25	
6 7	<u>Category 5:</u> E&T's documents and information relating to product test		
8	<i>E&T</i> : Interrogatory Nos.	2, 3, 5-7, 12-13; RFP Nos. 21	
9	Category 6: E&T's do	cuments and information relating to third parties	
10		4, 16, 17; RFP Nos. 22, 29-33	
11		-Party Defendants' documents and information	
12	relating to	the parties in this litigation	
13	Happy Campers: Inte	errogatory Nos. 9-11; RFP Nos. 15-17, 19-21 errogatory Nos. 9-11; RFP Nos. 15-17, 19-21	
14	Miral Consulting: Interrogatory Nos. 9-11; RFP Nos. 15-17, 19-21		
15	02. In its Motion, Euphona further sought supplementation of the requests based of		
16	Exhibit 1 and Kristin Ehasz's Declaration:		
17			
18	CBD Supply: RF	errogatory Nos. 2-7 P Nos. 23-25	
19	Happy Campers: Interrogatory No. 14; RFP Nos. 22, 23 Miral Consulting: Interrogatory Nos. 14-27; RFP Nos. 23-26		
20			
21	63. Any of the forego	ing findings of fact which shall constitute conclusion of law shall	
22	be deemed as a conclusion of law.		
23	Conclusions of Law		
24	64. Pursuant to EDCF	R 2.34(d), "discovery motions may not be filed unless an affidavit	
25	of moving counsel is attached thereto setting forth that after a discovery dispute conference or a		
26	good faith effort to confer, counsel have been unable to resolve the matter satisfactorily."		
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Counsel for Euphoria and counsel for the E&T Parties met and conferred as required
 by EDCR 2.34(d) through the Meet and Confer Letter and two telephonic meet and confer
 conferences.

66. NRCP 26 states that "[p]arties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claims or defenses and proportional to the needs of the case."

6 67. The discovery requests identified in Categories 1 to 7 and the requests based on
7 Exhibit 1 and Kristin Ehasz's Declaration are relevant to the parties' claims and defenses, and are
8 proportional to the needs of the case. NRCP 33 requires a full answer to each interrogatory and,
9 should the responding party object, a statement of the reasons for the objection with specificity.
10 NRCP 33(b)(3)-(4).

68. NRCP 34 requires that objections be stated with specificity and whether any documents were withheld based on those objections. NRCP 34(b)(2)(B)-(C).

13 69. NRCP 26(e) imposes a duty on each party to "timely supplement or correct the
14 disclosure or response to include information thereafter acquired."

15 70. The E&T Parties failed to respond to the discovery requests identified in Categories
16 1 to 7. The E&T Parties did not assert any objections entitling them not to respond to those
17 discovery requests.

18 71. The E&T Parties failed to respond to the discovery requests based on Exhibit 1 and
19 Kristin Ehasz's Declaration. The E&T Parties did not assert any objections entitling them not to
20 respond to those discovery requests.

21 72. The E&T Parties had an obligation under NRCP 26(e) to supplement their responses
22 to the requests based on Exhibit 1 and Kristin Ehasz's Declaration after receiving Exhibit 1 and the
23 correct date of filing of Kristin Ehasz's Declaration.

73. The E&T Parties did not present an applicable legal basis for seeking a protective
order and, on that basis, the E&T Parties' Countermotion for a Protective Order is denied.

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74. The E&T Parties must supplement their responses to the discovery requests
 described in paragraphs 61 and 62 above no later than twenty-one (21) days from the date of notice
 of entry of this Order.

75. Euphoria's request for contempt is denied.

76. Euphoria's request for attorney's fees and costs is denied.

6 77. Any of the foregoing conclusions of law which shall constitute a finding of fact shall
7 be deemed as a finding of fact.

<u>ORDER</u>

IT IS HEREBY ORDERED that the *Order to Show Cause Why Joseph Kennedy Should Not Be Held in Contempt of Court and for Sanctions; and for Order Compelling Joseph Kennedy to Appear for a Deposition; and for an Award of Attorneys' Fees and Costs* is **GRANTED IN PART AND DENIED IN PART**. Mr. Kennedy is ordered to appear for a deposition that is to be set for a date no later than thirty (30) days from the notice of entry of this order. Euphoria is to tender a new witness fee and Mr. Stipp is to accept said witness fee prior to the deposition of Mr. Kennedy. Euphoria's request for contempt and for an award of attorney's fees and costs is **DENIED**.

IT IS HERBY FURTHER ORDERED that Mr. Kennedy's *Countermotion for a Protective Order and Related Relief* is **DENIED**.

IT IS HEREBY FURTHER ORDERED that the Order to Show Cause Why Nye Natural Medicinal Solutions, LLC and Valjo, Inc. Should Not Be Held in Contempt; and for Order Compelling Said Entities to Answer Deposition Questions; and for an Award of Attorneys' Fees and Costs is GRANTED IN PART AND DENIED IN PART. Nye Natural is ordered to appear for a continued deposition pursuant to the terms of the subpoena personally served upon it on March 26, 2021. Nye Natural is ordered to answer all questions identified in Exhibit A to this Order that were directed to Nye Natural. The rescheduled deposition is to be set for a date no later than thirty (30) days from the notice of entry of this order. The rescheduled deposition is to last for one (1) hour, not including breaks.

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Valjo is ordered to appear for a continued deposition pursuant to the terms of the subpoena

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1 personally served upon it on March 26, 2021. Valjo is ordered to answer all questions identified in 2 Exhibit A to this Order that were directed to Valjo. The rescheduled deposition is to be set for a 3 date no later than thirty (30) days from the notice of entry of this order. The rescheduled deposition is to last for one (1) hour, not including breaks. 4

Euphoria's request for contempt and for an award of attorney's fees and costs is **DENIED**.

6 IT IS HERBY FURTHER ORDERED that Nye Natural and Valjo's Countermotion for a Protective Order and Related Relief is **DENIED**.

8 IT IS HEREBY ORDERED that the Motion to Compel the E&T Parties' Discovery 9 Responses and for Sanctions is GRANTED IN PART AND DENIED IN PART. E&T Ventures, 10 Miral Consulting, Happy Campers, and CBD Supply are ordered to supplement their responses to the discovery requests as set forth above. E&T Ventures, Miral Consulting, Happy Campers, and 12 CBD Supply shall supplement their responses no later than twenty-one (21) days from the date of 13 notice of entry of this Order. Euphoria's request for an award of attorney's fees and costs is DENIED. 14

15 IT IS HERBY FURTHER ORDERED that the E&T Parties' Countermotion for Related *Relief* requesting a protective order is **DENIED**. 16

6600 Amelia Earhart Ct., Suite Las Vegas, Nevada 89119 JONES LOVELOCK

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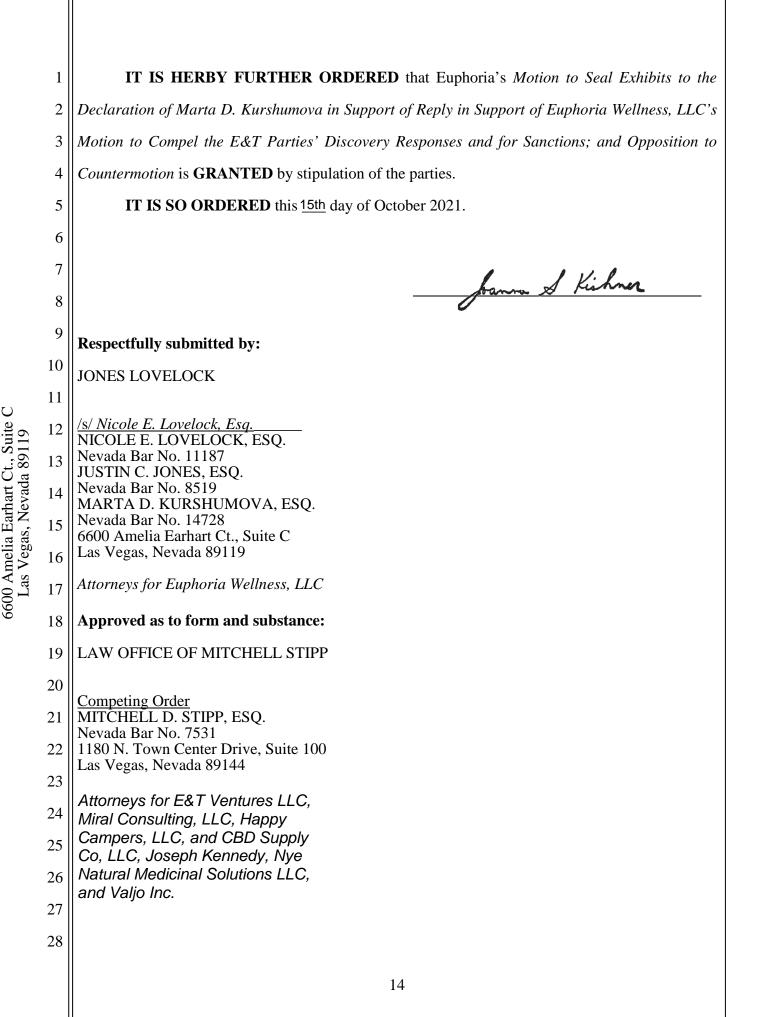
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JONES LOVELOCK

EXHIBIT "D"

EXHIBIT "D"

TRAN

DISTRICT COURT CLARK COUNTY, NEVADA * * * * *

E&T VENTURES LLC,	
Plaintiff,	CASE NO. A-19-796919-B
vs.	DEPT NO. XXXI
EUPHORIA WELLNESS LLC,	
	TRANSCRIPT OF PROCEEDINGS
Defendant.)	
AND RELATED PARTIES)	
BEFORE THE HONORABLE JOANNA S	. KISHNER, DISTRICT COURT JUDGE
TUESDAY, JA	NUARY 4, 2022
SEE NEXT PAG	E FOR MATTERS
APPEARANCES:	
FOR E&T VENTURES, LLC, CBD SUPPLY CO, LLC, HAPPY CAMPERS, LLC, MIRAL CONSULTING, LLC:	MITCHELL D. STIPP, ESQ. via BlueJeans
FOR EUPHORIA WELLNESS, LLC:	NICOLE E. LOVELOCK, ESQ. JUSTIN C. JONES, ESQ. via BlueJeans
	MARTA D. KURSHUMOVA, ESQ. via BlueJeans
RECORDED BY: ANGELICA MICHAUX, TRANSCRIBED BY: JD REPORTING,	

MATTERS

Plaintiff's Opposition to Motion for Discovery Sanctions and Countermotion for Related Relief

Defendant Euphoria Wellness, LLC's Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC

Defendant's Motion for Sanctions for Failure to Produce a Privilege Log

Plaintiff's Opposition to Motion for Sanctions for Failure to Produce a Privilege Log and Countermotion for Related Relief

A-19-796919-B | E&T Ventures v. Euphoria | Motion | 2022-01-04
IAS VEGAS, CLARK COUNTY, NEVADA, JANUARY 4, 2022, 10:01 A.M.
* * * * *
THE COURT: Pages 15 and 16, 796919.
So counsel for -- we've got binders and
(indiscernible). So feel free to get yourself set up. We're
going to do E&T Ventures counsel and then Euphoria Wellness's
counsel.

Go ahead, E&T Ventures.

8

9 MR. STIPP: Good morning, Your Honor. This is
10 Mitchell Stipp appearing on behalf of E&T Ventures, Happy
11 Campers, CBD Supply and Miral Consulting.

12 THE COURT: Okay. Thank you so much for the 13 clarification in the multiparties. Do appreciate it.

14And for Euphoria Wellness, I'll -- go ahead, Counsel.15MS. LOVELOCK: Good morning, Your Honor. Nicole

16 Lovelock on behalf of Euphoria Wellness.

17 THE COURT: Okay. Give us a quick second to get in18 to this case.

So what we have is we've got a couple of different things, and the Court is cognizant that there is -- there was one -- did I take care of that?

I'm just making sure there was one order, and I thought I took care of it. But I was just double checking that there wasn't anything outstanding orders. I do not see any outstanding orders in the app.

1 2 MR. STIPP: This is Mitchell Stipp.

We're happy to proceed however the Court would like. We agree with the Court that it probably makes sense to decide these issues as a whole, but we don't have any problem deferring to Euphoria Wellness's counsel's preference this morning.

7 THE COURT: Okay. So since you have a preference, 8 okay. So that means we're going to hear them one by one. So 9 although --

Okay. So defendant Euphoria Wellness's motion for
discovery sanctions against E&T Ventures, Miral Consulting,
Happy Campers and CBD Supply, Document 198, counsel for movant,
go ahead, please.

MS. LOVELOCK: Thank you, Your Honor. And I appreciate that you're allowing us to hear it one by one. I won't repeat myself as to every motion, but there are accusations being made against us, and I want to make sure I have the ability to respond to those in one-by-one order, and that's why I'm asking them to be heard separately.

20

THE COURT: Sure. No worries.

MS. LOVELOCK: Your Honor, we are here on this one on a motion for sanctions against all of the parties: Plaintiff E&T, and then a third-party defendants, which we collectively call E&T parties.

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As this Court recalls, we originally were in front of

Honor. We are no longer dealing with just our discovery
 requests.

When you made an order very clearly that they had to do all of these tasks and produce these documents, what happened? Because what we know is they produced information. End the public records show that they sold that house. There's been communication among clients -- among counsel that we know that those principals live in Tennessee, but they produced information that is clearly wrong and no documents.

10 At the very least, they should be in here explaining 11 to you what they did to comply with your order.

12THE COURT: Okay. And that's what we're going to do.13MS. LOVELOCK: Okay.

14 THE COURT: The Court's ruling is going to be as 15 follows. The Court is going to defer the ruling with regards 16 to the other relief requested.

17 The Court is going to grant the portion of defendant 18 Euphoria Wellness's motion for discovery sanctions against E&T 19 Ventures, Miral Consulting, Happy Campers and CBD Supply Co. 20 and order for the --

It's going to be a two-step process:

21

The first step in this process is going to be that the portion of the relief requested to hold an evidentiary hearing where there is going to need to be the specific people who would be responsible for providing the information on

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behalf of all of the entities listed -- so on behalf of E&T Ventures, Miral Consulting, Happy Campers and CBD Supply -providing responses to this Court how what they have provided to their counsel to provide to the Court as demonstrating compliance with the order.

6 Said hearing is going to be -- I'm going to give you 7 a date next week, and people can appear remotely, but they must 8 be audiovisual, or they can appear in person. It's going to be 9 you all's choice, okay. And so we're going to do said 10 evidentiary hearing.

I will tell you at this juncture, based on the review of the supplemental responses, the Court does see the need for an evidentiary hearing to determine whether or not there's going to be case terminating sanctions or a default because, and I gave a couple of examples.

I have looked at the -- well, I've looked at it all, 16 17 but let's go first with Miral Consulting, Happy Campers and 18 CBD Supply Company. The Court does not see that a single 19 document was actually produced. At best, there is a reference 20 in Happy Campers to a publicly available filing with regards to 21 the entity I quess being reopened, resurrected, however what 22 happened. That's the only thing I saw. I did not see a single 23 document, and I even asked. And thank you I appreciate counsel 24 we had to go through a little bit of details.

25

To the extent they were stating that there was a

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1 cross-reference, there's not even a cross-reference to other 2 documents that have been previously produced or a specific 3 Bates reference to documents that may have been produced in 4 regards to 16.1. There is nothing, but, realistically, 5 boilerplate, impermissible responses and objections. And 6 that's going with the document requests with regards to 7 Miral Consulting, Happy Campers and CBD Supply.

With regards to E&T Ventures and their document 8 9 requests, supplemental responses, taking into account 10 everything -- I'm not just looking at the supplemental, I'm 11 giving everyone the benefit of the doubt, the totality of 12 everything that they provided -- the Court also finds that the 13 E&T is impermissibly nonresponsive. The Court gave an example. 14 The reason why the Court really looked at 11 is because 11 said 15 it was something to a third party, okay.

16 First off, third party is it within the custody and 17 control, under the rules, with regards to, and still needs to 18 be provided. It should have been provided because E&T in this 19 case is also a plaintiff. So E&T would have the obligation for 20 initially providing documents relevant under Rule 16 21 disclosures. But even if they felt this wasn't something that 22 they needed for their affirmative case, even if -- and they 23 feel it wasn't for something for one of their defenses in their 24 regards to the various parts of the caption in which they are 25 in a defendant, third-party defendant, et cetera, role, they

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still needed to provide it expressly as requested in discovery
 responses.

The Court even given the benefit of the supplementals we were way back in October is absolutely incomprehensible to this Court on how somebody with supposedly a very small company can't provide basic records in a more than two month time period, nor was there anything provided to this Court that was any good-faith efforts to try and get that, obtain that information. I'm not saying --

10 So to the extent the clients aren't providing it to 11 counsel, they're going to provide it and explain why they are 12 not complying with a Court order and risking...

For E&T as well, I'm going to evaluate what is going to be the appropriate sanctions under -- after the evidentiary hearing, which could include potentially striking their complaint, striking some of their defenses in their defendant's role, monetary sanctions, a whole bunch of other relief.

I'm going to have to evaluate it, and I'm not going to evaluate it until I hear what everybody is going to provide this Court at the evidentiary hearing, but I'm trying to make it clear to everyone about the breadth and depth that is appropriate.

Okay. So then we look at the interrogatory
responses. The interrogatory responses do not provide any
(indiscernible) any of the -- let's start first with the

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third-party defendant onlys, and then I'm going to E&T
 Ventures, so from Miral Consulting, Happy Campers and
 CBD Supply. I'm not seeing anything in their interrogatory
 responses that complies with the rules.

And let's be clear. And we also have to look at, remember, what NRCP 33, the responding party. If that party is a public or private corporation, a partnership, an association, a governmental agency or other entity by any officer or agent who must -- it's mandatory -- must furnish the information available to that party.

So that means to the extent we have Ms. Taracki --I'm probably mispronouncing her name -- did verifications of interrogatories, she is stating that she is an officer or agent who has the information available to her and can provide said information, and she is responsible for doing so. So she put her name on the document. She's responsible for doing that. These are noncompliant.

I look at the interrogatory responses and the interrogatory responses, realistically, having -- I'm going to has to ask at the evidentiary hearing if at the time the verification was done she was physically living and owned said residence in Henderson or not. That's the way to find out the answer, folks. But I'll tell you it's very concerning if she did not, how she could possibly verify interrogatories.

25

When I look at the rest of the interrogatories in the

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totality, like I said, first looking at the parties and the third-party defendant role with regards to everyone other than E&T, I do not find that those supplemental responses are really supplemental responses. They're not providing any new information, not providing any information. They're really just boilerplate objections, and we can't find anything.

So the Court is going to, at the evidentiary hearing,
if there's nothing that they could find to be provided, I will
tell you one of the potential options is they have absolutely
no documents in which to support -- I don't see how they can go
to trial with no defenses and no documents and no witnesses
because if they have nothing, then that would be an interesting
concept.

14

MR. STIPP: Your Honor --

15 THE COURT: That's not an advance ruling by the 16 Court. The Court has to hear from an evidentiary hearing, but 17 there's no document, no information, and there's nothing that's 18 available. Just saying discovery is ongoing is not an 19 acceptable response, particularly when there's a specific court 20 order to provide supplemental information.

Going to E&T Ventures and their interrogatory responses. They are deficient in many of the similar ways. And since E&T is really the one that I was focusing on with regards to the address, we'll have to find that out at the evidentiary hearing, and I'm going to ask for the

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1 establishment -- I mean, really it's going to be a matter of 2 public record of who owned the house at that particular time, 3 where people are living, but we'll ask.

And she's going to need to, since she verified the 4 5 interrogatories, need to actually be at this evidentiary 6 It's going to -- that one, whoever else you care to hearing. 7 bring, the evidentiary hearing is going to be fine on behalf of 8 plaintiff's third-party defendants, but I definitely want the 9 person who verified the interrogatories there because that is 10 going to have to have the specific information this Court is 11 going to ask about the efforts that were done before verifying 12 each of those interrogatories.

13 There's specific obligations under the Nevada Rules 14 of Civil Procedure. And at least by reviewing them it does not 15 appear that they were complied with, but I want to hear what information, et cetera, is going to be provided at the 16 17 evidentiary hearing and have some understanding, better 18 understanding, excuse me, if there's maybe something the Court 19 is missing after reviewing the totality of everybody's 20 pleadings, everybody's appendices, all the responses, all the 21 supplemental responses.

22 So for purposes of the ruling, the ruling is such 23 that, as I stated, it is granted in part today for the relief 24 requested of an evidentiary hearing. After the evidentiary 25 hearing, the Court is going to determine what, if any, no

predetermination that there will be sanctions, but so the Court is going to determine what appropriate -- what sanctions, if any, up to and including striking complaints, striking answers, striking some affirmative defenses, monetary sanctions, the whole plethora of things will be evaluated if appropriate based on the evidence presented at the evidentiary hearing.

7 The date of said evidentiary hearing is going to be
8 told to you in a few moments because let's get through a couple
9 of the other things before we go there. So let's go through
10 some more of your motions.

11 Now, let's go to the next motion because we'll have12 to see how long we're going to need for that.

And I'm going to have Tracy evaluate some potential dates while I'm continuing on with the motions, okay.

So the next motion is plaintiff E&T Venturescountermotion for related relief, Document 212.

17 Counsel, in your role as counterclaimant, your18 motion, go ahead, please, sir.

MS. LOVELOCK: Your Honor, if I may? I apologize.
 THE COURT: We're going to wait until the end if
 there's any clarifications on anything. Okay. So.

MS. LOVELOCK: This actually has to do with the countermotion. In our reply, Your Honor, we make an argument advancing that it should be stricken because there was no legal authority --

The Court did not -- that was not brought 1 THE COURT: 2 up in anybody's oral argument --3 MS. LOVELOCK: Okay. 4 THE COURT: -- so that that was being requested. The 5 Court did not make that determination. 6 MS. LOVELOCK: Understood, Your Honor. 7 THE COURT: Okay. The Court said the one person that 8 is ordered. 9 Thank you so very much. 10 MR. STIPP: Thank you, Your Honor. 11 THE COURT: Appreciate it. Wish you all a great rest 12 of your day. We look forward to seeing your letter on Friday 13 and if not, like I said, we will pick dates that we need to 14 pick. Appreciate it. Thanks everyone for their time, and I'm 15 sure you all appreciate my wonderful team. It's 12:40. It's 16 not fair to them. 17 MS. LOVELOCK: Absolutely. Thank you --18 MR. STIPP: Thank you. THE COURT: You all have had more than --19 20 MR. STIPP: Thank you, staff. We appreciate 21 everything you did. 22 23 / / / 24 25

More than 2 hours and 40 minutes. 1 You THE COURT: 2 had more than enough time to flush out everything on all these 3 issues. Thank you so much. At this juncture we go off the record. Take care. 4 5 (Proceedings concluded at 12:44 p.m.) 6 -000-7 ATTEST: I do hereby certify that I have truly and correctly 8 transcribed the audio/video proceedings in the above-entitled 9 case to the best of my ability. 10 ? Williams 11 12 Dana L. Williams Transcriber 13 14 15 16 17 18 19 20 21 22 23 24 25 JD Reporting, Inc.

EXHIBIT "E"

EXHIBIT "E"

Electronically Filed 2/2/2022 6:56 PM

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1	MITCHELL D. STIPP, ESQ.	Otimes, and	•
2	Nevada Bar No. 7531 LAW OFFICE OF MITCHELL STIPP		
3	1180 N. Town Center Drive, Suite 100 Las Vegas, Nevada 89144		
4	Telephone: 702.602.1242 mstipp@stipplaw.com		
5	Attorneys for E&T Ventures, LLC		
6			
7	IN THE EIGHTH JUDICIAL DISTRICT	F COURT OF THE STATE OF NEVADA	
8	IN AND FOR THE C	COUNTY OF CLARK	
9	E&T VENTURES, LLC, a Nevada limited liability		
10	company,	CASE NO.: A-19-796919-B	
11	Plaintiff,	DEPT. NO.: XXXI	
12			
13	EUPHORIA WELLNESS, LLC, a Nevada limited liability company; DOE Individuals I-X, inclusive; and ROE ENTITIES 1-10, inclusive;	APPLICATION OF E&T VENTURES LLC TO DISQUALIFY JUDGE JOANNA KISHNER AND AFFIDAVIT PURSUANT	
14	Defendants.	TO NRS 1.235	
15			
16	ET AL.		
17			
18	E&T Ventures, LLC, a Nevada limited liability	company ("E&T"), by and through Mitchell Stipp, Esq.,	
19	of the Law Office of Mitchell Stipp, files the above-re-	eferenced application and affidavit, in connection with	
20	E&T's request to disqualify Judge Joanna Kishner from presiding over the above-referenced case.		
21	This filing is based on the papers and pleadings on file in this case, the memorandum of points and		
22	authorities that follow, the exhibits attached hereto or filed separately but concurrently herewith, and the		
23 24	argument of counsel at the hearing.		
24	///		
23 26	///		
20	///		
28	///		
-			
		1	

1	DATED this 2nd day of February, 2022.	
2	LAW OFFICE OF MITCHELL STIPP	
3	/s/ Mitchell Stipp	
4		
5	MITCHELL STIPP, ESQ. Nevada Bar No. 7531	
6	1180 N. Town Center Drive, Suite 100 Las Vegas, Nevada 89144	
7	Telephone: 702.602.1242 mstipp@stipplaw.com	
8	Attorneys for E&T Ventures, LLC	
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AFFIDAVIT IN ACCORDANCE WITH NRS 1.235

The undersigned, MITCHELL STIPP, ESQ., declares under penalty of perjury, as follows: 1. I am counsel of record for E&T Ventures, LLC, a Nevada limited liability company ("E&T")—the Plaintiff in the above-referenced case.

2. Joseph Kennedy is the sole manager and member of E&T Ventures, LLC.

3. There is an evidentiary hearing scheduled on February 8, 2022 at 8:30 a.m. to consider case ending discovery sanctions against E&T at the request of Euphoria Wellness, LLC ("Euphoria").

4. NRS 1.235(1)(b) requires an affidavit to be filed not less than three (3) days before the evidentiary hearing.

5. Judge Joana Kishner of Department 31 entertains actual bias or prejudice against E&T because she has closed her mind to the facts and law. Even if there is no actual bias or prejudice, the risk of bias is too high to be permissible under the due process clause of the U.S. Constitution.

6. At a hearing on January 4, 2022, Judge Kishner ordered <u>non-party</u>, Kristin Taracki, to personally appear at the evidentiary hearing because she executed a declaration on behalf of E&T in connection with supplemental interrogatories served in response to written discovery by Euphoria. <u>See</u> Transcript of Hearing on January 4, 2022, attached hereto as <u>Exhibit A</u> ("January 4, 2022 Hearing Transcript"); <u>see also</u> Order Setting Evidentiary Hearing (electrically filed in district court on January 20, 2022 at 5:53 p.m.) attached hereto as <u>Exhibit B</u>.

7. Judge Kishner was informed by Euphoria and E&T that Ms. Taracki is not a party to the case and was no longer affiliated with E&T. <u>See</u> January 4, 2022 Hearing Transcript, page 25 (Exchange between Nicole Lovelock as attorney for Euphoria) and page 32-44 (Exchange between Mitchell Stipp as attorney for E&T); <u>see also</u> Opposition to Motion for Discovery Sanctions and Countermotion for Related Relief (electronically filed in district court on December 10, 2021) (page 11) and Reply in Support of Euphoria Wellness, LLC's Motion for Discovery Sanctions and Opposition to Countermotion (electronically filed on December 15, 2021 at 4:42 pm) (page 3, lines 16-22).
Further, counsel for E&T advised Judge Kishner at the hearing on January 4, 2022 that he could not agree to produce Ms. Taracki at the evidentiary hearing. In response, Judge Kishner responded angrily as follows:

THE COURT:	Oh. Counsel. Couns	sel. You're being ordered to
Let me be clea	r. Kristin Taracki is	being ordered. She needs to
appear at the e	evidentiary hearing.	That is a Court order, okay
Because she sig	gned she signed inte	errogatory responses. I need to
hear from her. A	Anybody else you wish	to provide is going to be you
option, but sh	e is ordered by the	Court to be present at the

See January 4, 2022 Hearing Transcript, page 124-125 (emphasis added).

8. E&T explained again to Judge Kishner in its opposition to the motion for instructions and countermotion (electronically filed in the district court on January 14, 2022 at 2:48 pm) the circumstances under which Ms. Taracki signed her declaration and Mr. Kennedy's acquisition of her interests in E&T. <u>Id.</u> at 3 (FN 3). A copy of the filing is attached hereto as <u>E</u>.

9. The term "impartial" is defined in Part VI of the Nevada Code of Judicial Conduct and "means the absence of bias or prejudice in favor of, or against, particular parties or classes of parties, as well as maintenance of an open mind in considering issues that may come before a judge. See Canons 1, 2, and 4, and Rules 1.2, 2.2, 2.10, 2.11, 2.13, 3.1, 3.12, 3.13, 4.1, and 4.2."

10. Rule 2.11 of Nevada Code of Judicial Conduct requires disqualification "whenever the judge's impartiality <u>might be reasonably questioned</u>, regardless of whether any of the specific provisions of paragraphs (A)(1) through (6) [of Rule 2.11] apply." <u>See</u> Comment 1, to Rule 2.11 of Nevada Code of Judicial Conduct.

11. The U.S. Supreme Court in <u>Rippo v. Baker (Rippo IV)</u>, 580 U.S. —, 137 S.Ct. 905, 197 L.Ed.2d 167 (2017), determined that the legal standard for disqualification is not whether allegations demonstrate actual bias but rather "whether, considering all the circumstances alleged, the risk of bias was too high to be constitutionally tolerable." <u>Id</u>. at —, 137 S.Ct. at 906-07.

12. Here, if E&T does not produce Ms. Taracki for the evidentiary hearing, the court is likely to impose case ending sanctions (which violates E&T right to due process).

13. "[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 <u>Phillips Petroleum Co. v. OKC Ltd. P'ship</u>, 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 <u>Phillips</u>, 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)). Upon information and belief, Ms. Taracki lives out-of-state. According to Nicole Lovelock who represents Euphoria, she lives in Tennessee.

14. E&T has filed a petition for a writ before the Nevada Supreme Court and provided notice to Judge Kishner of the same. <u>See</u> Notice of Petition for Writ to Nevada Supreme Court (electronically filed in district court on January 25, 2022); <u>see also</u> Notice of Petition for Writ to Nevada

Supreme Court as Filed and Accepted (electronically filed in district court on January 26, 2022 at 10:40 a.m.).

 $2 \parallel^{a.}$

15. E&T asked Judge Kishner on an emergency basis to stay the evidentiary hearing. <u>See</u> Plaintiff's Emergency Motion for Stay of Evidentiary Hearing on Discovery Sanctions and Application for Order Shortening Time (electronically filed in the district court on January 26, 2022 at 6:36 pm).

16. Judge Kishner has refused to consider the request for a stay based on procedural grounds. <u>See Minutes attached hereto as **Exhibit D**; but see Plaintiff's Emergency Motion for Stay of Evidentiary Hearing on Discovery Sanctions and Application for Order Shortening Time [Conforming Filing] pending in Odyssey attached hereto as **Exhibit E**.</u>

17. Judge Kishner has the inherent power to vacate or modify its order at any time. See
 <u>Warden v. Peters</u>, 83 Nev. 298, 429 P.2d 549 (1967); see also Pengilly v. Rancho Santa Fe
 <u>Homeowners</u>, 116 Nev. 646, 650, 5 P.3d 569, 571 (2000) (the district court retains jurisdiction over an order that is being challenged in appellate courts by way of a writ petition).

18. Judge Kishner has closed her mind to the facts and law before her. The subject order is an abuse of judicial power. The subject order is void for a lack of jurisdiction. Judge Kisher has notice of the facts and law. The decision to close her mind to the evidence and violate the due process rights of E&T (and Ms. Taracki who is not a party to the case) suggests actual bias or confirms the risk of bias is too high to be permissible under basic principles of due process (including the right to a fair trial).

19. I submit the above-titled declaration in support of the request for disqualification. 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 2nd day of February, 2022

Signed: /s/ Mitchell Stipp, Esq.

EXHIBIT "F"

EXHIBIT "F"

DISTRICT COURT CLARK COUNTY, NEVADA

Other Business Cour	t Matters	COURT MINUTES	February 01, 2022
A-19-796919-B	VS.	LLC, Plaintiff(s) ness LLC, Defendant(s)	
February 01, 2022	3:00 AM	Minute Order	
HEARD BY: Kishne	er, Joanna S.	COURTROOM:	Chambers
COURT CLERK: L	ouisa Garcia		

JOURNAL ENTRIES

- A document entitled Plaintiff's Emergency Motion for Stay of Evidentiary hearing on Discovery Sanctions and Application for Order Shortening Time was improperly filed on January 26, 2022, at 6:36 p.m. Given the proposed Order was not filed in accordance with the rules, on January 27, 2022, at 11:47 a.m., a document entitled "Clerk's Notice of Nonconforming Document filed" was filed by the Clerk's Office and served informing counsel for E & T Ventures that the Document filed included a Court Order that did not contain the signature of a judicial officer. Counsel did not submit a proposed Order that conformed with the rules to the Department. Instead, the previously filestamped unsigned Order that was non-conforming was transferred to the Department and appeared in the "Order in the Court" App. As the Clerk's Office had already noted when it sent the Clerk's Notice of Nonconforming Document the prior day, the Proposed Order did not comply with the rules.

Counsel did not file any alternative proposed Order for the Court to review. As a result, the Court independently reviewed the Order the following day, the morning of January 28, 2022, to provide counsel the opportunity to submit a conforming Order in the interim. As counsel did not submit a new compliant proposed Order, the Court reviewed the proposed Order that was submitted to the App to determine if it could be signed in accordance with the rules. As the Order already had the date and time file stamp on the caption page, and did not comply with the rules, the Court could not sign or file the proposed Order. Therefore, consistent with the provisions of the rules and in accordance with the parameters of the Order in the Court App, the Court returned the Order via the App's "Return button" the morning of January 28, 2022, and provided an explanation that: This is an incorrect submission of a proposed order as it has a file stamp already on it and cannot be processed in this form.

PRINT DATE: 02/01/2022

Page 1 of 2 Minutes Date: February 01, 2022

There was no subsequent proposed Order Shortening Time submitted for review and consideration; and thus, the Court could not make any ruling. As the rules provide, if any counsel or party wishes the Court to rule on any Order Shortening Time Request, then counsel or the party must submit a proposed Order that is compliant with the rules for the Court's consideration.

CLERK S NOTE: This Minute Order has been electronically served to all registered parties for Odyssey File & Serve.

EXHIBIT "G"

EXHIBIT "G"

Electronically Filed 11/24/2021 3:41 PM Steven D. Grierson **CLERK OF THE COURT**

MOT 1 Nicole E. Lovelock, Esq. Nevada State Bar No. 11187 2 Justin C. Jones, Esq. Nevada State Bar No. 8519 3 Georlen K Spangler, Esq. Nevada State Bar No. 3818 4 JONES LOVELOCK 6600 Amelia Earhart Ct., Suite C 5 Las Vegas, Nevada 89119 Telephone: (702) 805-8450 6 Fax: (702) 805-8451 Email: nlovelock@joneslovelock.com 7 Email: jjones@joneslovelock.com Email: jspangler@joneslovelock.com 8 Attorneys for Euphoria Wellness, LLC 9 10 **DISTRICT COURT** 11 **CLARK COUNTY, NEVADA** 6600 Amelia Earhart Ct., Suite 12 Las Vegas, Nevada 89119 E&T VENTURES, LLC, a Nevada limited CASE NO.: A-19-796919-B 13 liability company, DEPT. NO.: XXXI 14 Plaintiff, (HEARING REQUESTED) v. 15 MOTION FOR DISCOVERY SANCTIONS EUPHORIA WELLNESS, LLC, a Nevada AGAINST E&T VENTURES, LLC, 16 limited liability company; DOE Individuals I-MIRAL CONSULTING, LLC, HAPPY X, inclusive; and ROE ENTITIES 1-10, 17 CAMPERS, LLC, AND CBD SUPPLY CO, inclusive; Defendants. LLC 18 EUPHORIA WELLNESS, LLC, a Nevada 19 limited liability company, 20 Counterclaimant, v. 21 E&T VENTURES, LLC, a Nevada limited 22 liability company; 23 Counter-Defendant. 24 EUPHORIA WELLNESS, LLC, a Nevada 25 limited liability company, 26 Third-Party Plaintiff, v. 27 MIRAL CONSULTING, LLC, a Nevada 28

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limited liability company; HAPPY 1 CAMPERS, LLC, a Nevada limited liability company; CBD SUPPLY CO, LLC, a Nevada 2 limited liability company; DOE Individuals I-X, inclusive; and ROE ENTITIES 1-10, 3 inclusive; 4 Third-Party Defendants. 5 Defendant/Counterclaimant/Third-Party Plaintiff Euphoria Wellness, LLC ("Euphoria" or 6 "Defendant"), by and through its attorneys of record, the law firm of Jones Lovelock, hereby submits 7 this Motion for Discovery Sanctions (the "Motion") against E&T Ventures, LLC ("E&T"), Miral 8 Consulting, LLC ("Miral"), Happy Campers, LLC ("Happy Campers")(collectively "E&T Parties").¹ 9 This Motion is made and based on the below Memorandum of Points and Authorities, the 10 Declaration of Marta D. Kurshumova, Esq. ("Kurshumova Declaration") attached to the Appendix 11 as Exhibit A, the exhibits attached hereto, the papers and pleading on file herein, and any oral 12 argument this Court may allow. Las Vegas, Nevada 89119 DATED this 24th day of November 2021. 13 14 JONES LOVELOCK 15 By: /s/ Justin C. Jones Nicole E. Lovelock, Esq. (11187) 16 Justin C. Jones, Esq. (8519) Georlen K Spangler, Esq. (3818) 17 6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119 18 Attorneys for Euphoria Wellness, LLC 19 20 21 22 23 24 25 ¹ On November 23, 2021, Euphoria submitted to Chambers an Omnibus Motion for Discovery Sanctions seeking an order shortening time for hearing the Omnibus Motion. The Omnibus Motion addressed two separate discovery issues, 26 including the E&T Parties' failure to comply with this Court's August 6, 2021 Order and E&T Parties' failure to produce a privilege log in this matter. Based upon the Court's response that there is "no support for an omnibus motion," Euphoria 27 has separated out the two concerns into two separate motions for the Court's consideration. Due to the impending Thanksgiving holiday, Euphoria will separately submit a request for hearing this Motion on shortened time. 28

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION.

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"Orders are not suggestions or recommendations, they are directives with which compliance is mandatory."² Here, the E&T Parties³ have disregarded that mandate by knowingly and willfully violating this Court's Order⁴ compelling them to supplement their responses to Euphoria's First Set of Interrogatories ("Interrogatories") and First Set of Requests for Production of Documents ("Requests for Production") (collectively, "Discovery Requests"). Despite this Court's admonishment and despite Euphoria's attempts to communicate and confer, the E&T Parties have failed to provide truthful or substantive supplemental responses to discovery requests, failed to turn over documents, and failed to cooperate in the discovery process. Not only does the E&T Parties' violation of the Court's Order warrant immediate sanctions, but so does the E&T Parties' overall continuous disregard for their discovery obligations.

13 Accordingly, and as further detailed below, dispositive sanctions against the E&T Parties are 14 proper pursuant to NRCP 37, EDCR 7.60, and/or the Court's inherent authority. More specifically, 15 Euphoria respectfully requests that the E&T Parties' pleadings be stricken in their entirety pursuant 16 to NRCP 37(b)(1)(C). Alternatively, should the Court not be inclined to award dispositive sanctions 17 at this time, Euphoria seeks an evidentiary hearing be set and the E&T Parties be ordered to appear in person at the evidentiary hearing to, inter alia, show cause why dispositive sanctions should not 18 19 issue and/or the E&T Parties should not be held in contempt of court for violations of the Court's 20 orders and be subject to sanction under NRCP 37. An evidentiary hearing would provide the E&T 21 Parties one final opportunity to explain their willful violations, the failure of which would confirm 22 that dispositive sanctions are appropriate and warranted.

 ^{24 2} Lewis v. Caesars Entm't Corp., No. 216CV02787JADNJK, 2019 WL 1571281, at *4 (D. Nev. Apr. 11, 2019) (citing Chapman v. Pacific Tel. & Tel. Co., 613 F.2d 193, 197 (9th Cir. 1979); Weddell v. Stewart, 261 P.3d 1080, 1085 & n.9
 25 (Nev. 2011)).

^{26 &}lt;sup>3</sup> E&T Ventures, LLC ("E&T"), Miral Consulting, LLC ("Miral Consulting"), Happy Campers, LLC ("Happy Campers"), and CBD Supply Co, LLC ("CBD Supply") (collectively "E&T Parties").

⁴ Exhibit B to the Appendix is a copy of the Notice of Entry of Order: (1) Compelling Joseph Kennedy to Appear for a Deposition; (2) Compelling Nye Natural Medicinal Solutions, LLC and Valjo, Inc. to Answer Deposition Questions; and

⁽³⁾ Compelling E&T Ventures LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC to

²⁸ Supplement Discovery Responses Entered on October 18, 2021.

1 Euphoria further requests that the Court find that each of the E&T Parties' principals, namely 2 Alexander Taracki ("Alex"), Kristin Taracki ("Kristin"), Miroslav Taracki ("Miro"), and Joseph 3 Kennedy ("Kennedy"), are deemed alter-egos of the respective named party. The E&T Parties' current actions have confirmed that their principals are alter-egos of those entities. Indeed, either: 4 5 (i) the responses are accurate and none of the E&T Parties adhered to corporate formalities; or, (ii) 6 the E&T Parties failed to adhere to a Court order to provide such information to Euphoria. Under 7 either scenario, the Court should find that the E&T Parties and their respective principals are alter-8 egos and that these parties flagrantly disobeyed a direct order of the Court, which warrants severe 9 sanctions, and also give Euphoria an opportunity to amend its Answer, Crossclaims and Counterclaims to name the additional individuals as parties. 10

Because of the difficulty in locating Kristin and Alex for the purpose of service of process and subpoena to attend and testify at depositions, Euphoria respectfully requests this Court allow Euphoria to serve Alex and Kristin with subpoenas to appear at a deposition by service upon the Law Office of Mitchell Stipp. Finally, Euphoria requests that the E&T Parties be ordered to pay Euphoria's reasonable expenses, including attorney's fees, incurred in connection with bringing the instant Motion and efforts to obtain the outstanding discovery at issue.

II. THE E&T PARTIES DISOBEYED A DIRECT ORDER FROM THIS COURT.

The E&T Parties' court-ordered First Supplemental Responses and Objections to Requests for the Production of Documents and Interrogatories⁵ ("E&T Parties' Court Ordered Discovery Responses") were wholly insufficient and have prejudiced Euphoria in its ability to obtain discovery and litigate this case on the merits. Prior to Euphoria's Motion to Compel Responses to Discovery Requests and for Sanctions ("Motion to Compel"), E&T's counsel, Mitchell Stipp, Esq. ("Mr.

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electronically served on October 25, 2021; Exhibit F to the Appendix is a copy of CBD Supply's First Supplemental Responses and Objections to Requests for the Production of Documents and Interrogatories, electronically served on October 25, 2021.

 ⁵ Exhibit C to the Appendix is a copy of E&T's First Supplemental Responses and Objections to Requests for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit D to the Appendix is a copy of Miral Consulting's First Supplemental Responses and Objections to Requests for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit E to the Appendix is a copy of Happy Campers' First Supplemental Responses and Objections to Requests for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit E to the Appendix is a copy of Happy Campers' First Supplemental Responses and Objections to Requests for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit E to the Appendix is a copy of Happy Campers' First Supplemental Responses and Objections to Requests for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit E to the Appendix is a copy of Happy Campers' First Supplemental Responses and Objections to Requests for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit E to the Appendix is a copy of CBD Supplemental Responses and Objections to Request for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit E to the Appendix is a copy of CBD Supplemental Responses and Objections to Request for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit E to the Appendix is a copy of CBD Supplemental Responses and Objections to Request for the Production of Documents and Interrogatories, electronically served on October 25, 2021; Exhibit E to the Appendix is a copy of CBD Supplemental Responses and Distributed and Distributed and Distributed and Distributed and Distributed and Distributed and Distrobated and Distributed and Distributed and Distributed and Dist

responses to Euphoria's Discovery Requests forced Euphoria to file the Motion to Compel. Even 4 5 6 7 A. 8 9 10

after this Court's direct order, the E&T Parties refuse to disclose relevant information by providing evasive responses and disclosing only ninety-six (96) new pages of self-serving documents. This Court Ordered The E&T Parties to Produce Documents in Response to **Euphoria's Requests for Production.** The Court's Order required that the E&T Parties fully respond to each discovery request set forth in the Motion to Compel within twenty (21) days of the notice of entry of the Order.⁷ At a subsequent hearing on Euphoria's Motion to Extend Discovery Deadlines, Mr. Stipp represented to

Stipp"), represented that he had boxes of documents belonging to E&T.⁶ Yet, E&T produced only

111 pages, all of which had been previously disclosed, and the Third-Party Defendants produced no

This willfully inadequate document production and the E&T Parties' insufficient

the Court that the production would be made on or about October 25, 2021. What Mr. Stipp did not 12 13 disclose to the Court was that the production would consist of only a few newly-disclosed documents. 14 Based on Mr. Stipp's representation that a substantial production would be forthcoming, the Court 15 made a ruling as to the expert deadline.

16 There can be no dispute that the E&T Parties wholly failed to produce responsive documents 17 and have disobeyed a direct order from the Court. Below is a chart that summarizes the deficient 18 responses to each category:

	CATEGORY OF DOCUMENTS	Е&Т	Miral Consulting, CBD Supply, and Happy Campers
	Category 1: The E&T Parties' ownership, operations, and financial documents	Produced some new documents within the newly disclosed 96 pages.	Produced nothing.
	<u>Category 2:</u> The Department of Taxation's investigations, audits, and complaints	Produced nothing.	Produced nothing.
5	Category 3:TheE&TParties'documentsand	Produced some new documents within the newly disclosed 96 pages.	Produced nothing.

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documents.

Exhibit G to the Appendix is a true and correct copy of the e-mail communication from Mr. Stipp to Ms. Kurshumova 27 on March 24, 2021. Ex. B, Order.

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information relating to Euphoria 1 Category 4: The E&T Produced some new documents Produced nothing. Parties' documents within the newly disclosed 96 pages. 2 and information relating to the 3 equipment E&T's Category 5: Produced nothing. Produced nothing. 4 documents and information relating to product test results 5 and the variances Category 6: E&T's Produced some new documents Produced nothing. 6 documents and information within the newly disclosed 96 pages. 7 relating to third parties Category 7: The Third-Party Produced a single email. Produced nothing. 8 Defendants' documents and information relating to the 9 parties in this litigation 10 Requests related to Exhibit 1 Produced some new documents Produced nothing. and Kristin Ehasz's Declaration within the newly disclosed 96 pages. 11 The lack of any documentation about the most basic aspects of a business, such as 12 Las Vegas, Nevada 89119 organizational and financial documents, let alone documents relating to a major investigation by the 13 State of Nevada, defies belief. Specifically, E&T expects Euphoria and the Court to believe the 14 following: 15 A company that obtained licenses to work in the highly regulated marijuana field and had numerous paid employees has no paper or electronic trail. According to E&T, it has no 16 corporate documents, no tax documents, no tax returns, no QuickBooks records, no financial books or records (but by some means possesses a self-serving profit and loss statement), 17 nothing except the limited material that E&T deemed helpful to itself in the litigation. 18 A company that was issued a notice of default under a contract and was asked to explain the subject of the default had no documents related to the asserted default or its response to the 19 notice of default. According to E&T, it has no internal emails, no correspondence with its employees or principals, nothing except the limited material that $E\&\bar{T}$ deemed may be 20 helpful to itself in the litigation. 21 A company that was accused by its employee of tampering with test results, subjecting the company to investigation by the Department of Taxation had no documents related to the 22 complaint or the investigation. According to E&T, it has no internal emails, no correspondence with its employees or principals, nothing except the limited material that 23 E&T deemed may be helpful to itself in the litigation. 24 This is just a sample of the absurdity of E&T's position that no responsive documents exist to the 25 thirty-three (33) document requests propounded by Euphoria and to which E&T Parties were ordered 26 27 28

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to respond. The E&T Parties' Court Ordered Discovery Responses are untruthful on their face.⁸
 E&T chose to disobey a Court order and only produce 96 pages of documents that it believed would
 help its case.

Miral Consulting, CBD Supply, and Happy Campers took a similar approach and have chosen 4 5 to produce *no documents* in this litigation even after this Court ordered them to do so. There is 6 evidence to prove that each of these companies operated—meaning there should be some emails, 7 correspondence, and financials. For instance, in a declaration to support a preliminary injunction, 8 E&T produced invoices for equipment related to Miral Consulting, CBD Supply, and Happy 9 Campers.⁹ Kennedy further testified as Valjo Inc.'s designated witness, under oath, that Valjo, Inc. gave \$300,000 to Happy Campers on behalf of Kristin Ehasz and Alexander Taracki.¹⁰ Moreover, 10 11 Miral Consulting had an email address with the domain miral consulting.com, which its principals used in their communication with Euphoria, thus demonstrating that emails relevant to this litigation 13 do exist.¹¹ Yet, now, these parties claim that there are no communications, financial information, or 14 records for any of those entities. Very simply, these representations are untruthful and the E&T 15 Parties' decision to misrepresent facts and not produce documents is sanctionable.

B. The E&T Parties Knowingly and Intentionally Verified Incorrect Information.

The majority of the E&T Parties' Court Ordered Discovery Responses to Interrogatories are
evasive, but more importantly, they are also inconsistent with the record and the E&T Parties should
not be allowed to benefit from such deliberately disingenuous responses. Here are just a few

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⁸ The list of untruthful statements is so numerous that it is overwhelming to go over each and every misstatement. For instance, E&T provides there are no documents related to ACC Enterprises LLC ("ACC"). See Ex. C, E&T's Court Ordered Response to RFP No. 24. E&T also claims to have no relationship with ACC Enterprises. See Id., Response to Interrogatory No. 16. Yet, ACC has filed suit against Euphoria based upon the actions of E&T and in doing so has produced emails and invoices between E&T and ACC Enterprises, LLC. See generally ACC Enterprises LLC v.

²⁴ *Euphoria Wellness, LLC*, Case No. CV 20-0402. In essence, E&T claims to have no records of an entity with which E&T used to do business and which provided E&T a highly regulated raw material.

 ⁹ The Ehasz Declaration was included in the Appendix in Support of Supplemental Motion for Preliminary Injunction
 on Order Shortening time that was filed on July 9, 2019.

Valjo Transcript at 41:12-25, 42:1-11. Exhibit H to the Appendix is a copy of the Transcript of Deposition of Valjo,
 Inc., which took place on April 16, 2021. Mr. Kennedy also testified to the same at his November 19, 2021 deposition, though the transcript is not yet available.

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 &</sup>lt;sup>11</sup> Ex. A, Kurshumova Decl. Specifically, while E&T was managing and operating the production facility and when communicating with Euphoria regarding the variances and subsequent investigation and termination, Kristin on multiple occasions used <u>kristin@miralconsulting.com</u> and listed Miral Consulting in the signature block.

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examples of the misrepresentations:

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Kristin Taracki Verified the Incorrect Address for Alex Taracki and Herself, Further Preventing Service of Process.

Euphoria has been attempting to serve Kristin and Alex with service of process¹² for 4 5 approximately one month. Euphoria has also been attempting to notice their deposition in the instant 6 litigation because Mr. Stipp has refused to accept service on their behalf. Therefore, it was of utmost 7 importance that E&T provide Kristin's and Alex's current address in response to Interrogatory No. 8 1. Euphoria was dismayed (but not surprised) that not only did E&T provide the wrong address but 9 that Kristin signed a declaration under penalty of perjury verifying the accuracy of that address.¹³ Specifically, Kristin verified that her and Alex's current address is 2244 Summerwind Circle, 10 11 Henderson 89053 ("Property"). However, this is not Alex and Kristin's current address and has 12 not been their address for at least 10 months. Per the Clark County Assessor Office's Records, they sold the Property on or about December 23, 2020.¹⁴ Nonetheless, immediately after receiving E&T's 13 Court Ordered Discovery Responses, on October 28, 2021, Euphoria' process server went to that 14 15 address and confirmed that Kristin and Alex do not live at that address.¹⁵

The inquiry does not end with the issue of Alex and Kristin's address. More troublingly, either (1) Kristin intentionally provided the wrong address to evade service and counsel for E&T sanctioned that material misrepresentation; or, alternatively, (2) counsel for E&T listed the wrong address and e-signed the declaration on his client's behalf without Kristin having reviewed the information.

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- On November 2, 2021, counsel for Euphoria specifically asked Mr. Stipp if the signature on
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^{24 &}lt;sup>12</sup> ACC Enterprises LLC v. Euphoria Wellness, LLC, Case No. CV 20-0402. To add insult to injury, Euphoria previously attempted to serve the Tarackis at the address they had listed on the Sale Deed for the Property (19 Brentmead Cove, Jackson, TN 38305). However, the residents of the property located at 19 Brentmead Cove, Jackson, TN 38305

²⁵ confirmed the Tarackis did not live there. And neither could the Tarackis be served at their purported work address in Tennessee. Thus, to date, not only does their current address remain unknown but also E&T's Supplemental Responses

²⁶ contain incorrect information.

¹³ Kristin e-signed the declaration on October 25, 2021.

^{27 &}lt;sup>14</sup> **Exhibit I** to the Appendix is a copy of the Grant, Bargain, Sale Deed and PDF showing parcel No. and Parcel Ownership History.

 $^{28 ||^{15}}$ Exhibit J to the Appendix is a copy of the Affidavits of Attempted Service, executed on October 27, 2021.

party,"¹⁸ "obstruct another party's access to evidence,"¹⁹ or "assist a witness to testify falsely."²⁰ 6 7 Yet, here, Mr. Stipp told Euphoria to subpoena Kristin to answer those questions and still produced 8 the incorrect address in the Court Ordered Discovery Responses. Since then, E&T's counsel has 9 largely ignored Euphoria's e-mail communications requesting Alex and Kristin's current address.²¹ The blatant misrepresentation of something as simple as a current address for E&T's principals shows 10 11 6600 Amelia Earhart Ct., Suite C 12 Las Vegas, Nevada 89119 JONES LOVELOCK 13 14 15 16

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the willfulness of the E&T Parties' litigation tactics.²² Because of the difficulty in locating Kristin and Alex for the purpose of service of process and subpoena to attend and testify at depositions, Euphoria respectfully requests this Court allow Euphoria to serve Alex and Kristin with subpoenas to appear at a deposition by service upon Law Office of Mitchell Stipp.

the declaration was in fact Kristin's and if she had reviewed the responses.¹⁶ Mr. Stipp responded

he had no obligation to disclose whether Kristin verified the Court Ordered Discovery Responses

and that Euphoria simply had to rely on the existence of the signature.¹⁷ Per Nevada's Rules of

Professional Conduct, an attorney must be fair to opposing counsel and opposing parties and not "fail

to make reasonably diligent effort to comply with a legally proper discovery request by an opposing

2. The E&T Parties Misrepresented They Do Not Have Any Relationships with the Other Parties and Certain Non-Parties.

18 According to the E&T Parties' discovery responses, none of them have any relationships with 19 the other parties in this litigation and with certain non-parties.²³ Their responses also state that they 20 21 22 ¹⁶ Ex. A, Kurshumova Decl. ¹⁷ Ex. A, Kurshumova Decl. 23 ¹⁸ NRPC 3.4(d). ¹⁹ NRPC 3.4(a). 24 ²⁰ NRPC 3.4(b).

²¹ Exhibit K to the Appendix is a true and correct copy of the e-mail communications between Ms. Kurshumova, Ms. 25 Lovelock, and Mr. Stipp regarding the current address of the E&T principals between November 3, 2021 and November 15, 2021.

26 ²² Mr. Stipp played a similar game with Joe Kennedy, refusing to accept service on his behalf because he said he did not represent Mr. Kennedy individually.

²³ See Ex. C, E&T's Court Ordered Response to Interrogatory No. 16; Ex. D, Miral Consulting's Court Ordered 27 Responses to Interrogatory Nos. 9-12; Ex. E, Happy Campers' Court Ordered Responses to Interrogatories Nos. 9-12;

Ex. F, CBD Supply's Court Ordered Responses to Interrogatories Nos. 9-12. 28

1 have not identified any documents relating to those parties or non-parties.²⁴ However, those
2 responses are inconsistent with the record.

3 For example, E&T claims that it has not identified any documents regarding communications with Kennedy, a principal of Happy Campers, Nye Natural Medicinal Solutions, LLC ("Nye 4 Natural"), and Valjo, Inc. ("Valjo"), relating to this litigation.²⁵ Yet, on or about June 27, 2019, 5 6 Kennedy attended a hearing on E&T's Motion for Preliminary Injunction where E&T conveyed to 7 this Court that the situation required immediate and emergency relief because E&T had a contract 8 with Nye Natural and needed the equipment to perform the contract. And on July 28, 2019, Kennedy 9 and the principals of E&T appeared at Euphoria's Production Facility with police officers, waving an order executed by the Honorable Judge Delaney in a different case, and demanded access to the 10 Production Facility to obtain all equipment and supplies located inside.²⁶ Therefore, the claim that 11 12 E&T has no record of any communications or documents regarding third parties, including Kennedy, 13 is not consistent with the record.

Further, in its Court Ordered Discovery Responses to Interrogatories, Happy Campers stated it was previously dissolved.²⁷ Kennedy signed a declaration to verify that response.²⁸ Yet, per the Nevada Secretary of State, Happy Campers was revived on July 29, 2021, approximately three months before the supplemental interrogatory response.²⁹ During Kennedy's deposition on November 19, 2021, Kennedy confirmed his knowledge that Happy Campers was indeed revived and currently active,³⁰ in direct contradiction of his supplemental response to Euphoria's interrogatory.

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²⁵ Ex. C, E&T's Court Ordered Response to RFP No. 28.

 ^{22 24} See Ex. C, E&T's Court Ordered Response to RFP No. 23, 24, 27-33; Ex. D, Miral Consulting's Court Ordered Responses to RFP Nos. 15-22; Ex. E, Happy Campers' Court Ordered Responses to RFP Nos. 14-22; Ex. F, CBD Supply's Court Ordered Responses to RFP Nos. 14-22.

^{24 &}lt;sup>26</sup> Exhibit L to the Appendix, which is a true and correct copy of the e-mail communications between Nicole E. Lovelock and Erika Pike-Turner (July 29-July 30, 2019). Ex. H, Valjo Deposition Transcript at p. 87-88.

^{25 ||&}lt;sup>27</sup> Ex. E, Happy Campers' Court Ordered Response to Interrogatory No. 8.

²⁸ Ex. E, Happy Campers' Court Ordered Responses at p. 28.

 $^{26 ||^{29}}$ Exhibit M to the Appendix is a copy of Happy Campers' Certificate of Revival filed on July 29, 2021.

 ³⁰ On November 19, 2021, Jones Lovelock took the deposition of Joseph Kennedy in his individual capacity, in his capacity as a designated witness for Nye Natural Medicinal Solutions, LLC, and in his capacity as a designated witness for Valjo, Inc. Jones Lovelock has requested a copy of the deposition transcripts on an expedited basis and will attach them as an exhibit to Euphoria's reply.

Finally, Happy Campers stated through its Court Ordered Discovery Responses that it had no
 relationship with E&T.³¹ Yet, Kennedy testified as the witness for Valjo on April 16, 2021 that Valjo
 loaned \$500,000 to E&T but gave \$300,000 from that loan to Happy Campers instead.³²

As such, not only are the majority of E&T Parties' Court Ordered Discovery Responses
evasive but they also continue to provide information inconsistent with the record. The E&T Parties
have been given multiple opportunities to supplement, clarify, and verify the accuracies of their
responses. That has not happened. Either the E&T Parties are not taking their discovery obligations
seriously or, more likely, they are deliberately obstructing Euphoria's efforts to obtain discovery.
Both necessitate sanctions. Here, the record clearly demonstrates the E&T Parties' noncompliance
is willful, thus sanctions are warranted.

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Las Vegas, Nevada 89119

III. LEGAL STANDARD FOR SANCTIONS FOR IMPEDING DISCOVERY.³³

Previously, this Court entered a clear and unambiguous order compelling disclosure and discovery within 21 days of notice of entry of the Order.³⁴ This did not occur.

District courts in Nevada may sanction abusive litigation practices through their inherent powers.³⁵ The inherent power to sanction is designed "to protect the dignity and decency of its proceedings and to enforce its decrees, and thus it may issue contempt orders and sanction or dismiss an action for litigation abuses."³⁶ Further, district courts have discretion to sanction a party for its failure to comply with a discovery order under NRCP 37(b),³⁷ and those sanctions may include any

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 3^{4} Ex. B, Order.

25 3^{37} See also EDCR 7.60:

(4) Fails or refuses to comply with these rules. (footnote continued)

³¹ Ex. E, Happy Campers' Court Ordered Response to Interrogatory No. 9.

 $^{20 \}begin{vmatrix} 1 \\ 3^2 \\ \text{Ex. H, Valjo Deposition Transcript at 41:2-15.} \end{vmatrix}$

NRCP 37 was amended effective March 1, 2019. See In re Creating a Comm. to Update & Revise the Nev. Rules of Civil Procedure, ADKT 0522 (Order Amending the Rules of Civil Procedure, the Rules of Appellate Procedure, and the Nevada Electronic Filing and Conversion Rules, December 31, 2018). Accordingly, Euphoria cites the latest version of the rules herein.

^{23 3&}lt;sup>35</sup> Ir. Bank v. V., 2020 Nev. Dist. LEXIS 132, *12; Young v. Johnny Ribeiro Bldg., Inc., 106 Nev. 88, 92, 787 P.2d 777, 779 (1990).

^{24 36} Ir. Bank v. V., 2020 Nev. Dist. LEXIS 132, *12 citing Halverson v. Hardcastle, 123 Nev. 245, 261, 163 P.3d 428, 440 (2007).

²⁶ The court may, after notice and an opportunity to be heard, impose upon an attorney or a party any and all sanctions which may, under the facts of the case, be reasonable, including the imposition of fines, costs or attorney's fees when an attorney or a party without just cause: ...

	1 2 3 4 5 6	 the following: (A) directing that the matters embraced in the order or other designated facts be taken as established for purposes of the action, as the prevailing party claims; (B) prohibiting the disobedient party from supporting or opposing designated claims or defenses, or from introducing designated matters in evidence; (C) striking pleadings in whole or in part; (D) staying further proceedings until the order is obeyed; (E) dismissing the action or proceeding in whole or in part; 			
	7 8	 (F) rendering a default judgment against the disobedient party; or (G) treating as contempt of court the failure to obey any order except an order to submit to a physical or mental examination.³⁸ 			
	9	Generally, sanctions are imposed where there has been willful noncompliance with the court's			
	10	order, ³⁹ or where the adversary process has been halted by the actions of the unresponsive party. ⁴⁰			
	11	Here, both of these elements have occurred.			
ite C 9	12	In addition, EDCR 7.60(b) authorizes the Court to impose, upon notice and an opportunity to			
JONES LOVELOCK 6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119	13	be heard, "any and all sanctions which may, under the facts of the case, be reasonable," including			
VEL lart C vada	14	fines, costs or attorney's fees, when a party, without just cause, unreasonably and vexatiously			
LOV Earh s, Ne	15 multiplies the proceedings in a case as to increase costs, fails or refuses to comply with the				
NES melia Vega	16	6 or fails or refuses to comply with any order of a judge of the court. ⁴¹			
JO A1 D0 A1 Las	17	Further, Nevada courts have "inherent equitable powers to dismiss actions or enter default			
661	18	judgments for abusive litigation practices." ⁴² This inherent power to sanction is designed "to			
	19	protect the dignity and decency of its proceedings" and therefore courts "may issue contempt orders			
	20	and sanction or dismiss an action for litigation abuses." ⁴³			
	21				
	22	(5) Fails or refuses to comply with any order of a judge of the court. (emphasis added).			
	23	³⁸ NRCP 37(b)(1); <i>Ir. Bank v. V.</i> , 2020 Nev. Dist. LEXIS 132, *11-12; <i>See also, Young v. Johnny Ribeiro Bldg.</i> , 106 Nev. 88, 787 P.2d 777 (1990); <i>Bahena v. Goodyear Tire & Rubber Co.</i> , 126 Nev. 606, 245 P.3d 1182 (2010).			
	24	 ³⁹ Fire Ins. Exch. v. Zenith Radio Corp., 103 Nev. 648, 651, 747 P.2d 911, 913-14 (1987); Finkelman v. Clover Jewelers Blvd., Inc., 91 Nev. 146, 147, 532 P.2d 608, 609 (1975). ⁴⁰ Sharman V. Kulun Bank of Number 201, 202, 511 P.2d 1052, 1054 (1072). San also, Tamana Tanding Co. n. 			
	25	⁴⁰ Skeen v. Valley Bank of Nevada, 89 Nev. 301, 303, 511 P.2d 1053, 1054 (1973). See also, Temora Trading Co. v. Perry, 98 Nev. 229, 645 P.2d 436 (1982); Kelly Broadcasting v. Sovereign Broadcast, 96 Nev. 188, 606 P.2d 1089 (1980).			
	26	 ⁽¹²⁶⁰⁾. ⁴¹ EDCR 7.60(b)(3)–(5). ⁴² Young, 106 Nev. at 92, 787 P.2d at779 (citation omitted); see also Dietz v. Bouldin, 136 S. Ct. 1885, 1892–93 (2016) 			
	27	(holding that "district courts have the inherent authority to manage their dockets and courtrooms with a view toward the efficient and expedient resolution of cases").			
	28	⁴³ <i>Halverson v. Hardcastle</i> , 123 Nev. 245, 261, 163 P.3d 428, 440 (2007).			

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IV.

THE COURT SHOULD STRIKE THE E&T PARTIES' PLEADINGS.

Under NRCP 37(b)(1)(C) and (D), this Court can strike the pleadings and render a default judgment against each of the E&T Parties. Specifically, the district court may sanction a party by striking its pleadings under NRCP 37.⁴⁴ The Nevada Supreme Court has provided guidance for the Court on the factors to consider before striking a pleading as a sanction:

The factors a court may properly consider include, but are not limited to, the degree of willfulness of the offending party, the extent to which the non-offending party would be prejudiced by a lesser sanction, the severity of the sanction of dismissal relative to the severity of the discovery abuse, whether any evidence has been irreparably lost, the feasibility and fairness of alternative, less severe sanctions, such as an order deeming facts relating to improperly withheld or destroyed evidence to be admitted by the offending party, the policy favoring adjudication on the merits, whether sanctions unfairly operate to penalize a party for the misconduct of his or her attorney, and the need to deter both the parties and future litigants from similar abuses.⁴⁵

Discovery violations such as the failure to appear at a deposition, obey an order compelling discovery, or answer interrogatories leaves the Court with clear discretion to dismiss an action and enter a default judgment.⁴⁶ Here, the analysis of the factors, which is discussed *infra*, warrants striking E&T's affirmative claims and the E&T Parties' Answer.

1.

1. The Court Should Strike E&T's Affirmative Claims and the E&T Parties' Answer.

a. The E&T Parties Willfully Disobeyed this Court's Order.

The E&T Parties were well aware of their discovery obligations and the obligation to comply with the Court's Order. This Court should find that the E&T Parties willfully and intentionally disobeyed that order by concealing documents and information sought by Euphoria with an intent to preclude Euphoria from obtaining discovery relevant to its claims and defenses. As such, the E&T Parties have harmed and unfairly prejudiced Euphoria. Where, as here, discovery abuses are willful, as opposed to accidental or involuntary, courts have found dismissal an appropriate sanction.⁴⁷

 ⁴⁴ Valley Health Sys., LLC v. Estate of Doe, 427 P.3d 1021, 134 Nev. Adv. Rep. 76 (Nev. 2018). (The Court found that
 [Plaintiff] willfully violated its disclosure obligation.)

⁴⁵ Young v. Johnny Ribeiro Bldg., 106 Nev. 88, 93 (Nev. 1990).

^{27 &}lt;sup>46</sup> *Riverside Casino Corp. v. J.W. Brewer Co.*, 80 Nev. 153, 390 P.2d 232 (Nev. 1964).

⁴⁷ See, e.g., *Picon v. Ryon*, 99 Nev. 801, 802, 671 P.2d 1133, 1134 (1983) (discovery abuses were willful where conduct was "unexplained and unwarranted").

Further, the Nevada Supreme Court "has upheld entries of default where litigants are unresponsive
 and engage in abusive litigation practices that cause interminable delays."⁴⁸

After being parties to this litigation for *two years*, Miral Consulting, CBD Supply, and Happy Campers have produced <u>ZERO</u> documents. Even after the Court <u>compelled</u> Miral Consulting, CBD Supply, and Happy Campers to produce documents, they still produced <u>ZERO</u> documents. This is willful disobedience warranting terminating sanctions. An unexplained or unjustified failure to provide discovery that halts the adversarial process will, in all likelihood, constitute willful noncompliance.⁴⁹

9 Similarly, E&T was compelled to produce documents and subsequently produced only 96 new pages-feigning that no other financial documents, email communications, or any other related 10 11 documents existed. This defies belief as E&T managed and operated Euphoria's marijuana Production Facility for almost two years. Yet, during this litigation, E&T's document production 12 13 relating to the contract with Euphoria, the operation of the facility, and the investigations by the State 14 of Nevada amounts to a total of 622 pages. E&T has produced a total of *three emails*, and even then, 15 only those that it believes are helpful to its claims (the existence of said e-mails shows 16 communications do exist). E&T's production of three self-serving emails, a few self-serving 17 invoices, and overall failure to produce responsive documents to the majority of Euphoria's discovery 18 requests, is a brazen disregard for the Court's Order. E&T's willful disobedience warrants 19 terminating sanctions.

Dismissal is encouraged where the district court determines "a party has acted willfully or in bad faith in failing to comply with rules of discovery or with court orders enforcing the rules."⁵⁰ "[I]t is clear that a 'willful' violation of a court order does not require proof of mental intent such as bad faith or an improper motive, but rather, it is enough that a party acted deliberately."⁵¹ In other words, "disobedient conduct not shown to be outside the control of the litigant' is all that is required to

⁴⁸ Foster v. Dingwall, 126 Nev. 56, 65, 227 P.3d 1042, 1048 (2010).

^{27 49} Fire Ins. Exch. V. Zenith Radio Corp., 103 Nev. 648, 747 P.2d 911 (Nev. 1987).

⁵⁰ Sigliano v. Mendoza, 642 F.2d 309, 310 (9th Cir. 1981).

^{28 &}lt;sup>51</sup> Evon v. L. Offs. of Sidney Mickell, 688 F.3d 1015, 1035 (9th Cir. 2012).

demonstrate willfulness, bad faith, or fault."52 Indeed, the United States Supreme Court has upheld 1 2 the trial court's inherent power to dismiss an action for failure to comply with the court's orders, as well as for failure to prosecute.⁵³ 3

"Parties have an obligation to make a reasonable effort to locate all documents and 4 5 information necessary to fully respond to discovery.... Simply not responding to discovery requests is not an option."⁵⁴ Here, the E&T Parties simply chose not to meaningfully supplement their 6 7 Responses to Euphoria's Discovery Requests, in direct contravention of the Court's Order.

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A Less Severe Sanction Would be Unfair or Prejudicial to b. Euphoria.

The E&T Parties' wholesale failure to respond to Euphoria's Discovery Requests has 10 obstructed the fact-finding process, interfering with Euphoria's ability to conduct meaningful 12 discovery, prepare for and go to trial, and ascertain facts as to the key issue of alter ego. The financial 13 documents of the E&T Parties were requested almost a year ago. To date, the E&T Parties have yet 14 to turn over even a single tax return or account to Euphoria. The E&T Parties' continuing delays and 15 inexcusable refusal to cooperate in the discovery process have prejudiced, and continue to prejudice, Euphoria in its efforts to litigate this case on the merits.⁵⁵ Accordingly, this factor weighs in favor of 16 17 dispositive sanctions.

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A Less Severe Sanction Would Not Deter E&T and the Thirdc. Party Defendants' Behavior.

With this Motion, Euphoria seeks several less severe sanctions against E&T and the Third-Party Defendants. However, the facts demonstrate that a less severe sanction will not be enough to 21

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⁵² Henry v. Gill Indus., Inc., 983 F.2d 943, 948 (9th Cir. 1993) (quoting Fjelstad v. Am. Honda Motor Co., 762 F.2d 23 1334, 1341 (9th Cir. 1985)).

⁵³ See, e.g., Link v. Wabash R. Co., 370 U.S. 626, 633 (1962) ("[W]hen circumstances make such action appropriate, a 24 District Court may dismiss a complaint for failure to prosecute even without affording notice of its intention to do so or providing an adversary hearing before acting.").

²⁵ ⁵⁴ United States v. Reeves, No. 2:12-cv-01916-JAD-GWF, 2013 U.S. Dist. LEXIS 146671, at *2-3, 112 A.F.T.R.2d (RIA) 2013-6359 (D. Nev. Oct. 3, 2013).

²⁶ ⁵⁵ See, e.g., Foster, 126 Nev. at 66, 227 P.3d at 1049 ("Additionally, we conclude that appellants' continued discovery abuses and failure to comply with the district court's first sanction order evidences their willful and recalcitrant disregard of the judicial process, which presumably prejudiced Dingwall, Yang, and Chai."); see also In re Phenylpropanolamine 27

⁽PPA) Products, 460 F.3d 1217, 1236 (9th Cir. 2006) (holding that, with respect to discovery abuses, "[p]rejudice from

unreasonable delay is presumed" and failure to comply with court orders mandating discovery "is sufficient prejudice"). 28

1 deter E&T and the Third-Party Defendants from abusing the discovery process. The record 2 demonstrates E&T and the Third-Party Defendants have purposefully avoided their required NRCP 3 16.1 disclosures and discovery obligations. E&T and the Third-Party Defendants' responses to Euphoria's Interrogatories are at best evasive and at worst, provide no actual responses, not to 4 5 mention the fact that E&T directly provided Euphoria with the wrong address for its principals, Alex and Kristin. 6

7 In terms of document production, the Third-Party Defendants have literally produced nothing. 8 As for E&T, it strategically waited until the initial expert disclosure deadline to produce the majority 9 of its documents, which relate to only a handful of Euphoria's discovery requests. E&T's fervent position that it has no other responsive documents stands for the irrational representation that E&T 10 has next to no documents to show for operating and managing a marijuana production facility for 12 two years except for mostly self-serving invoices and three e-mails.

13 Moreover, E&T's counsel refuses to produce E&T's principals for their noticed depositions 14 while E&T itself intentionally lists its principals' wrong address and refuses to provide the correct 15 one. As such, E&T has debilitated Euphoria's efforts to depose the principals. E&T has prevented 16 Euphoria from obtaining relevant information and documents necessary for its preparation for trial. 17 This purposeful and willful behavior demonstrates that E&T and the Third-Party Defendants have 18 no intention of participating in this litigation in good faith. As such, Euphoria doubts that a less 19 severe sanction would deter E&T and Third-Party Defendants from intentionally impeding 20 Euphoria's litigation efforts.

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d. The Policy Favoring Adjudication on the Merits Does Not Give **Refuge to a Willfully Disobedient Party.**

23 Although public policy favors adjudication on the merits, it should not do so to the detriment 24 of those who play by the rules. E&T and the Third-Party Defendants have shown they are not 25 interested in playing by the rules unless it is solely to their benefit, and should therefore not be provided refuge by public policy. Given the need to deter both the parties and future litigants from 26 similar abuses, namely the intentional disruption of an opposing party's efforts to litigate on the 27

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e. Those Sanctions Do Not Unfairly Operate to Penalize E&T and Third-Party Defendants for the Misconduct of Their Attorney.

E&T and Third-Party Defendants are responsible for their decision regarding their counsel and, therefore, bound by their counsel's acts. E&T and Third-Party Defendants were on notice of the possible consequences of their failure to participate in discovery following this Court's order compelling their responses. E&T's principal, Kristin, verified E&T's responses intentionally providing the wrong physical address for her and Alex. As such, it would not be unfair if this Court were to issue the requested sanctions.

merits, this Court should strike E&T's affirmative claims and the Third-Party Defendants' defenses.

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f. The E&T Parties' Overall Actions in this Litigation Warrant Dispositive Sanctions.

According to the Ninth Circuit, the E&T Parties' overall discovery and litigation conduct should be properly considered.⁵⁶ Here, the litigation conduct demonstrates that sanctions are warranted. The E&T Parties' litigation tactics have effectively frustrated every simple matter so as to cause Euphoria to accrue unnecessary fees and potentially force Euphoria into an unfair settlement. Examples of the conduct in question include:

• Forcing Euphoria to file a motion, then after the motion is prepared and filed, changing its position so the motion was unnecessary. This has occurred on no less than two (2) occasions, including Euphoria's Motion to Enter Protective and Confidentiality Order, which E&T's counsel was refusing to sign despite representations to the contrary for a period of four months, and Euphoria's Motion for Protective Order to protect Darlene Purdy's appearance at a deposition until her toddler son was discharged from the hospital.

⁵⁶ See, e.g., Adriana Int'l Corp. v. Thoeren, 913 F.2d 1406, 1411 (9th Cir. 1990) (district court properly considered all of defendant's discovery conduct in ordering default judgment: "In evaluating the propriety of sanctions, we look at all incidents of a party's misconduct."); Halaco Eng'g Co. v. Costle, 843 F.2d 376, 381 n.2 (9th Cir. 1988) ("court may indeed consider prior conduct that has already been subject to sanction, when it is weighing a subsequent sanction motion").

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- Unilaterally setting depositions and refusing to accommodate schedules, then vacating those depositions late the night before.
- Preventing access to E&T's principals by not providing their current address and by refusing to produce them for their depositions.

2. Alternatively, Euphoria Respectfully Requests this Court Set an Evidentiary Hearing and Order the E&T Parties to Appear in Person to Show Cause as to Why Dispositive Sanctions Should Not Issue and the E&T Parties Should Not Be Held in Contempt.

If the Court is not inclined to order the striking of the E&T Parties' pleadings as a discovery sanction, Euphoria respectfully requests an evidentiary hearing. Such a hearing will afford the E&T Parties an opportunity to explain their willful violations of this Court's Order and the rules governing discovery, and establish whether dispositive sanctions are appropriate and warranted.

13 District courts have both inherent and statutory authority to enforce orders by subsequent contempt proceedings.⁵⁷ Pursuant to NRCP 22.010, "[d]isobedience or resistance to any lawful writ, 14 15 order, rule or process issued by the court or judge at chambers" shall be deemed contempt. NRCP 16 22.010(3). In addition, for contempt pursuant to subsection (3) of NRCP 22.010, as here, "the court 17 may require the person to pay to the party seeking to enforce the writ, order, rule or process the 18 reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt."58 The Nevada Supreme Court generally "affords the district court sufficient leeway 19 to exercise its [contempt] power."⁵⁹ "The ability to punish disobedience to judicial orders is regarded 20 21 as essential to ensuring that the Judiciary has a means to vindicate its own authority without complete dependence on other Branches."60 22

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^{See City Council of Reno v. Reno Newspapers, Inc., 105 Nev. 886, 784 P.2d 974 (1989); see also All Minerals Corp.} *Kunkle*, 105 Nev. 835, 784 P.2d 2 (1989). Specifically, NRCP 1.210(3) states that "[e]very Court shall have power . .
[t]o compel obedience to its lawful judgments, orders and process . . ." NRCP 1.210(3).

^{26 &}lt;sup>58</sup> NRCP 22.100(3); see also NRCP 22.130 ("Proceedings when defendant does not appear; measure of damages in action on undertaking.").

⁵⁹ See In re Claimants, 118 Nev. 901, 907, 59 P.3d 1226, 1229–30 (2002).

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 &</sup>lt;sup>60</sup> Young v. U.S. ex rel. Vuitton et Fils S.A., 481 U.S. 787, 796, 107 S. Ct. 2124, 2131–32 (1987); see also Bessette v.
 W.B. Conkey Co., 194 U.S. 324, 333, 24 S. Ct. 665, 668 (1904) (contempt power "has been uniformly held to be necessary (footnote continued)

As set forth above, despite having knowledge of the Court's Order, the E&T Parties willfully elected not to comply. The E&T Parties are not entitled to disregard this Court's orders without consequence. Accordingly, their conduct is sanctionable under NRS § 22.010(3) and the E&T Parties should be ordered to pay Euphoria's attorney's fees and costs incurred as a result of their contempt, including the cost of pursuing the instant Motion. NRS § 22.100(3). Finally, if this Court is not inclined to order the striking of the pleadings as a discovery sanction, the Court should order an evidentiary hearing.

V. THE COURT SHOULD FIND THAT THE PRINCIPALS ARE ALTER-EGOS OF THE CORPORATE ENTITIES.

This Court has considerable discretion to tailor the sanctions imposed to the misconduct at issue.⁶¹ The Court should find that based upon the E&T Parties' Court Ordered Discovery Responses to Euphoria's Discovery Requests, the principals of the E&T Parties are alter-egos of those parties.

13 Specifically, the E&T Parties have implied they are judgment-proof by communicating they are not operational and do not generate income.⁶² Indeed, the E&T Parties' counsel has repeatedly 14 provided that the E&T Parties are not operational⁶³ and, therefore, suggesting Euphoria cannot collect 15 16 on any judgment entered against them. Yet, the E&T Parties have produced no documents to 17 evidence their statements. No corporate documents, no bank accounts, next to no financial records, 18 or anything to show the relationship of the company to the principals-nothing. The E&T Parties 19 maintain the organizational and financial documents requested by Euphoria are not relevant even 20 after this Court ruled they were relevant and ordered them to be produced. The E&T Parties have 21 knowingly provided incorrect information to Euphoria's counsel which is contradicted by the record

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to the protection of the court from insults and oppressions while in the ordinary course of its duties, and to enable it to enforce its judgments and orders necessary to the due administration of law and the protection of the rights of suitors").
 ⁶¹ Young, 106 Nev. at 93, 787 P.2d at 780; see also Emerson v. Eighth Judicial Dist. Court, 127 Nev. 672, 680, 262 P.3d

^{24 224, 229 (2011) (}noting broad discretion to sanction "any litigation abuses not specifically proscribed by statute").

^{25 6&}lt;sup>3</sup> Ex. A, Kurshumova Decl. *See* Exhibit N to the Appendix is a true and correct copy of the e-mail communication from Mr. Stipp to Ms. Lovelock on November 2, 2021 ("E&T has not operated since Euphoria closed the production for the second structure of the second s

facility. Happy Campers and CBD Supply are also out-of-business." Ex. N at p. 2); Omnibus Opposition to Applications for Order to Show Cause, to Compel Appearance for a Deposition, and for an Award of Attorney's Fees and Costs and Countermotion for a Protective Order and Related relief filed on August 30, 2021 at 3:2 ("E&T is no longer operating.");

Opposition to Motion to Compel Discovery Responses and for Sanctions and Countermotion for Related Relief filed on August 20, 2021 at 2:27 ("E&T is no longer operating")

²⁸ August 20, 2021 at 2:27 ("E&T is no longer operating.").

and have intentionally prevented Euphoria from obtaining the information necessary to establish
 whether the principals of those parties are alter-egos and should be held accountable. To add insult
 to injury, Euphoria needs this Court's assistance to depose two of those principals. In other words,
 Euphoria is forced to incur significant, unnecessary fees while the E&T Parties do little but drive up
 the cost of litigation. The E&T Parties' violation of the Court's Order further evidences their openly
 lackadaisical approach to the consequences of this litigation.

7 The E&T Parties' suggestion they are judgment proof and, therefore absolved of 8 consequences for their gamesmanship in the current litigation, coupled with their refusal to provide 9 information about their principals' involvement and relation to this litigation, demonstrate a more sinister motive-shielding the bad actors from potential liability and judgment. This course of action 10 11 has successfully prejudiced Euphoria in establishing alter-ego liability and Euphoria will be left without the ability to recover on any judgment. The evidence cannot be retrieved without the E&T 12 13 Parties' cooperation. A remedy must be fashioned to overcome the prejudice that Euphoria has 14 suffered at Euphoria's hands. The missing evidence goes directly to the issue of whether Kristin, 15 Alex, Miro, and Kennedy can be liable for the E&T Parties' conduct.

16 Here, either: 1) the responses are accurate and none of the E&T Parties adhered to corporate 17 formalities; or, alternative, 2) the E&T Parties failed to adhere to a Court order to provide such 18 information to Euphoria. Under either scenario, the Court should find that the E&T Parties and their 19 respective principals are alter-egos and that these parties flagrantly disobeyed a direct order of the 20 Court, which warrants severe sanctions. Based upon the willful disobedience of a discovery order, 21 the Court should find that: (i) Kristin, Alex, and Miro are alter-egos of E&T; (ii) Kristin and Alex 22 are alter-egos of Miral Consulting and CBD Supply; (iii) Kristin, Alex, and Joe Kennedy are alter-23 egos of Happy Campers; and (iv) E&T, Miral Consulting, CBD Supply, and Happy Campers are all alter-egos of each other. 24

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A. The Principals of the E&T Parties Had Notice and Knew, or Reasonably Should Have Known, That They Would Be Named as Parties to the Litigation.

On June 18, 2019, E&T filed its Complaint against Euphoria alleging that Euphoria breached

JONES LOVELOCK 5600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119 1 the First Amended and Restated Agreement, wrongfully retained equipment and property belonging 2 to E&T, and intentionally interfered with E&T's prospective economic advantage by converting E&T's equipment and property.⁶⁴ On September 24, 2019, Euphoria filed a crossclaim against E&T 3 and counterclaims against Miral Consulting, Happy Campers, and CBD Supply, and against Kristin 4 5 Alex and Miro, as alter egos, for breaching the Agreement by failing to follow Nevada laws and 6 regulations, jeopardizing Euphoria's marijuana licenses with the State of Nevada, causing the State 7 of Nevada to shut down the Production Facility for investigation, and acting together to retain 8 Euphoria's property.

9 Euphoria has a good faith basis to believe that Kristin, Alex and Miro were alter egos of each 10 of the E&T Parties. Specifically, on or about June 27, 2019, E&T rushed into Court seeking an order 11 that Euphoria turn over equipment, supplies, and marijuana to E&T because E&T claimed that it 12 owned the equipment, supplies, and marijuana. On July 9, 2019, in support of E&T's claim of ownership, E&T submitted a declaration executed by Kristin Ehasz ("Kristin Ehasz' Declaration").65 13 14 The Ehasz Declaration provided that E&T owns the equipment at the production facility based upon 15 certain invoices and receipts that were attached to the declaration.⁶⁶ These invoices, which were 16 offered to prove ownership by E&T, did not make any distinction between Cross-Defendants and E&T.⁶⁷ E&T treated the Third-Party Defendants as being E&T and E&T as being the Third-Party 17 18 Defendants. Judge Allf Instructed Euphoria to conduct discovery into the alter-ego elements before 19 amending its Answer, Counterclaims, and Cross-Claims.

While the Honorable Judge Allf dismissed the alter-ego remedy <u>without prejudice</u>, Judge Allf
specifically advised that there needed to be discovery into the alter-ego elements and <u>then</u> Euphoria
could bring back the alter-ego remedy against all E&T Parties, as well as against Kristin, Alex, and
Miro. As to the alter-ego remedy, the Honorable Judge Allf stated:

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 $27 \parallel_{67}^{66} Id.$

⁶⁴ See generally E&T's Complaint.

^{26 65} The Ehasz Declaration was included in the Appendix in Support of Supplemental Motion for Preliminary Injunction on Order Shortening time that was filed on July 9, 2019.

⁶⁷ The Ehasz Declaration was included in the Appendix in Support of Supplemental Motion for Preliminary Injunction on Order Shortening time that was filed on July 9, 2019.

And the way I normally look at these is that, you know, the piercing the corporate veil 1 is a statutory remedy and there's case law interpreting it. I usually, because it's a business court case, give you the option of either amending the complaint later to 2 add the piercing the corporate veil causes of action after discovery, or if you can argue that you have the facts now, then -- then we deal with it.⁶⁸ 3 Importantly, the Honorable Judge Allf *already* addressed that Euphoria could take discovery into all 4 5 the parties to determine whether alter-egos claims and remedies might exist. When the issue of the 6 E&T Parties potentially playing games in discovery as to alter-ego claims came up, the following 7 exchanged occurred: 8 THE COURT: And I manage -- I manage discovery in the case. It's a business court case. 9 MS. LOVELOCK: Understood, Your Honor. 10 THE COURT: And I will make sure that you get the discovery. And I can assure 11 you Mr. Ciciliano has been on both sides of this one, so -- so he knows that I'll enforce your right to obtain discovery.⁶⁹ 12 13 The Court again acknowledged that Euphoria had the right to complete discovery into its alter-ego 14 claims when the Honorable Judge Allf stated: 15 THE COURT: The individuals. All of the alter ego-defendants are dismissed without prejudice, but subject to being brought back in if the discovery -- if they can make 16 a prima facie case.⁷ 17 Based upon the foregoing, the E&T Parties knew well that Euphoria was allowed to complete 18 discovery into the elements of alter ego for the E&T Parties. 19 B. It Is Judge Allf's Practice to Not Allow Alter-Ego Claims Go Forward Until After 20 the Evidence is Collected and Then Allows Amendments. 21 During the same hearing, Judge Allf indicated that allowing alter-ego claims from the 22 inception of the case could create grounds for attorney's fees and costs should those claims be 23 dismissed later. As such, the better approach would be to assert alter-ego claims after the parties 24 25 26 ⁶⁸ See Transcript of hearing on Defendant's Motion to Dismiss Cross-Claim and Counterclaim for Fraud December 5, 2019, at 2:11-19 (emphasis added). Exhibit O to the Appendix is a copy of Transcript of hearing on Defendant's Motion to Dismiss Cross-Claim and Counterclaim for Fraud December 5, 2019. 27 ⁶⁹ *Id.* at 8:2-9 (emphasis added). ⁷⁰ Ex. O, Transcript of hearing at 12:21-24 (emphasis added). 28

1	have been able to conduct discovery.		
2	THE COURT: So let me make the risk clear, then. If I keep them in but later dismiss		
3	them, there may be an issue with attorney's fees.		
4	MS. LOVELOCK: Based upon notice pleading? I mean, the		
5	THE COURT: Based upon yeah, based upon not having grounds to proceed.		
6	MS. LOVELOCK: Based upon alter ego.		
7	THE COURT: If down the road it turns out that – that the alter ego claims fail, it		
8	could detriment your client.		
9	MS. LOVELOCK: So the alternative is for them to be dismissed without prejudice		
10	today?		
11	THE COURT: Exactly. ⁷¹		
12	Following Judge Allf's directions and ruling, Euphoria proceeded with discovery before asserting		
13	alter-ego claims.		
14	C. This Court Should Order that the Facts of an Alter-Ego Remedy are Taken as		
15	Established and Allow Euphoria to Move to Amend its Crossclaims and		
16	Counterclaims.		
17	NRCP 37(b)(1) allows this Court to sanction a party for violating a court order by "directing		
18	that the matters embraced in the order or other designated facts be taken as established for purposes		
19	of the action, as the prevailing party claims." ⁷² The E&T Parties violated this Court's Order by		
20	failing to produce documents and information, much of which pertains specifically to the		
21	establishment of alter ego liability. As such, this Court has discretion to issue an order that the facts		
22	of an alter-ego remedy are taken as established. Should the Court rule that the facts of an alter-ego		
23	remedy are taken as established, Euphoria respectfully requests an opportunity to move to amend its		
	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22		

- 24 Crossclaims and Counterclaims.
 - The elements for finding alter ego, which must be established by a preponderance of the

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27 ⁷¹ *Id.* at 7:13-25.
⁷² NRCP 37(b)(1)(A).

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evidence, are: (1) the corporation must be influenced and governed by the person asserted to be the alter ego; (2) there must be such unity of interest and ownership that one is inseparable from the other; and (3) the facts must be such that adherence to the corporate fiction of a separate entity would, under the circumstances, sanction a fraud or promote injustice.⁷³ The following factors, though not conclusive, may indicate the existence of an alter-ego relationship: (1) commingling of funds; (2) undercapitalization; (3) unauthorized diversion of funds; (4) treatment of corporate assets as the individual's own; and (5) failure to observe corporate formalities. Notwithstanding these enumerated factors, the Nevada Supreme Court has emphasized that "there is no litmus test for determining when the corporate fiction should be disregarded; the result depends on the circumstances of each case."⁷⁴

Here, the facts demonstrate the following:

- *E&T treated the Third-Party Defendants as being E&T and E&T as being the Third-Party Defendants*, as demonstrated by the invoices attached to Kristin Ehasz' Declaration and used by E&T to allege ownership over Euphoria's equipment;⁷⁵
- Kristin is a principal of all E&T Parties and Alex is a principal of all E&T Parties except for Miral Consulting, as demonstrated by the E&T Parties' Court Ordered Discovery Responses;⁷⁶
- Upon information and belief, during the time period relevant to this litigation, Miro was a principal of Miral Consulting and CBD Supply;
- The E&T Parties' principals, Kristin, Alex, and Kennedy, and upon information and belief, Miro, claimed the E&T Parties' profits and losses on their individual tax returns, as represented by the E&T Parties' counsel;⁷⁷
- *E&T, Miral Consulting, and CBD Supply are defunct companies*, as represented by the E&T Parties' counsel.⁷⁸ *Happy Campers is operational only for the purpose of maintaining a property lease, and only after years of being defunct according to the Secretary of State*;⁷⁹
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• All E&T Parties shut down at the same time—when Euphoria locked E&T out of the

23 ⁷⁴ *LFC Mktg. Grp., Inc. v. Loomis*, 116 Nev. 896, 904, 8 P.3d 841, 847 (2000) citing *Polaris Industrial Corp. v. Kaplan*, 103 Nev. 598, 601, 747 P.2d 884, 886 (1987).

 $\begin{bmatrix} 78 \\ 79 \end{bmatrix}$ Ex. A, Kurshumova Decl.

^{22 73} See, e.g., LFC Mktg. Grp., Inc. v. Loomis, 116 Nev. 896, 904, 8 P.3d 841, 847 (2000).

^{24 &}lt;sup>75</sup> The Ehasz Declaration was included in the Appendix in Support of Supplemental Motion for Preliminary Injunction on Order Shortening time that was filed on July 9, 2019.

Ex. C, E&T's Court Ordered Response to Interrogatory No. 1; Ex. D, Miral Consulting's Court Ordered Response to Interrogatory No. 1; Ex. F, CBD Supply's Court Ordered Response to Interrogatory No. 1; Ex. F, CBD Supply's Court Ordered Response to Interrogatory No. 1.

^{26 &}lt;sup>77</sup> Ex. A, Kurshumova Decl.; See also Ex. C, E&T's Court Ordered Response to RFP No. 10; Ex. D, Miral Consulting's Court Ordered Response to RFP No. 9; Ex. E, Happy Campers' Court Ordered Response to RFP No. 9; Ex. F, CBD Supply's Court Ordered Response to RFP No. 9.

^{28 &}lt;sup>79</sup> *Supra*, n. 29.

10 11 6600 Amelia Earhart Ct., Suite 12 Las Vegas, Nevada 89119 13 14 15 16 17

JONES LOVELOCK

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Production Facility, as represented by the E&T Parties' counsel;⁸⁰

- Miral Consulting, CBD Supply, and Happy Campers were created as ancillary entities to *E&T*, as represented by the E&T Parties' counsel;⁸
- Kristin utilized both E&T's and Miral Consulting's e-mail addresses and signature lines when managing and operating the Production Facility and communicating with Euphoria about the events leading to the termination of the First Amended and Restated Agreement and the State of Nevada's investigation;
- Pursuant to Valjo, Inc.'s deposition testimony, *E&T directed a non-party, Valjo, to pay* \$300,000.00 of *E&T's loan to Happy Campers*.⁸² Pursuant to Kennedy's recent deposition testimony, Valjo gave the entire \$500,000 loan amount to E&T, Alex, and Kristin.⁸³ Both demonstrate that neither the principals nor the entities have proper understanding of the financial dealings between said principals and entities.
- Kristin, Alex, Miro, Kennedy, the E&T Parties, Valjo, and Nye Natural, allegedly executed a Joint Defense, Confidentiality, and Forbearance Agreement on or about June 18, 2019 claiming to have a common interest in this litigation;
- Kennedy encouraged Alex and Kristin to file the instant litigation as a strategy to obtain Euphoria's equipment and enable E&T to pay off the promissory note to Valjo, Inc. Kennedy also reviewed E&T's complaint prior to filing and provided feedback. Even though Valjo had an interest in the equipment subject to this litigation, Kennedy made the strategic decision not to join as a party but to file a separate action through a confession of judgment.⁸⁴

The above undisputed facts demonstrate that the E&T Parties were governed by the same

individuals, that their ownership and interest was inseparable, and that neither the principals nor the

E&T Parties followed corporate formalities. The fact that the E&T Parties' principals jointly claimed

the E&T Parties' profits and losses on their individual tax returns demonstrates, coupled with the

lack of any financial documents, suggests that Alex, Kristin, Kennedy and the E&T Parties

comingled funds and treated the corporate assets as their own. For those reasons, and because the

E&T Parties have failed to produce any documents to show the opposite, this Court should issue an order that the facts of an alter ego remedy are taken as established and those principals, in their individual capacities, are necessary parties to the action, and allow Euphoria to move to amend its

Crossclaims and Counterclaims accordingly.

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26 ⁸⁰ Ex. A. Kurshumova Decl. ⁸¹ Ex. A, Kurshumova Decl.

- ⁸² Ex. H, Valjo's Deposition Transcript, at 41:2-15. 27
- ⁸³ *Supra*, n. 29. ⁸⁴ Supra, n. 29 28

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VI.

THE COURT SHOULD AWARD EUPHORIA ATTORNEYS' FEES AND COSTS.

When a party, or a party's officer, director, or managing agent fails to obey a court order to provide discovery, the court <u>must</u> order the disobedient party, or their attorney, or both to pay the reasonable expenses and attorney's fees caused by the failure, "<u>unless</u> the failure was substantially justified," or such an award would be unjust.⁸⁵ The Court may also hold them in contempt for failing to obey the order.⁸⁶

7 Here, this Court's Order specifically required the E&T Parties to supplement their discovery 8 responses to the requests identified in Categories 1-7 and the requests based on Exhibit 1 and Kristin 9 Ehasz's Declaration.⁸⁷ Completely disregarding this Court's Order, the Third-Party Defendants produced no documents. E&T similarly failed to produce documents responsive to the majority of 10 Euphoria's Requests for Production. Not only are the E&T Parties' Court Ordered Discovery 11 12 Responses to Euphoria's Interrogatories evasive but they also contain information manifestly 13 inconsistent with the record. Finally, Kristin and Kennedy intentionally verified information they 14 know to be inaccurate, which is a gross misrepresentation and violation of the rules. On November 15 2, 2021, the E&T Parties further demonstrated their lack of regard for this Court's Order by requiring Euphoria's counsel to explain yet again why Euphoria needs the requested records,⁸⁸ even though 16 17 the Order specifically states the following:

The discovery requests identified in Categories 1 to 7 and the requests based on Exhibit 1 and Kristin Ehasz's Declaration **are relevant** to the parties' claims and defenses, **and** are **proportional** to the needs of the case.⁸⁹

The E&T Parties provided deficient supplementation and continue to disregard the Court's findings, thus frustrating this process and delaying Euphoria's discovery efforts. Specifically, the E&T Parties were required to provide full responses to Euphoria's Discovery Requests but, without justification, failed to do so. Euphoria has been prejudiced by the E&T Parties' repeated failures to

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^{26 85} NRCP 37(b)(1)-(3).

 $^{^{86}}$ NRCP 37(b)(1)(G).

 $^{27 ||^{87}}$ Ex. B, Order at p. 12 at Para. 74.

⁸⁸ Ex. A, Kurshumova Decl.

 $^{28 \}parallel^{89}$ Ex. B, Order at p. 11, para. 67 (emphasis added).

1 cooperate in discovery; moreover, Euphoria expended time, money and effort in pursuit of discovery 2 that the E&T Parties were legally obligated to provide. As such, an award of attorneys' fees and 3 costs would not be unjust considering the willful violation of the Order and the continued insistence to withhold information. For those reasons, this Court should hold the E&T Parties in contempt and 4 5 order the E&T Parties to pay the reasonable expenses and attorney's fees Euphoria incurred in 6 pursuing this discovery.

7 Accordingly, Euphoria requests that the E&T Parties be ordered to pay the reasonable 8 expenses, including attorney's fees, incurred by Euphoria in connection with bringing the instant 9 Motion and efforts to obtain the outstanding discovery at issue with the exact amount to be briefed before the Court within fourteen days of entry of such order or other later date deemed reasonable by 10 11 the Court. Further, the E&T Parties should be ordered to pay the fee award within fourteen days of 12 entry of such order setting forth the exact amount deemed reasonable by the Court.

VII. **CONCLUSION.**

Based upon the foregoing, Euphoria respectfully requests that this honorable Court:

15 1. Strike the E&T Parties' pleadings and enter default judgment with an amount of 16 judgment to be determined. That this relief be made upon the instant motion and oral argument, or in the alternative, for the Court to set an evidentiary hearing as to this relief.

- 2. Find that the principals be found to be alter-egos of the parties, specifically:
 - Kristin, Alex, and Miro are deemed to be alter-egos of E&T and now parties to this a. action in their individual capacities;
 - b. Kristin, Alex, and Miro are deemed to be alter-egos of Miral Consulting and now parties to this action in their individual capacities;
 - c. Kristin, Alex and Miro are deemed to be alter-egos of CBD Supply and now parties to this action in their individual capacities; and,
- Kennedy, Kristin and Alex are deemed to be alter-egos of Happy Campers and now d. parties to this action in their individual capacities.

6600 Amelia Earhart Ct., Suite Las Vegas, Nevada 89119 **JONES LOVELOCK**

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	1	3. Allow Euphoria to move to amend its Crossclaims and Counterclaims to add Kristin,			
	2	Alex, Miro, and Kennedy as parties and add the alter-ego related facts this Court deems established.			
	3	4. Allow Euphoria to serve Alex and Kristin with subpoenas to appear at a deposition			
	4	by service upon the Law Office of Mitchell Stipp.			
	5	5. Award Euphoria its attorneys' fees and costs.			
	6	DATED this 24th day of November 2021. JONES LOVELOCK			
	7	By: /s/ Justin C. Jones			
	8 9	Nicole E. Lovelock, Esq. (11187) Justin C. Jones, Esq. (8519)			
	10	Georlen K Spangler, Èsq. (3818) 6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119			
(11	Attorneys for Euphoria Wellness, LLC			
CK Suite C 9119	12				
	13				
VEL nart C vada	14	CERTIFICATE OF SERVICE			
JONES LOVELOCK 6600 Amelia Earhart Ct., Su Las Vegas, Nevada 8911	15	The undersigned hereby certifies that on the 24th day of November 2021, a true and correct copy of			
NES melia Vega	16	the foregoing MOTION FOR DISCOVERY SANCTIONS AGAINST E&T VENTURES, LLC,			
JC 00 A Las	17	MIRAL CONSULTING, LLC, HAPPY CAMPERS, LLC, AND CBD SUPPLY CO, LLC was			
66	18	served by electronically submitting with the Clerk of the Court using the electronic system and			
	19	serving all parties with an email-address on record.			
	20				
	21	By <u>/s/ Julie Linton</u> An Employee of JONES LOVELOCK			
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EXHIBIT "H"

EXHIBIT "H"

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1	NEO	
	Nicole E. Lovelock, Esq.	
2	Nevada State Bar No. 11187	
3	Justin C. Jones, Esq. Nevada State Bar No. 8519	
	Georlen K Spangler, Esq.	
4	Nevada State Bar No. 3818	
5	JONES LOVELOCK	
5	6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119	
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	Email: jspangier@jonesioveloek.com	
9	Attorneys for Euphoria Wellness, LLC	
10		
11		
12	DISTDIC	CT COURT
12		
13	CLARK COU	NTY, NEVADA
14	E&T VENTURES, LLC, a Nevada limited	CASE NO.: A-19-796919-B
	liability company,	DEPT. NO.: XXXI
15		
16	Plaintiff,	
10	v.	NOTICE OF ENTRY OF ORDER (1)
17	EUPHORIA WELLNESS, LLC, a Nevada	GRANTING IN PART MOTION FOR DISCOVERY SANCTIONS AGAINST
10	limited liability company; DOE Individuals I-	E&T VENTURES, LLC, MIRAL
18	X, inclusive; and ROE ENTITIES 1-10, inclusive;	CONSULTING, LLC, HAPPY CAMPERS,
19	inclusive,	LLC, AND CBD SUPPLY CO, LLC;
20	Defendants.	(2) DENYING COUNTERMOTION FOR
20		RÉLATED RELIEF;
21	EUPHORIA WELLNESS, LLC, a Nevada	(2) ΟΓΑΝΤΙΝΟ ΜΟΤΙΟΝ ΤΟ ΩΕΑΙ
	limited liability company,	(3) GRANTING MOTION TO SEAL EXHIBITS TO THE REPLY IN SUPPORT
22	Counterclaimant,	OF EUPHORIA WELLNESS, LLC'S
23	v.	MOTION FOR DISCOVERY SANCTIONS
	E&T VENTURES, LLC, a Nevada limited	AGAINST E&T VENTURES, LLC, MIRAL CONSULTING, LLC, HAPPY
24	liability company;	CAMPERS, LLC, AND CBD SUPPLY CO,
25		LLC AND OPPOSITION TO
	Counter-Defendant.	COUNTERMOTION FOR RELATED
26		RELIEF;
27		
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Case Number: A-19-796919-B

JONES LOVELOCK 6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119

1	EUPHORIA WELLNESS, LLC, a Nevada limited liability company,	(4) DENYING WITHOUT PREJUDICE MOTION FOR SANCTIONS FOR FAILURE TO PRODUCE A PRIVILEGE		
2	Third- Party Plaintiff,	LOG;		
3	v.	(5) DENYING WITHOUT PREJUDICE COUNTERMOTION FOR SANCTIONS		
4	MIRAL CONSULTING, LLC, a Nevada			
5	limited liability company; HAPPY CAMPERS, LLC, a Nevada limited liability company; CBD			
6	SUPPLY CO, LLC, a Nevada limited liability company; DOE Individuals I-X, inclusive; and			
7	ROE ENTITIES 1-10, inclusive;			
8	Third-Party Defendants.			
9	PLEASE TAKE NOTICE that an Order (1) Granting In Part Motion for Discovery			
10	Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD			
11	Supply Co, LLC; (2) Denying Countermotion for Related Relief; (3) Granting Motion to Seal			
12	Exhibits to the Reply in Support of Euphoria Wellness, LLC's Motion for Discovery Sanctions			
13	Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co,			
14	LLC and Opposition to Countermotion for Related Relief; (4) Denying Without Prejudice Motion			
15	for Sanctions for Failure To Produce a Privilege Log; (5) Denying Without Prejudice			
16	Countermotion for Sanctions was filed on January 25, 2022, a true and correct copy of which is			
17	attached hereto.			
18	DATED this 25 th day of January 2022.			
19	JONES LOVELOCK			
20	<u>/s/ Nicole E. Lovelock, Esq.</u>			
21	Nicole E. Lovelock, Esq. Nevada Bar No. 11187 Justin C. Jones, Esq.			
22	Nevada State Bar No. 8519 Georlen K Spangler, Esq.			
23	Nevada State Bar No. 3818 6600 Amelia Earhart Ct., Suite C			
24	Las Vegas, Nevada 89119			
25	Atto	rneys for Euphoria Wellness		
26				
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JONES LOVELOCK 6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119

1 **CERTIFICATE OF SERVICE** 2 The undersigned hereby certifies that on the 25th day of January 2022, a true and correct copy 3 of the foregoing NOTICE OF ENTRY OF ORDER (1) GRANTING IN PART MOTION FOR DISCOVERY SANCTIONS AGAINST E&T VENTURES, LLC, MIRAL CONSULTING, 4 5 LLC, HAPPY CAMPERS, LLC, AND CBD SUPPLY CO, LLC; (2) DENYING 6 COUNTERMOTION FOR RELATED RELIEF; (3) GRANTING MOTION TO SEAL 7 **EXHIBITS TO THE REPLY IN SUPPORT OF EUPHORIA WELLNESS, LLC'S MOTION** 8 FOR DISCOVERY SANCTIONS AGAINST E&T VENTURES, LLC, MIRAL 9 CONSULTING, LLC, HAPPY CAMPERS, LLC, AND CBD SUPPLY CO, LLC AND **OPPOSITION TO COUNTERMOTION FOR RELATED RELIEF; (4) DENYING** 10 11 WITHOUT PREJUDICE MOTION FOR SANCTIONS FOR FAILURE TO PRODUCE A PRIVILEGE LOG; (5) DENYING WITHOUT PREJUDICE COUNTERMOTION FOR 12 13 SANCTIONS was served by electronically submitting with the Clerk of the Court using the 14 electronic system and serving all parties with an email-address on record. 15 By /s/ Julie Linton 16 An Employee of JONES LOVELOCK 17 18 19 20 21 22 23 24 25 26 27 28

JONES LOVELOCK 5600 Amelia Earhart Ct., Suite Las Vegas, Nevada 89119

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CLERK OF THE COURT	
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1	ORDR	Olim
	Justin C. Jones, Esq.	
2	Nevada State Bar No. 8519 Georlen K. Spangler, Esq.	
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9	Attorneys for Euphoria Wellness, LLC	
10		
11	DISTRIC	CT COURT
12	CLARK COU	NTY, NEVADA
13	E&T VENTURES, LLC, a Nevada limited	CASE NO.: A-19-796919-B
14	liability company,	DEPT. NO.: XXXI
15	Plaintiff, v.	ORDER (1) GRANTING IN PART
		MOTION FOR DISCOVERY SANCTIONS AGAINST E&T VENTURES, LLC,
16	EUPHORIA WELLNESS, LLC, a Nevada limited liability company; DOE Individuals I-	MIRAL CONSULTING, LLC, HAPPY
17	X, inclusive; and ROE ENTITIES 1-10, inclusive;	CAMPERS, LLC, AND CBD SUPPLY CO, LLC;
18		
19	Defendants.	(2) DENYING COUNTERMOTION FOR
20		RELATED RELIEF;
	EUPHORIA WELLNESS, LLC, a Nevada	(3) GRANTING MOTION TO SEAL
21	limited liability company,	EXHIBITS TO THE REPLY IN SUPPORT
22	Counterclaimant,	OF EUPHORIA WELLNESS, LLC'S MOTION FOR DISCOVERY SANCTIONS
23	v.	AGAINST E&T VENTURES, LLC,
	E&T VENTURES, LLC, a Nevada limited	MIRAL CONSULTING, LLC, HAPPY
24	liability company;	CAMPERS, LLC, AND CBD SUPPLY CO, LLC AND OPPOSITION TO
25	Counter-Defendant.	COUNTERMOTION FOR RELATED
26		RELIEF;
27		
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	1	

	1	1 limited liability company, MOTION FOR S FAIL UPE TO PL	ITHOUT PREJUDICE ANCTIONS FOR RODUCE A PRIVILEGE		
	2	² Third- Party Plaintiff, LOG;	CODUCE A I KIVILEGE		
	3		ITHOUT PREJUDICE		
	4		ION FOR SANCTIONS		
	5	5 limited liability company; HAPPY CAMPERS,			
	6 7	company: DOE Individuals I-X, inclusive: and			
	8	8 Third-Party Defendants.			
	9	9 On January 4, 2022 the following motions came before the Co	urt for oral hearing with Nicole		
	10	10 Lovelock, Esq. of Jones Lovelock appearing on behalf of Euphoria W	ellness, LLC ("Euphoria") and		
	11	11 Mitchell Stipp, Esq. of Law Offices of Mitchell Stipp appearing on	behalf of E&T Ventures LLC,		
	12	2 Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC (collectively, "Ed			
	13	Parties"):			
	14	1. Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC,			
,	15	Happy Campers, LLC, and CBD Supply Co, LLC filed by Euphoria;			
)	16	2. <i>Opposition to Motion for Discovery Sanctions and Countermotion for Related Relief</i>			
	17	filed by the E&T Parties;			
	18	183.Motion to Seal Exhibits to the Reply in Support of Eup	horia Wellness, LLC's Motion		
	19	19 for Discovery Sanctions Against E&T Ventures, LLC, Miral Consultin	g, LLC, Happy Campers, LLC,		
	20	20 and CBD Supply Co, LLC and Opposition to Countermotion for Rela	ted Relief filed by Euphoria;		
	21	4. <i>Motion for Sanctions for Failure to Produce a Privilege Log</i> filed by Euphoria;			
	22	5. Opposition to Motion for Sanctions for Failure to Produce a Privilege Log and			
	23	Countermotion for Sanctions filed by the E&T Parties.			
	24	24 / / /			
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JONES LOVELOCK 6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119

The Court having considered oral arguments, the filings, the evidence presented therein, and
 good cause appearing, hereby finds and orders as follows:

3 IT IS HEREBY ORDERED that the Motion for Discovery Sanctions Against E&T
4 Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC is
5 GRANTED IN PART.

IT IS HEREBY ORDERED that the parties shall appear at an evidentiary hearing on
Euphoria's *Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC* on a date to be determined by the Court. The Court
defers all other rulings on the Motion until the evidentiary hearing takes place.

10 IT IS FURTHER ORDERED that the evidentiary hearing shall take place on February 8,
11 2022 at 8:30 a.m.

IT IS FURTHER ORDERED that Kristin Taracki (formerly Kristin Ehasz) appear and
testify at the evidentiary hearing as the authorized agent who verified E&T Ventures, LLC, Happy
Campers, LLC, and CBD Supply Co, LLC' First Supplemental Responses and Objections to
Requests for the Production of Documents and Interrogatories served on October 25, 2021.

IT IS FURTHER ORDERED that the Countermotion for Related Relief to Euphoria's
Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC, Happy
Campers, LLC, and CBD Supply Co, LLC is DENIED on a procedural basis because the
Countermotion is not proper under EDCR 2.20 and on a substantive basis because the Court granted
Euphoria's Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting, LLC,
Happy Campers, LLC, and CBD Supply Co, LLC in part.

IT IS FURTHER ORDERED that the Motion to Seal Exhibits to the Reply in Support of
 Euphoria Wellness, LLC's Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral
 Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, LLC and Opposition to Countermotion
 for Related Relief is GRANTED and Exhibit O and Exhibit P to the Reply in Support of Euphoria
 Wellness, LLC's Motion for Discovery Sanctions Against E&T Ventures, LLC, Miral Consulting,
 LLC, Happy Campers, LLC, and CBD Supply Co, LLC and Opposition to Countermotion for Related

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Relief be sealed.

IT IS FURTHER ORDERED that the Motion for Sanctions for Failure to Produce a 3 Privilege Log is **DENIED WITHOUT PREJUDICE** on the basis of Mitchell Stipp, Esq.'s express representation to the Court that: (1) the E&T Parties did not intend to assert any attorney-client or 4 5 attorney work-product doctrine to any responses in their First Supplemental Responses and 6 Objections to Requests for the Production of Documents and Interrogatories, served on October 25, 7 2021; (2) the E&T Parties did not withhold any documents or information in their First Supplemental 8 Responses and Objections to Requests for the Production of Documents and Interrogatories, served 9 on October 25, 2021; and (3) the E&T Parties' supplemental responses in their respective First 10 Supplemental Responses and Objections to Requests for the Production of Documents and 11 Interrogatories, served on October 25, 2021, are intended to replace any previous responses.

6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119 **JONES LOVELOCK**

12 IT IS FURTHER ORDERED that the E&T Parties shall confirm in writing Mitchell Stipp, 13 Esq.'s express representations to the Court that: (1) the E&T Parties did not intend to assert any 14 attorney-client or attorney work-product doctrine to any responses in their First Supplemental 15 Responses and Objections to Requests for the Production of Documents and Interrogatories, served 16 on October 25, 2021; (2) the E&T Parties did not withhold any documents or information in their 17 First Supplemental Responses and Objections to Requests for the Production of Documents and 18 Interrogatories, served on October 25, 2021;, and (3) the E&T Parties' supplemental responses in 19 their respective First Supplemental Responses and Objections to Requests for the Production of 20 Documents and Interrogatories, served on October 25, 2021, are intended to replace any previous 21 responses.

22 IT IS FURTHER ORDERED that the confirmation shall be made on or before January 31 _, 2022 at 5:00 p.m. 23

24 IT IS FURTHER ORDERED that the Countermotion for Sanctions to Euphoria's Motion 25 for Sanctions for Failure to Produce a Privilege Log is **DENIED WITHOUT PREJUDICE**.

26 IT IS FURTHER ORDERED that Euphoria shall supplement its Third Amended Privilege 27 Log. The Court defers its decision on the request for sanctions in the Countermotion for Sanctions

1 to Euphoria's Motion for Sanctions for Failure to Produce a Privilege Log until Euphoria's 2 supplements its Third Amended Privilege Log. **Februar** 3 IT IS FURTHER ORDERED that the supplementation shall be made on or before KANXAXX 2 , 2022 at 5:00 p.m. 4 IT IS SO ORDERED this 25 day of January 2022. 5 6 Joanna & Kishner 7 8 9 **Respectfully submitted by:** 10 JONES LOVELOCK 11 /s/ Nicole E. Lovelock, Esq. 12 NICOLE E. LOVELOCK, ESQ. Nevada Bar No. 11187 13 JUSTIN C. JONES, ESQ. Nevada Bar No. 8519 14 GEORLEN K. SPANGLER, ESQ. Nevada Bar No. 3818 15 6600 Amelia Earhart Ct., Suite C Las Vegas, Nevada 89119 16 Attorneys for Euphoria Wellness, LLC 17 Approved as to form and substance: 18 LAW OFFICE OF MITCHELL STIPP 19 20 Objection 21 MITCHELL D. STIPP, ESQ. Nevada Bar No. 7531 22 1180 N. Town Center Drive, Suite 100 Las Vegas, Nevada 89144 23 Attorneys for E&T Ventures LLC, 24 Miral Consulting, LLC, Happy Campers, LLC, and CBD Supply Co, 25 LLC, Joseph Kennedy, Nye Natural Medicinal Solutions LLC, and Valjo 26 Inc. 27 28

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