

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

<p>CLARK NMSD, LLC, D/B/A THE SANCTUARY</p> <p>Appellant,</p> <p>vs.</p> <p>JENNIFER M. GOLDSTEIN, AN INDIVIDUAL,</p> <p>Respondent,</p>	<p>Supreme Court No. 84623</p> <p>District Court Case No. A738510</p> <p>Electronically Filed Dec 21 2022 02:58 PM Elizabeth A. Brown Clerk of Supreme Court</p>
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**RESPONDENT'S MOTION TO EXTEND TIME TO FILE**

**RESPONDENT'S ANSWERING BRIEF**

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Comes now Respondent, Jennifer M. Goldstein (“Goldstein”), by and through her attorneys of record, Dickinson Wright PLLC, and hereby files her Motion to Extend Time to File Respondent’s Answering Brief (the “Motion”).

## **MEMORANDUM OF POINTS AND AUTHORITIES**

### **I. FACTUAL AND PROCEDURAL HISTORY**

Appellant Clark NMSD, LLC’s (“Clark”) appeal arises from Goldstein’s efforts to collect on her judgment against Clark’s parent company, NuVeda, LLC (“NuVeda”), in the amount of \$2,426,163.80 entered on November 15, 2019 (the “Judgment”). (I AA 30).

#### **A. Clark’s Applications and the District Court’s Decisions**

After several unsuccessful attempts to collect on her Judgment, on June 11, 2021, Respondent caused writs of execution to be issued for several locations that were part of NuVeda’s business operations, including Clark’s marijuana dispensary. (I AA 32). On August 9, 2021, the Clark County Constable’s Office seized \$638.00 from Clark’s marijuana dispensary in Las Vegas. (I AA 21). Through various motions filed in the District Court, Clark and NuVeda requested return of the seized cash and sought to prohibit Goldstein from any additional collection activity without approval from the District Court, but the District Court denied all of the relief requested by Clark and NuVeda. (**Exhibit 1** Ord. Denying

Mot. to Quash; I AA 10; I AA 61; I AA 63-72; I AA 85-87; II AA 116; III AA 221-223; II AA 130-140; IV AA 264-265). Clark then filed its Notice of Appeal in this Court on April 21, 2022. (*See* Notice of Appeal, on file herein).

**B. Goldstein’s Motion to Appoint Receiver and NuVeda’s Bankruptcy**

Prior to Clark’s appeal, On March 7, 2022, Respondent filed in the District Court a Motion to Appoint a Receiver over NuVeda and its subsidiaries and affiliates. (*See* Appellant’s Emergency Motion for Stay or Injunction (“Stay Motion”), Ex. 5). In the Motion to Appoint Receiver, Respondent argued that a receiver over NuVeda was appropriate under the circumstances because (1) Respondent had attempted to collect on her judgment through several less intrusive mechanisms with no avail, and (2) NuVeda had made all efforts to thwart Respondent’s collection efforts. (*See generally, id.*) In its Reply in Support of its Motion to Appoint Receiver, Respondent also alerted the District Court that, pursuant to the terms of a certain Membership Interest Exchange and Contribution Agreement (the “Agreement”), the principals of NuVeda had attempted to strip NuVeda of all of its assets, and transfer the same assets, with the same individuals retaining their respective ownership interests, into a newly formed Delaware entity, “NuVeda DE.” (**Exhibit 2**, Reply in Support of Mot. to Appoint Receiver). Respondent further explained that this facially fraudulent transfer constituted an additional basis for the appointment of a receiver over NuVeda. (*Id.*)

On April 11, 2022, the day before the Motion to Appoint Receiver was set to be heard, NuVeda filed for Chapter 11 Bankruptcy in the United States Bankruptcy Court, District of Nevada, Case No. 22-11249-abl (the “NuVeda Bankruptcy Case”), and filed a Notice of Suggestion of Bankruptcy in this case on the same day. (**Exhibit 3**, Notice of Suggestion of Bankruptcy). Respondent filed a Motion to Dismiss the NuVeda Bankruptcy Case, which the Bankruptcy Court ultimately granted. In dismissing the NuVeda Bankruptcy Case, the Bankruptcy Court determined that “by filing the [NuVeda Bankruptcy Case, NuVeda] was and is attempting to first, unreasonably deter and harass [Respondent] and its other creditors” and “second, to impede the exercise of [Respondent’s] state court collection rights and remedies.” (Stay Motion, Ex. 2, 46:13-17). Importantly, the Bankruptcy Court also determined that it was

of the view that the substance of the issues here can best be resolved through state court receivership proceedings and enforcement of the state court’s judgment that has already been entered and is final in terms of its not being appealable. There isn’t anything else to do in connection with the state court proceedings, other than to enforce it for purposes of collection, and that is something that the state court receivership statute works well for.

(*Id.* at 60:7-14).

Also in the NuVeda Bankruptcy Case, the Nevada Cannabis Compliance Board (“CCB”) filed a Limited Joinder to Respondent’s Motion to Dismiss, wherein it disclosed that “the CCB’s records reflect [NuVeda], not NuVeda DE, as

the parent company that owns both Clark NMSD and Nye Naturals.” (**Exhibit 4**, CCB’s Limited Joinder to Motion to Dismiss). The CCB did stipulate to withdraw its Limited Joinder in the NuVeda Bankruptcy Case. (Stay Motion, Ex, 1). However, after Clark filed the Stay Motion, the CCB filed a Limited Joinder to Respondent’s Request to Set Hearing on Motion to Appoint Receiver, stating that it had “come to the CCB’s attention” that NuVeda and Clark “misrepresented in recent court proceedings, either hinting or outright claiming that the CCB agrees with” Clark’s position that NuVeda does not own Clark. (**Exhibit 5**, CCB’s Limited Joinder to Request for Hearing).

On December 16, 2022, Clark and NuVeda filed a “Status Report,” primarily regarding a status check held in the district court proceedings on December 13, 2022. (*See* Status Report, on file herein). As noted in the Status Report, the District Court has rescheduled the hearing on Goldstein’s Motion to Appoint Receiver over NuVeda to January 12, 2023. (*Id.* at 5 and Exs. 19-20).

## **II. REQUEST FOR EXTENSION OF TIME**

Under NRAP 26(b)(1)(A), “[f]or good cause, the court may extend the time prescribed by these Rules or by its order to perform any act, or may permit an act to be done after that time expires.” Here, Clark filed its Opening Brief on November 21, 2022, and Goldstein’s Answering Brief is due to be filed on December 21, 2022.

In its appeal, Clark challenges the District Court’s refusal to grant its request to prohibit further collection activity, and requests a decision from this Court: (1) vacating the District Court’s order denying the application to prohibit collection activity pursuant to NRS Chapter 31, (2) ordering the Chief Judge of the Eighth Judicial District Court to reassign the district court case, and (3) directing the reassigned judge “to enter an order for the return of the cash seized by the Constable’s Office to” Clark. (AOB at 17).<sup>1</sup>

Good cause exists to extend the time for Goldstein to file her Answering Brief until after the District Court rules on Goldstein’s Motion to Appoint Receiver next month, because the disposition of that Motion could moot several issues presented in Clark’s appeal and streamline that appeal for consideration by this Court. Specifically, if the request to appoint a receiver over NuVeda is granted, Goldstein will be prohibited from engaging in any further collection activity, under NRS Chapter 31 or otherwise. (See **Exhibit 6**, Proposed Ord. Granting Motion to Appoint Receiver at ¶ 38 (“Except with the concurrence of the Receiver or until further written order of this court, all suits, proceedings, and seizures against

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<sup>1</sup> On December 15, 2022, NuVeda filed a Joinder to Relief Requested by Appellant, purporting to join Clark’s Opening Brief and Motion. (See Joinder to Relief Requested by Appellant, on file herein). Although NuVeda claims that it does not own any interest in Clark, it has nonetheless “join[ed] in the relief requested by” Clark in this appeal. (*Id.*) There is no apparent reason for NuVeda to file a joinder to Clark’s Opening Brief and Motion other than to further engage in efforts to forestall Respondent’s collection efforts.

NuVeda in any court are hereby stayed in order to prevent the obtaining of any preference, judgment, seizure, levy, or lien and to preserve the property and assets of NuVeda.”)).

With respect to the seized cash, Clark has acknowledged that Goldstein is not in possession of the cash; therefore, even if it prevailed on that portion of its appeal, Goldstein does not have the cash to return to Clark. In fact, Clark has already initiated a separate lawsuit against Clark County Sheriff Joe Lombardo, Office of the Ex-Officio Constable seeking to recover the \$638.00 and requesting an injunction against future writs of execution against Clark’s assets. (See **Exhibit 7**, Complaint in Case No. A-22-850747-W). If the District Court were to grant Goldstein’s Motion to Appoint Receiver, Clark could still obtain the ultimate relief it seeks – vacation of the order denying relief under NRS Chapter 31 and return of the seized cash – through its lawsuit against the Sheriff. And, if Clark did not prevail in that lawsuit, the cash would become property of the receivership estate.

Finally, Clark’s request for reassignment is unavailing primarily because Clark could not have even requested reassignment in the District Court, as Clark is not a party below. See NRS 1.235(1) (“Any *party* to an action or proceeding pending in any court other than the Supreme Court, who seeks to disqualify a judge for actual or implied bias or prejudice must file an affidavit specifying the facts upon which the disqualification is sought.”) (emphasis added).

For these reasons, Goldstein respectfully requests that this Court enter an Order extending the time for her to file her Answering Brief for sixty (60) days, which should allow ample time for the District Court to decide Goldstein's Motion to Appoint Receiver.

### **III. CONCLUSION**

Based on the foregoing, Respondent respectfully request that this Court grant her request for a 60-day extension of time to file her Answering Brief.

DATED this 21<sup>st</sup> day of December, 2022.

DICKINSON WRIGHT, PLLC

/s/ Brian R. Irvine

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## **CERTIFICATE OF SERVICE**

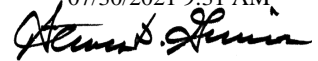
I HEREBY CERTIFY that on the 21<sup>st</sup> day of December, 2022, I filed the foregoing document using the court's electronic filing system.

LAW OFFIC OF MITCHELL STIPP  
Mitchell Stipp, Esq.  
1180 N. Town Center Drive, Suite 100  
Las Vegas, NV 89144  
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By: Angela M. Shoults  
An Employee of Dickinson Wright PLLC

# **EXHIBIT 1**

# **EXHIBIT 1**



CLERK OF THE COURT

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*Attorneys for Plaintiff Jennifer M. Goldstein*

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

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

Plaintiffs,

vs.

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

Defendants.

Case No.: A-15-728510-B  
Dept. No.: 11

**[PROPOSED] FINDINGS OF FACT,  
CONCLUSIONS OF LAW AND ORDER  
DENYING MOTION TO QUASH  
WRITS OF EXECUTION**

Defendant NuVeda, LLC (“NuVeda”) has moved this court (“Motion”) to quash Writs of Execution filed by Plaintiff Jennifer Goldstein (“Goldstein”). Pursuant to Administrative Order 21-04, the Court decides the Motion without the necessity of oral argument. The Court having reviewed the Motion and the related briefing, and being fully informed, makes the following findings of fact and conclusions of law:

**FINDINGS OF FACT**

1. Goldstein is the creditor, and NuVeda the debtor, on a judgment entered against NuVeda on November 15, 2019 (the “Judgment”).

2. On December 26, 2019, Goldstein filed a Motion for Supplementary Proceedings, wherein she moved this Court for an order pursuant to NRS 21.270 requiring NuVeda, through its Person(s) Most Knowledgeable (“PMK”), to appear for examination supplementary to execution upon the ground that a judgment has been entered herein in favor of Goldstein and against NuVeda, which remains unsatisfied. Goldstein’s Motion for Supplementary Proceedings was granted, but the PMK designated by NuVeda, Dr. Pejman Bady, has not appeared for a judgment debtor’s examination.

3. Goldstein subsequently filed two Writs of Execution directed at NuVeda, and various third-parties which Goldstein alleges are in possession of property subject to execution.

4. On June 11, 2021, NuVeda filed its Motion, requesting that this Court quash the Writs of Execution because (1) NuVeda does not own or have rights to any property referenced in the Writs of Execution, and (2) Goldstein's exclusive remedy against NuVeda is in the form of a charging order pursuant to NRS 86.401.

5. In opposition, Goldstein argues that NuVeda lacks standing to quash the Writs of Execution based on NuVeda's assertion that the Writs of Execution are directed at property that does not belong to NuVeda. Goldstein further argued that she is not seeking to satisfy the Judgment out of any member's interest in NuVeda, and the exclusive remedy provision pursuant to NRS 86.401 therefore does not apply.

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

## CONCLUSIONS OF LAW

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

8. Pursuant to NRCP 69(a)(1), “[a] money judgment is enforced by a writ of execution, unless the court directs otherwise. The procedure on execution — and in proceedings supplementary to and in aid of judgment or execution — must accord with these rules and state law.” Under NRS 21.010, a “party in whose favor judgment is given may, at any time before the

1 judgment expires, obtain the issuance of a writ of execution for its enforcement as prescribed in  
2 this chapter.”

3 9. Under NRS Chapter 21, a “judge may order any property of the judgment debtor  
4 to be applied toward the satisfaction of the judgment, where it is in possession of the judgment  
5 debtor or a third party, as long as it is not exempt from execution.” *Greene v. Eight Judicial Dist.*  
6 *Court of Nevada*, 990 P.2d 184 (1999).

7 10. Although NuVeda has requested that this Court quash the Writs of Execution on  
8 the basis that Goldstein has allegedly attempted to execute on property which does not belong to  
9 NuVeda, a judgment debtor such as NuVeda lacks “standing to assert exemptions on behalf of  
10 third parties.” *Ciras, LLC v. Ziegler*, No. 2:10-CV-02019-RLH, 2011 WL 1979857, at \*2 (D.  
11 Nev. May 20, 2011); *see also Willston Ctr. P'ship v. Abdollazadh*, 25 Va. Cir. 523 (1991) (“As to  
12 defendants' motion to quash the Writs of Execution to levy the personal properties of certain  
13 third parties, I find that the defendants have no standing to assert these non-party claims.”).

14 11. The PMK for NuVeda shall appear for a judgment debtor examination by  
15 Goldstein within fifteen (15) judicial days from entry of the Court’s July 19, 2021 Minute Order.

16 12. NuVeda has also failed to identify what property subject to the Writs of Execution  
17 is exempt, as required to NRS Chapter 21. *See Fed. Deposit Ins. Corp. v. Lewis*, No. 2:10-CV-  
18 439-JCM-VCF, 2015 WL 7185452 (D. Nev. Nov. 13, 2015) (“If exempt property is being levied  
19 on, then NRS 21.075 requires the judgment debtor—not the judgment creditor—to identify the  
20 specific property that is being levied on that is allegedly exempt from execution.”).

21 13. Moreover, the Court is not persuaded by NuVeda’s argument that Goldstein’s  
22 exclusive remedy is in the form of a charging order pursuant to NRS 86.401.

23 14. The plain language of NRS 86.401 provides that the charging order is the  
24 “exclusive remedy by which a judgment creditor of a member . . . may satisfy a judgment *out of*  
25 *the member’s interest of the judgment debtor*” and “no other remedy . . . is available to the  
26 judgment creditor *attempting to satisfy the judgment out of the judgment debtor’s interest in*  
27 *the limited liability company*.” NRS 86.401(2)(a) (emphasis added).



1 **CSERV**

2  
3 DISTRICT COURT  
CLARK COUNTY, NEVADA

4  
5  
6 Nuveda, LLC , Plaintiff(s)

CASE NO: A-15-728510-B

7 vs.

DEPT. NO. Department 11

8 Pejman Bady, Defendant(s)

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10 **AUTOMATED CERTIFICATE OF SERVICE**

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

14 Service Date: 7/30/2021

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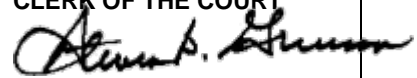
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# **EXHIBIT 2**

# **EXHIBIT 2**



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15 **DISTRICT COURT**

16 **CLARK COUNTY, NEVADA**

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

21 Plaintiffs,

22 Vs.

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

25 Defendants.

Case No.: A-15-728510-B

Dept. No.: 31

**Hearing Date: April 12, 2022**

**Hearing Time: 8:30 a.m.**

26 **PLAINTIFF JENNIFER M. GOLDSTEIN'S REPLY IN SUPPORT OF MOTION TO**  
27 **APPOINT RECEIVER**

28 Plaintiff / Judgment Creditor Jennifer M. Goldstein ("Goldstein"), by and through her  
counsel of record, BRIAN R. IRVINE and BROOKS T. WESTERGARD of the law firm of  
DICKINSON WRIGHT PLLC, hereby respectfully submits her Reply in Support of Motion  
to Appoint a Receiver over NuVeda, LLC and its subsidiaries and affiliates.

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 In her Motion to Appoint Receiver (“Motion”), Goldstein explained that NuVeda has  
4 chosen to hinder, delay and obfuscate in response to all of Goldstein’s collection efforts, has  
5 never offered to satisfy any portion of the judgment and has made no payment to Goldstein.  
6 Goldstein thus applied for the appointment of a receiver to aid in collection pursuant to NRS  
7 32.010(3), (4) and (6). In its Opposition, NuVeda primarily rehashes the identical arguments it  
8 made in its Motion for Reconsideration of this Court’s March 11, 2022 Order Denying  
9 NuVeda’s Application Petition Pursuant to NRS 31.070(5) (*compare* Opp’n at 5-6 with Mot.  
10 for Reconsideration at 5-6). NuVeda’s attempt to re-argue issues that have already been  
11 decided by this Court is wholly improper, (*see generally*, Opp’n to Mot. for Reconsideration),  
12 and has nothing to do with whether a receiver should be appointed.  
13

14 What is far more telling, however, is its novel, newly-alleged claim: that NuVeda  
15 “does not own any assets other than nominal interests in CWNV LLC, CWNV1 LLC, Clark  
16 NMSD, LLC (i.e., The Sanctuary), and Nye Natural Medicinal Solutions, LLC (‘Nye’).”  
17 (Opp’n at 7). NuVeda claims that it “and its affiliates/subsidiaries reorganized on or about  
18 June 12, 2019” and “[t]he reorganization makes NuVeda, LLC, a Delaware limited liability  
19 company (‘NuVeda DE’), the parent company of The Sanctuary and Nye.” (*Id.*) NuVeda  
20 further alleges that “The Sanctuary and Nye appointed NuVeda DE as its sole and exclusive  
21 manager, which provides NuVeda DE in exchange for its services all profits from The  
22 Sanctuary and Nye (including those from their respective cannabis operations).” (*Id.* at 7-8).  
23 Thus, according to NuVeda, “there is no money for any receiver to collect and distribute to  
24 Goldstein.” (*Id.*)  
25

26 NuVeda does not directly address any of the arguments in Goldstein’s Motion in  
27 support of her request for appointment of a receiver under NRS 32.010(3) and NRS 32.010(4),  
28 and NRS 32.010(6). Instead, NuVeda has admitted that it has transferred all of its assets for no

1 value after Goldstein’s arbitration award was issued, and has therefore established that  
2 appointment of a receiver is also warranted under NRS 32.010(1), which provides that a  
3 receiver may be appointed “[i]n an action . . . by a creditor to subject any property or fund to  
4 the creditor’s claim . . . where it is shown that the property or fund is in danger of being lost,  
5 removed or materially injured.” In addition for the reasons articulated in the Motion, the  
6 “reorganization” of NuVeda, which removed all assets from NuVeda in an attempt to deprive  
7 Goldstein of any opportunity to collect on her Judgment, provides an additional, independent  
8 basis for this Court to appoint a receiver over NuVeda.  
9

## 10 **II. DISCUSSION**

### 11 **A. Goldstein is Entitled to the Appointment of a Receiver**

#### 12 **1. The NuVeda “Reorganization” Provides an Additional Basis for Appointment of a Receiver**

13 Nevada implemented its Uniform Fraudulent Transfer Act (“NUFTA”) in 1987 to  
14 quell debtors from defrauding creditors by “placing subject property beyond the creditors’  
15 reach.” *Herup v. Boston Fin. LLC.*, 123 Nev. 228, 232, 162 P.3d 870, 872 (2007). This law  
16 prohibits three types of fraudulent transfers: “(1) actual fraudulent transfers; (2) constructive  
17 fraudulent transfers; and (3) certain transfers by insolvent debtors.” *Id.* at 233, 162 P.3d at  
18 873.

19 Pursuant to the terms of the Membership Interest Exchange and Contribution  
20 Agreement (the “Agreement”) dated June 12, 2019, Joseph Kennedy, Pejman Bady and Pouya  
21 Mohajer collectively owned 100% ownership interest in NuVeda. (Opp’n, Ex. 4, the  
22 Agreement at 1). The Agreement provides that “NuVeda hereby redeems all of the right, title  
23 and interest of Kennedy, Bady and Mohajer in NuVeda in exchange for the membership  
24 interest of NuVeda in Clark NMSD and Nye . . .” (*Id.* at 2). The Agreement further provides  
25 that Kennedy, Bady and Mohajer “convey[ed] all of their right, title and interest in Clark  
26 NMSD and Nye to NuVeda DE in exchange for membership interest in NuVeda DE.” (*Id.*)  
27 The Agreement also purports to “fully release and discharge NuVeda, Clark NMSD, Nye and  
28 NuVeda DE of and from all . . . judgments . . . which any of the foregoing has as of” June 12,

1 2019. (*Id.* at 2-3).<sup>1</sup>

2         On its face, the Agreement purports to strip NuVeda of all of its assets, and transfer  
3 the same assets, with the same individuals retaining their respective ownership interest, into  
4 the newly-formed NuVeda DE. The Agreement also purports to release and discharge  
5 NuVeda DE of all of NuVeda’s liability, including Goldstein’s Judgment. This, according to  
6 NuVeda, renders the appointment of a receiver over NuVeda improper and of no practical  
7 effect. What NuVeda fails to inform this Court is that an alter ego of a judgment debtor is a  
8 “debtor” under NUFTA. NUFTA defines a debtor as “a person who is liable on a claim.” NRS  
9 112.150(6). And a claim is “a right to payment, whether or not the right is reduced to  
10 judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed,  
11 undisputed, legal, equitable, secured or unsecured.” NRS 112.150(3). And, the Nevada  
12 Supreme Court has recently held that “[i]n Nevada, a judgment debtor and his alter ego are  
13 treated as identical entities for the purposes of judgment execution.” *Magliarditi v. TransFirst*  
14 *Grp., Inc.*, 450 P.3d 911 (Nev. 2019).

15         One illustrative example from California is instructive with respect to the type of  
16 transfer contemplated by the Agreement, where the owners of NuVeda, Kennedy, Bady and  
17 Mohajer, simply purported to place NuVeda’s assets under the control of a newly formed  
18 company controlled by Kennedy, Bady and Mohajer without providing any value to NuVeda  
19 and rendering NuVeda insolvent. In *In re Turner*, a bankruptcy trustee sought to avoid  
20 transfers from a debtor to a Nevada corporation and Nevada LLC he created as “actually  
21 fraudulent” and “constructively fraudulent” under federal bankruptcy fraudulent transfer law,  
22 11 U.S.C. § 548 (2012), and California’s Uniform Voidable Transactions Act, Cal. Civ. Code  
23 § 3439 (West 2016). 335 B.R. 140, 144, 146 (Bankr. N.D. Cal. 2005). The trial court found  
24 that all of the transfers were made with “actual intent” pursuant to the code, concluding that  
25 the transfers made by the debtor to his Nevada corporation and LLC were made to an  
26 “insider,” that he “retained possession and control of the [property] after the all of the

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27 <sup>1</sup> It is instructive that immediately prior to forming NuVeda DE, Bady, Kennedy and Mohajer all sued NuVeda,  
28 LLC and obtained a Confession of Judgment on April 4, 2019, with Mitchell Stipp appearing as counsel for  
NuVeda. [*Pejman Bady, Plaintiff(s) vs. NuVeda LLC, Defendant(s)*, Case No. A-19-792169-C.]

1 transfers,” that he had been sued before most of the transfers, that he received no  
2 consideration for the transfers, and that he was rendered insolvent by the transfers. *Id.* at 146  
3 & n.7 (referencing a list of factors for courts to consider whether a transfer was made with  
4 actual intent pursuant to California’s fraudulent transfer law (citing Cal. Civ. Code §  
5 3439.04)). These indicators of actual intent to defraud, in California’s code are virtually  
6 identical to the “actual intent” factors in NUFITA. *Id.*; compare NRS 112.180(2)(a)-(k), with  
7 Cal. Civ. Code § 3439.04(b)(1)-(11). The court also concluded that the LLC and corporation  
8 were the debtor’s alter egos, and that transfers made by those entities could be considered  
9 fraudulent transfers of the judgment debtor and therefore properly avoided. *In re Turner*, 335  
10 B.R. at 147. The Ninth Circuit relatedly held that a corporation created by a judgment debtor  
11 to insulate the debtor’s assets was the debtor’s alter ego, concluding that a fraudulent transfer  
12 by an alter ego could be treated as a fraudulent transfer by the judgment debtor. *Fleet Credit*  
13 *Corp. v. TML Bus Sales, Inc.*, 65 F.3d 119, 120-22 (9th Cir. 1995) (applying California’s  
14 fraudulent transfer law); see also *U.S. Capital Funding VI, Ltd. v. Patterson Bankshares, Inc.*,  
15 137 F. Supp. 3d 1340, 1366-67 (S.D. Ga. 2015) (“[A] transfer carried out by an ‘alter ego’ or  
16 a ‘mere instrumentality’ of a judgment debtor is sufficient to constitute a transfer by the  
17 debtor itself.”); 37 C.S.J. *Fraudulent Conveyances* § 21 (2017) (“A fraudulent conveyance  
18 can occur even if the debtor is not a party to the conveyance or did not carry it out, as in a  
19 transfer by the debtor’s alter ego or mere instrumentality of a judgment debtor.”).

20 Moreover, it is well-settled that a receiver may pursue fraudulent transfer claims in  
21 situations like the one contemplated by the Agreement. See *Donnell v. Kowell*, 533 F. 3d 762,  
22 777 (9th Cir. 2008) (“The Receiver has standing to bring this suit because, although the losing  
23 investors will ultimately benefit from the asset recovery, the receiver is in fact suing to redress  
24 injuries that [the company] suffered when its managers cause [the company] to commit waste  
25 and fraud.”); *Wing v. Layton*, 2:08-CV-708, 2013 WL 3725267 (D. Utah July 12, 2013)  
26 (finding that a receiver has standing to assert fraudulent conveyance claims to recover  
27 amounts transferred by the receivership entity while it was being operated as a Ponzi scheme);  
28 *Stenger v. World Harvest Church, Inc.*, 2006 WL 870310 at \*5-6 (N.D. Ga. Mar. 31, 2006)

1 (permitting receiver to pursue fraudulent conveyance claim under the Georgia statute which  
2 stated that fraudulent conveyances were void as to “creditors and others,” thereby not limiting  
3 a receiver’s claims to only that of a creditor).

## 4           **2.       NuVeda’s Remaining Arguments are Meritless**

5           NuVeda also argues that “Goldstein wants the court to disregard NuVeda’s legally  
6 distinct and separate existence from The Sanctuary under Nevada law.” (Opp’n at 6). NuVeda  
7 also argues that “NuVeda is not the legal owner of any cannabis facility” and “[i]t does not  
8 own assets of The Sanctuary (including its licenses).” (*Id.*) Goldstein is not requesting that  
9 this Court ignore corporate formalities. What Goldstein *is* requesting is that this Court appoint  
10 a receiver over NuVeda to prevent NuVeda and its principals from engaging in the fraudulent  
11 conduct contemplated by the Agreement or to unwind that conduct. With respect to the  
12 cannabis licenses, the Agreement contemplates that The Sanctuary and Nye’s cannabis  
13 dispensary, cultivation, and production licenses would be transferred to NuVeda DE, and  
14 NuVeda would receive nothing in exchange. (*See* Agreement at 2).

15           Moreover, while the Agreement does contemplate regulatory approval for the transfer  
16 of the cannabis licenses, on information and belief, regulatory approval has not been obtained  
17 and remains pending before the Nevada Cannabis Compliance Board. Thus, under Nevada  
18 law, NuVeda DE cannot be the lawful owner of the cannabis licenses as contemplated in the  
19 Agreement.

20           Additionally, any accusation that Goldstein is not respecting corporate formalities is  
21 belied by NuVeda’s own conduct in this action. In its Application/Petition Pursuant to NRS  
22 31.070(5) and Request to Prohibit Goldstein from any further Collection Activity without  
23 Court Approval (“Application”), *The Sanctuary and NuVeda* requested an order from this  
24 Court prohibiting Goldstein from collecting cash from The Sanctuary pursuant to a writ of  
25 execution. In the Application, NuVeda argued that Goldstein “does not have the right to seize  
26 cash which belongs to The Sanctuary despite the parent/subsidiary relationship between  
27 NuVeda and The Sanctuary.” (Application at 5). NuVeda’s prior position – that it was the  
28 parent of The Sanctuary – was either patently false at the time it was made given the

1 transaction set forth in the Agreement, or NuVeda knows that the transaction contemplated in  
2 the Agreement was ineffective. Certainly, NuVeda DE has made no appearance in this case to  
3 complain about Goldstein’s collection efforts against what it now claims to be its subsidiaries.

4 It has always been NuVeda’s position in this case, and its numerous other cases before  
5 this Court—including the CWNevada Receivership case—that it owns the cannabis licenses  
6 in use at the locations where Goldstein has directed the subject Writs.

7 In its Verified Complaint in Case No. A-17-755479-C (CWNevada Receivership  
8 Case), attested to by Pejman Bady, NuVeda alleges:

9 11. In 2014, **NuVeda sought Medical Marijuana Establishment (hereinafter**  
10 **MME) Licenses** through the State of Nevada MME application process.

11 22. On or around November 2014, **NuVeda won several MME licenses through the**  
12 **State of Nevada MME application process.** [Sic; all per original at Verified  
Complaint 2: 11-12 and 3.16-18]<sup>2</sup>

13 The Verified Complaint details the contractual agreement between and among  
14 NuVeda, CWNevada and 4Front, which it hired to “**provide consultation and assistance to**  
15 **NuVeda in procurement of MME Licenses for NuVeda**” [Verified Complaint at 9:7-8]  
16 and “train staff and manage NuVeda’s MME Dispensary facilities.” [Verified Complaint at  
17 3:9-10.] NuVeda avers it had paid 4front \$265,000.00 as of the date the Complaint was filed.  
18 [Verified Complaint 3:19.] The Verified Complaint explains in detail NuVeda’s efforts to  
19 fund the buildout of its dispensaries, and its various contractual wranglings, eventually  
20 alleging that 4Front damaged it, *inter alia*, by:

21 [...] delaying transfer of **the four NuVeda licenses** to CWNV, LLC as  
22 mandated by the CWNevada Purchase Agreement; delaying construction of NuVeda’s  
23 MME facilities[...], causing NuVeda to incur significantly increased construction  
costs associated with the NuVeda MME facilities[...] [and] **Damaging NuVeda’s**  
24 **company value.** [Verified Complaint 11:6-11.]

25 See also, April 8, 2020 Supplement to NuVeda’s Motion to Lift the Litigation Stay and  
26 Opposition to Receiver’s Motion to Approve Retention of Counsel Sponsored by Phil Ivey  
27 and Related Matters at p. 6:18-19 (“The receiver claims in its filing that CWNevada did not  
28

1 receive any benefit from the joint venture with NuVeda. *Apparently, the receiver is ignoring*  
2 *the money CWNevada pulled out of NuVeda’s dispensaries while operating the same.”*; *Id.*  
3 at 8:8 (“NuVeda is not subject to an agreement to sell *its licenses* to a third-party.”) (emphasis  
4 added); Case No. A-15-728510-B, October 9, 2019 Case Appeal Statement at 4 (“This matter  
5 involves an intra-company dispute by and between the members of *NuVeda, a limited*  
6 *liability company that was awarded and continues to possess and conduct operations related*  
7 *to six marijuana licenses based in Clark County, Nevada.*”) (emphasis added).

8 NuVeda’s judicial admissions—in its Verified Complaint signed by Pejman Bady—  
9 believe its current ruse. NuVeda is, simultaneously: (1) the plaintiff in one case alleging its  
10 “company value” was damaged by 4front, who hampered NuVeda’s efforts to sell its MME  
11 licenses; and (2) the judgment creditor in this case, alleging it has never owned the MME  
12 licenses. NuVeda cannot now claim that appointment of a receiver is inappropriate when it  
13 has continuously frustrated Goldstein’s collection efforts and has engaged in a shell game  
14 with its assets. To the extent that NuVeda objects to Goldstein’s collection efforts, including  
15 writs of execution, Goldstein’s collection efforts would be stayed once a receiver is appointed  
16 to manage NuVeda’s debts and liabilities.

17 **B. NuVeda’s Request for a Stay Should be Denied**

18 NuVeda argues that “Goldstein should not be permitted to continue with her illegal  
19 collection activities,” (Opp’n at 8), but does not offer this Court any reason why this action  
20 should be stayed. Goldstein has been diligent in her collection efforts, and a stay of this action  
21 unwarranted and unnecessary.

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DATED this 5<sup>th</sup> day of April 2022.

/s/ Brian R. Irvine  
BRIAN R. IRVINE  
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*Attorneys for Plaintiff Jennifer M. Goldstein*

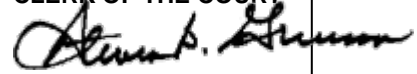
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/s/ Angela M. Shoults  
An Employee of Dickinson Wright PLLC

4874-4968-4762 v1 [88728-1]

# **EXHIBIT 3**

# **EXHIBIT 3**



MITCHELL D. STIPP, ESQ.  
Nevada Bar No. 7531  
**LAW OFFICE OF MITCHELL STIPP**  
1180 N. Town Center Drive, Suite 100  
Las Vegas, Nevada 89144  
Telephone: 702.602.1242  
mstipp@stipplaw.com  
*Attorneys for NuVeda, LLC*

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

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

Plaintiffs,

v.

PEJMAN BADY, an individual; POUYA  
MOHAJER, an individual; DOES I to X,  
inclusive; and ROES I to X, inclusive,

Defendants.

Case No.: A-15-728510-B

Dept. No.: 31

**NOTICE OF SUGGESTION OF  
BANKRUPTCY**

NuVeda, LLC, a Nevada limited liability company (“Debtor”), by and through its attorneys-of-record, hereby provides notice of suggestion of bankruptcy. See **Exhibit 1** attached hereto. Debtor’s case has been filed under Chapter 11 of the U.S. Bankruptcy Code and an automatic stay has been imposed by the bankruptcy court.

///

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///

///

1 DATED this 11th day of April, 2022.

2  
3 **LAW OFFICE OF MITCHELL STIPP**

4  
5 /s/ Mitchell Stipp, Esq.

6 MITCHELL STIPP, ESQ.

7 Nevada Bar No. 7531

8 LAW OFFICE OF MITCHELL STIPP

9 1180 N. Town Center Drive, Suite 100

10 Las Vegas, Nevada 89144

11 Telephone: 702.602.1242

12 mstipp@stipplaw.com

13 *Attorneys for NuVeda, LLC*

## EXHIBIT 1

**Information to identify the case:**

Debtor NuVeda LLC EIN: 46-5406098  
 Name \_\_\_\_\_  
 United States Bankruptcy Court District of Nevada Date case filed for chapter: 11 4/11/22  
 Case number: 22-11249-abl

**Official Form 309F2 (For Corporations or Partnerships under Subchapter V)****Notice of Chapter 11 Bankruptcy Case**

10/20

**For the debtor listed above, a case has been filed under chapter 11 of the Bankruptcy Code. An order for relief has been entered.**

**This notice has important information about the case for creditors, debtors, and trustees, including information about the meeting of creditors and deadlines. Read both pages carefully.**

The filing of the case imposed an automatic stay against most collection activities. This means that creditors generally may not take action to collect debts from the debtor or the debtor's property. For example, while the stay is in effect, creditors cannot sue, assert a deficiency, repossess property, or otherwise try to collect from the debtor. Creditors cannot demand repayment from the debtor by mail, phone, or otherwise. Creditors who violate the stay can be required to pay actual and punitive damages and attorney's fees.

Confirmation of a chapter 11 plan may result in a discharge of debt. A creditor who wants to have a particular debt excepted from discharge may be required to file a complaint in the bankruptcy clerk's office within the deadline specified in this notice. (See line 12 below for more information.)

To protect your rights, consult an attorney. All documents filed in the case may be inspected at the bankruptcy clerk's office at the address listed below or through PACER (Public Access to Court Electronic Records at <https://pacer.uscourts.gov>).

**The staff of the bankruptcy clerk's office cannot give legal advice.**

**Do not file this notice with any proof of claim or other filing in the case.**

<b>1. Debtor's full name</b>	NuVeda LLC	
<b>2. All other names used in the last 8 years</b>		
<b>3. Address</b>	PO Box 6255 Pahrump, NV 89041	
<b>4. Debtor's attorney</b> Name and address	MITCHELL D. STIPP LAW OFFICE OF MITCHELL STIPP 10120 W. FLAMINGO RD., STE 4-124 LAS VEGAS, NV 89147	Contact phone: 702-602-1242 Email: mstipp@stipplaw.com
<b>5. Bankruptcy trustee</b> Name and address	CHAPTER 11 – LV 300 LAS VEGAS BLVD., SO. #4300 LAS VEGAS, NV 89101	Contact phone (702) 388-6600 Email: USTPRegion17.lv.ecf@usdoj.gov
<b>6. Bankruptcy clerk's office</b> Documents in this case may be filed at this address. You may inspect all records filed in this case at this office or online at <a href="https://pacer.uscourts.gov">https://pacer.uscourts.gov</a> .	300 Las Vegas Blvd., South Las Vegas, NV 89101	Office Hours: 9:00 AM – 4:00 PM Contact phone: (702) 527-7000 Date: 4/11/22

**For more information, see page 2 >**

Debtor **NuVeda LLC**Case number **22-11249-abl**

<b>7. Meeting of creditors</b>	<b>May 12, 2022 at 10:00 AM</b>	Location:
The debtor's representative must attend the meeting to be questioned under oath. Creditors may attend, but are not required to do so.	The meeting may be continued or adjourned to a later date. If so, the date will be on the court docket.	<b>Call-in Number: 877-920-8646, Passcode: 7968994</b>
<b>8. Proof of claim deadline</b>	<b>Deadline for filing proof of claim:</b> <b>6/21/22</b> For a governmental unit: <b>10/11/22</b> A proof of claim is a signed statement describing a creditor's claim. A proof of claim form may be obtained at <a href="http://www.uscourts.gov">www.uscourts.gov</a> or any bankruptcy clerk's office. Your claim will be allowed in the amount scheduled unless: <ul style="list-style-type: none"> <li>• your claim is designated as <i>disputed</i>, <i>contingent</i>, or <i>unliquidated</i>;</li> <li>• you file a proof of claim in a different amount; or</li> <li>• you receive another notice.</li> </ul> If your claim is not scheduled or if your claim is designated as <i>disputed</i> , <i>contingent</i> , or <i>unliquidated</i> , you must file a proof of claim or you might not be paid on your claim and you might be unable to vote on a plan. You may file a proof of claim even if your claim is scheduled. You may review the schedules at the bankruptcy clerk's office or online at <a href="https://pacer.uscourts.gov">https://pacer.uscourts.gov</a> . Secured creditors retain rights in their collateral regardless of whether they file a proof of claim. Filing a proof of claim submits a creditor to the jurisdiction of the bankruptcy court, with consequences a lawyer can explain. For example, a secured creditor who files a proof of claim may surrender important nonmonetary rights, including the right to a jury trial.	
<b>9. Exception to discharge deadline</b>	If § 523(c) applies to your claim and you seek to have it excepted from discharge, you must start a judicial proceeding by filing a complaint by the deadline stated below. <b>Deadline for filing the complaint:</b> <b>None</b>	
<b>10. Creditors with a foreign address</b>	If you are a creditor receiving notice mailed to a foreign address, you may file a motion asking the court to extend the deadlines in this notice. Consult an attorney familiar with United States bankruptcy law if you have any questions about your rights in this case.	
<b>11. Filing a Chapter 11 bankruptcy case</b>	Chapter 11 allows debtors to reorganize or liquidate according to a plan. A plan is not effective unless the court confirms it. You may receive a copy of the plan and a disclosure statement telling you about the plan, and you may have the opportunity to vote on the plan. You will receive notice of the date of the confirmation hearing, and you may object to confirmation of the plan and attend the confirmation hearing. The debtor will generally remain in possession of the property and may continue to operate the debtor's business.	
<b>12. Discharge of debts</b>	Confirmation of a chapter 11 plan may result in a discharge of debts, which may include all or part of your debt. See 11 U.S.C. § 1141(d). A discharge means that creditors may never try to collect the debt from the debtor except as provided in the plan. If you want to have a particular debt owed to you excepted from the discharge and § 523(c) applies to your claim, you must start a judicial proceeding by filing a complaint and paying the filing fee in the bankruptcy clerk's office by the deadline.	

**EXHIBIT 4**

**EXHIBIT 4**

AARON D. FORD  
Attorney General  
Ashley A. Balducci (Bar No. 12687)  
Senior Deputy Attorney General  
Emily N. Bordelove (Bar No. 13202)  
Senior Deputy Attorney General  
Office of Attorney General  
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[abalducci@ag.nv.gov](mailto:abalducci@ag.nv.gov)  
[ebordelove@ag.nv.gov](mailto:ebordelove@ag.nv.gov)

*Attorneys for State of Nevada,  
ex rel. Cannabis Compliance Board*

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:	BK-22-11249-abl Chapter 11 (Subchapter V)
NUVEDA, LLC, a Nevada limited liability company,	
Debtor(s).	Hearing Date: August 23, 2022 Hearing Time: 2:00 PM

**LIMITED JOINDER TO CREDITOR JENNIFER M. GOLDSTEIN'S  
MOTION TO DISMISS BANKRUPTCY PETITION**

The State of Nevada *ex rel.* Cannabis Compliance Board (“CCB”), by and through its counsel, Attorney General Aaron D. Ford, Senior Deputy Attorney General, Emily N. Bordelove, and Senior Deputy Attorney General, Ashley A. Balducci hereby submits this Limited Joinder To Creditor Jennifer M. Goldstein’s Motion To Dismiss Bankruptcy Petition (“underlying Motion”) and Request upon dismissal for an Order pursuant to 11 U.S.C. § 362(j) confirming that the automatic stay has been terminated. This Limited Joinder is filed pursuant to 11 U.S.C. § 105(a).

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# MEMORANDUM OF POINTS AND AUTHORITIES

## INTRODUCTION

The CCB agrees that dismissal is warranted under 11 U.S.C. § 1112(b) and hereby adopts and incorporates those legal arguments relating to Debtor NuVeda LLC's ("Debtor" or "NuVeda") ownership interest in cannabis establishment subsidiaries, Clark NMSD LLC ("Clark NMSD") and Nye Natural Medicinal Solutions LLC ("Nye Natural"), as set forth in the underlying Motion, adding that Debtor's ownership interest was not formally transferred under the CCB.

Alternatively, the CCB files, contemporaneous with this Limited Joinder, a separate Motion for declaratory relief in the form of an Order from this Court that this bankruptcy does not stay the CCB's ability to execute its regulatory and enforcement powers over Clark NMSD and Nye Naturals, given 11 USC § 362(b) provides for an exception to such stay for the exercise of regulatory powers. *See* Motion for Declaratory Relief filed contemporaneously with this Limited Joinder.

## ADDITIONAL RELEVANT FACTS

### A. OWNERSHIP AND INJUNCTIONS

As noted in the underlying Motion, the state court in Case No. A-17-755479-B enjoined Debtor "from ***selling, transferring, or otherwise disposing of any assets*** in their possession, custody, and/or control, ***including any Nevada cannabis license*** and cash received (except as needed for normal business operations) from the lawful sale of cannabis through their Nevada retail dispensaries until this Court orders otherwise." (emphasis added). *See* underlying Motion at ¶ 24 at 13, *see also* Exhibit 16 to underlying Motion, Dkt. 45 in Case No. A-17-755479-B,<sup>1</sup> March 14, 2019, Injunction at 2. This injunction prohibits Debtor from transferring its ownership interests in Clark NMSD and Nye Naturals.

The state court initially put this prohibition in place in a Temporary

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<sup>1</sup> While the pleadings list the case number as A-17-755479-C, the Eighth Judicial District Court provides the case number as A-17-755479-B. *See* **Exhibit C**, attached to Decl. of Emily N. Bordelove.

1 Restraining Order (“TRO”) filed on February 5, 2019. *See* **Exhibit A.**, Dkt. 21 in Case  
2 No. A-17-755479-B, February 5, 2019, Notice of Entry of Temporary Restraining  
3 Order at 4, attached to Decl. of Emily N. Bordelove.

4 Furthermore, the state court in Case No. A-17-755479-B has not lifted nor  
5 modified the above TRO or injunction to allow Debtor to transfer or otherwise dispose  
6 of its assets or its Nevada cannabis licenses, including ownership in Clark NMSD and  
7 Nye Naturals and their associated Nevada cannabis licenses. *See* **Exhibit B.**, Dkt.  
8 91 in Case No. A-17-755479-B, April 16, 2019, Notice of Entry of Amended Injunction  
9 at 6, attached to Decl. of Emily N. Bordelove.

10 As noted in the underlying Motion, on or about June 12, 2019, about four  
11 months after the above TRO was entered, Debtor claims it reorganized and  
12 transferred its ownership interest in Clark NMSD and Nye Naturals to a *different*  
13 NuVeda LLC, a Delaware limited liability company (“NuVeda DE”). *See* underlying  
14 Motion ¶ 5 at 8, *see also* Exhibit 8 to underlying Motion, Dkt. 190 in Case No. A-15-  
15 728510-C, Opposition to Motion to Appoint Receiver at 7.

16 As outlined in the MIPA attached to Exhibit 8 to the underlying Motion, the  
17 natural persons with ownership interests in Debtor, Joseph Kennedy, Pejman Bady,  
18 and Pouyha Mohajer also own NuVeda DE. *See id.* at 18-19.

19 There has been no allegation nor assertion that Debtor obtained regulatory  
20 approval from any Nevada state agency, including the CCB, for the transfer of  
21 Debtor’s interests in Clark NMSD and Nye Naturals to NuVeda DE. Under Nevada  
22 law, a transfer of ownership interest in a cannabis establishment is not effective until  
23 the state agency is notified of the transfer and the state agency finds that each person  
24 acquiring an ownership interest is individually qualified to be an owner of a cannabis  
25 establishment. *See* Nev. Admin. Code § 453D.315(5) (repealed 2020); Nevada  
26 Cannabis Compliance Regulation (“NCCR”) 5.110(1).

27 As of the date of this Limited Joinder, the CCB’s records reflect Debtor, not  
28 NuVeda DE, as the parent company that owns both Clark NMSD and Nye Naturals.

1           **B.      PLAN OF REORGANIZATION**

2           Debtor filed its Plan of Reorganization (“Plan”) on July 11, 2022. *See* Dkt 89.  
 3 In the Plan, Debtor states that it will be funded by a \$500,000 loan from one or more  
 4 of its equity security holders. *See* Dkt 89 at 2 & 4. According to Debtor’s Voluntary  
 5 Petition for Non-Individuals Filing for Bankruptcy, Debtor’s Security holders are  
 6 Joseph Kennedy, Pejman Bady, and Pouyha Mohajer. *See* Dkt. 1’s Exhibit 3 at 16.

7   **LEGAL ARGUMENT**

8   **I.   DEBTOR OWNS THE SUBSIDIARIES THAT HOLD THE CANNABIS**  
 9   **LICENSES BECAUSE NO STATE AGENCY APPROVED THE**  
 10   **TRANSFER TO NUVEDA DE.**

11           The underlying Motion argues that Debtor’s prior ownership of cannabis  
 12 facilities provides cause for dismissal under Section 1112(b) of the Bankruptcy Code.  
 13 *See* underlying Motion at 16-19. The CCB joins in this argument and additionally  
 14 provides that Debtor *presently* serves as the parent company for Clark NMSD and  
 15 Nye Naturals.

16           Ownership interest in a cannabis license cannot be transferred absent  
 17 notification and approval from the CCB. NRS 678B.380 provides in pertinent part  
 18 that “[e]xcept as otherwise provided by regulations adopted by the Board pursuant to  
 19 subsection 2, the following are nontransferable... [a] medical cannabis establishment  
 20 license [and] [a]n adult-use cannabis establishment license.” NRS 678B.380 (1)(d)-  
 21 (e). In 2019 when the alleged transfer occurred to the present, Nevada law has  
 22 expressly stated that a transfer of ownership interest in a cannabis establishment is  
 23 not effective until the state agency is notified of the transfer and the state agency  
 24 finds that each person acquiring an ownership interest is individually qualified to be  
 25 an owner of a cannabis establishment. *See* Nev. Admin. Code § 453D.315(5) (repealed  
 26 2020); NCCR 5.110(1).

27           As noted above, there has been no allegation nor assertion that Debtor notified  
 28 and obtained regulatory approval from the CCB or its predecessor for the transfer of  
 interest to NuVeda DE. Further, the CCB’s records currently reflect Debtor, not

NuVeda DE, as the parent company owning both Clark NMSD and Nye Naturals. Furthermore, given the state district court's order in Case No. A-17-755479-B enjoining Debtor from transferring assets, including the Nevada cannabis licenses, it is an open question as to whether the CCB could approve a request to transfer Debtor's ownership interest in Clark NMSD and Nye Naturals to NuVeda DE.

Debtor may argue that even if it owns Clark NMSD and Nye Naturals "on paper," practically, NuVeda DE and not Debtor, received cannabis related money from these entities that would implicate 11 USC § 1112(b). However, as noted above, Debtor will be financed from a \$500,000 loan from one or more of its equity security holders. These equity security holders, Joseph Kennedy, Pejman Bady, and Pouyha Mohajer, also own NuVeda DE and receive cannabis related money from Clark NMSD and Nye Naturals. As a result, the loan from Debtor's equity security holders to fund Debtor could originate from cannabis related money that would implicate 11 USC § 1112(b).

Thus, the CCB supplements the arguments in the underlying Motion that dismissal is warranted under 11 USC § 1112(b) with the fact that Debtor *currently* owns Clark NMSD and Nye Naturals.

## **II. ORDER CONFIRMING TERMINATION OF STAY DUE TO DISMISSAL**

If this Court grants the underlying Motion, the CCB, as a real party in interest<sup>2</sup>, requests an Order from this Court confirming that the automatic stay has been terminated.

11 USC § 362 (j) provides "[o]n request of a party in interest, the court shall issue an order under subsection (c) confirming that the automatic stay has been terminated." 11 USC § 362(c)(2)(B) provides that "[e]xcept as provided in subsections (d), (e), (f), and (h) of this section-- the stay of any other act under subsection (a) of this section continues until the earliest of--the time the case is dismissed."

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<sup>2</sup> Please see the CCB's Motion for Declaratory Relief, filed contemporaneously with this Limited Joinder.

1 Thus, if this Court grants the underlying Motion and dismisses Debtor's  
2 bankruptcy case, the CCB requests an Order from this Court, pursuant to 11 USC §  
3 362 (j), confirming that the automatic stay has been terminated.

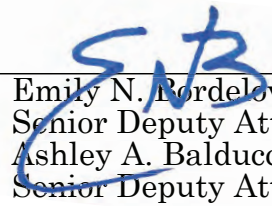
4 **CONCLUSION**

5 For the reasons stated, the CCB files this Limited Joinder To Creditor Jennifer  
6 M. Goldstein's Motion To Dismiss Bankruptcy Petition and requests, if this Court  
7 grants said motion an Order Confirming Termination Of Stay Due To Dismissal of  
8 the Bankruptcy case.

9 DATED this 18th of July, 2022.

AARON D. FORD  
Attorney General

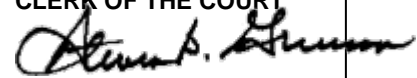
10  
11 By:

  
Emily N. Rordelove (Bar No. 13202)  
Senior Deputy Attorney General  
Ashley A. Balducci (Bar No. 12687)  
Senior Deputy Attorney General

12  
13  
14 *Attorneys for State of Nevada, ex rel.*  
15 *Cannabis Compliance Board*  
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# **EXHIBIT 5**

# **EXHIBIT 5**



**JOIN**  
AARON D. FORD  
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*Attorneys for Non-party State of Nevada,  
ex rel. Cannabis Compliance Board*

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

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

Plaintiffs,

v.

PEJMAN BADY, an individual; POUYA  
MOHAJER, an individual; DOES I to X,  
inclusive; and ROES I to X, inclusive,

Defendants.

Case No.: A-15-728510-B

Dept. No.: 31

**LIMITED JOINDER TO THE REQUEST TO SET HEARING ON MOTION TO  
APPOINT RECEIVER, OR IN THE ALTERNATIVE, A REQUEST FOR AN  
ORDER PERMITTING DISCLOSURE OF CERTAIN CONFIDENTIAL  
INFORMATION UNDER NRS 678A.470.**

Non-party the State of Nevada, ex rel. Cannabis Compliance Board (the "CCB"), by  
and through counsel Aaron D. Ford, Attorney General of the State of Nevada, Ashley A.  
Balducci, Senior Deputy Attorney General, and Emily N. Bordelove, Senior Deputy  
Attorney General, hereby files this Limited Joinder to the Notice Of Dismissal Of  
Bankruptcy Case and Request To Set Hearing On Motion To Appoint Receiver, or in the  
Alternative a Request for an Order Permitting Disclosure of Certain Confidential  
information under NRS 678A.470.

1 This Limited Joinder and Request is made and based on the following Memorandum  
2 of Points and Authorities and attached exhibits, together with the papers and pleadings on  
3 file.

4 DATED this 12th of December, 2022. AARON D. FORD  
5 Attorney General

6 By:

7 Ashley Balducci (Bar No. 12687)  
8 Senior Deputy Attorney General  
9 Emily N. Bordelove (Bar No. 13202)  
10 Senior Deputy Attorney General  
11 555 E. Washington Ave. Suite 3900  
12 Las Vegas, NV 89101

*Attorneys for Non-party State of Nevada,  
ex rel. Cannabis Compliance Board*

## 13 MEMORANDUM OF POINTS AND AUTHORITIES

### 14 I. INTRODUCTION

15 The CCB has an interest in this proceeding at this time because it involves cannabis  
16 licensees, a request for a cannabis receivership<sup>1</sup>, and now a misrepresentation regarding  
17 the CCB's position.

18 More specifically, it has come to the CCB's attention in the last week that Plaintiff  
19 NuVeda LLC ("NuVeda NV") and Clark NMSD LLC ("Clark NMSD") misrepresented in  
20 recent court proceedings, either hinting<sup>2</sup> or outright claiming<sup>3</sup> that the CCB agrees with  
21 NuVeda NV's position that another NuVeda company incorporated in Delaware ("NuVeda  
22 DE") owns cannabis establishments Clark NMSD and Nye Natural Medicinal Solutions,  
23 LLC ("Nye Natural") (collectively "Cannabis Subsidiaries"). See NuVeda NV's Motion to

24 <sup>1</sup> Cannabis receiverships are governed by NRS Chapters 678A and 678B

25 <sup>2</sup> The exact quote from NuVeda NV's two pleadings reads: "[h]owever, the CCB stipulated with NuVeda to  
26 withdraw its joinder and did not oppose NuVeda's position that NuVeda divested its interests in all cannabis  
27 licenses and cannabis business including Clark NMSD, LLC and Nye Natural Medicinal Solutions, LLC  
28 ("Former Subsidiaries") in June of 2019."

<sup>3</sup> The exact quote from Clark's Nevada Supreme Court pleading is more egregious as it reads: "[h]owever, the  
CCB withdrew its opposition and **agreed** that NuVeda did not own Appellant (or any of the purported  
subsidiaries that were licensed cannabis establishments) ("CCB Stipulation")." (emphasis added).

1 Continue at 003:7-10 and Proposed Supplement at 014:7-10, both attached as **Exhibit 1**,  
2 and Clark NMSD's Emergency Motion at 025, attached as **Exhibit 2**.

3 While the CCB did agree to withdraw its Limited Joinder to the Motion to Dismiss  
4 in Bankruptcy Case No. 22-11249-abl, in the Stipulation By and Among Debtor, The  
5 Cannabis Compliance Board, and The Department Of Taxation ("Bankruptcy Stipulation")  
6 the CCB did not agree that NuVeda NV did not own the Cannabis Subsidiaries, but only  
7 agreed not to file an opposition to NuVeda NV's position on ownership in the Bankruptcy  
8 case. See Notice of Order Approving Bankruptcy Stipulation at 035:2-4 attached as **Exhibit**  
9 **3** and Bankruptcy Stipulation at 038:¶<sup>74</sup> attached as **Exhibit 4**.

10 As outlined herein, based on NuVeda NV and Clark NMSD's recent court filings, the  
11 CCB files this instant pleading to give this Court an opportunity, should it deem it helpful  
12 in making its determinations here, to review otherwise confidential information  
13 maintained by the CCB and give clarity regarding the documented ownership of the  
14 Cannabis Subsidiaries.

## 15 **II. ARGUMENT**

16 In its Bankruptcy Limited Joinder, the CCB disclosed that "the CCB's records reflect  
17 [NuVeda NV], not NuVeda DE, as the parent company that owns both Clark NMSD and  
18 Nye Naturals." See Limited Joinder at 043:27-28, attached as **Exhibit 5**. Both Cannabis  
19 Subsidiaries hold cannabis licenses that fall into medical and adult-use categories. Thus,  
20 the CCB can disclose such ownership information under NRS 678A.470(2)&(3) since the  
21 names of medical and adult-use cannabis establishment licensees and each owner, officer,  
22 and board member are not confidential. See NRS 678A.470(2)-(3).

23 However, under NRS 678A.470 and the Nevada Cannabis Compliance Regulations  
24 ("NCCR"), the CCB cannot disclose any additional ownership information as it would be  
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26 <sup>4</sup> The exact quote from the Bankruptcy Stipulation reads, "[f]urther, the CCB and the DOT stipulate and  
27 agree that, upon entry by the United States Bankruptcy Judge of the associated Order approving this  
28 Stipulation, neither will file an opposition in this case to the Debtor's position that Debtor does not own any  
interest in any cannabis establishments including, without, limitation, Clark NMSD, LLC ('Clark NMSD')  
and Nye Natural Medicinal Solutions, LLC ('Nye Natural')."

1 deemed confidential absent Court action.

2 First, other than the exceptions noted above, NRS 678A.470(2) designates as  
3 confidential for medical cannabis establishments “[a]ny and all information and data  
4 prepared or obtained by the Board or by an agent or employee of the Board relating to a  
5 holder of or an applicant for a medical cannabis establishment license under NRS  
6 678B.210” while NRS 678A.470(3) designates as confidential for adult-use cannabis  
7 establishments “any information and data included in an application for an adult-use  
8 cannabis establishment license....” *See* NRS 678A.470(2)&(3). NRS 678A.470(2)&(3) permit  
9 that such confidential information “may be revealed in whole or in part only in the course  
10 of the necessary administration of this title or upon the lawful order of a court of competent  
11 jurisdiction.” *See* NRS 678A.470(2)&(3). Second, for the purposes of adult-use licenses,  
12 NCCR 1.058 defines an “application” to include a request “for approval of any act or  
13 transaction for which Board approval is required or permitted under the provisions of  
14 chapters 678A-D of NRS.” *See* NCCR 1.058. Third, any change in ownership interest in a  
15 cannabis license requires notification and approval from the CCB. *See* NRS 678B.380(1)(d)-  
16 (e)<sup>5</sup> & NAC § 453D.315(5) (repealed 2020); NCCR 5.110(1). Thus, the CCB cannot currently  
17 disclose any additional information it has regarding the Cannabis Subsidiaries’ ownership  
18 unless it was within the course of the necessary administration of Title 56 or pursuant to  
19 a court order.

20 If this Court appoints a Receiver, subject to CCB approval<sup>6</sup>, the CCB could disclose  
21 additional ownership information to the Receiver under NRS 678A.470(2) through the  
22 course of the necessary administration of Title 56. In this pleading, the CCB does not take  
23 a position nor necessarily endorse any particular Receiver this Court appoints. However,  
24 court appointment and subsequent CCB approval of a Receiver over NuVeda NV would  
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26 <sup>5</sup> “[e]xcept as otherwise provided by regulations adopted by the Board pursuant to subsection 2, the following  
27 are nontransferable... [a] medical cannabis establishment license [and] [a]n adult-use cannabis  
establishment license.”

28 <sup>6</sup> *See* NRS 678B.355 & NRS 678B.383.

1 allow the CCB to disclose to that Receiver currently confidential information regarding  
2 ownership interests NuVeda NV may or may not have over medical and/or adult-use  
3 cannabis licensees.

4 Alternatively, if this Court is not inclined to appoint a Receiver in this matter but  
5 would deem ownership information for the Cannabis Subsidiaries helpful in its  
6 determinations in this matter, the CCB requests that the Court issue an Order permitting  
7 the CCB to disclose information/documents pertaining to transfer of ownership  
8 applications submitted to the CCB and/or its predecessor marijuana/cannabis regulatory  
9 agency, the Department of Taxation, regarding the ownership of the Cannabis Subsidiaries  
10 as provided for in NRS 678A.470. The CCB would further request that such an Order  
11 provide that disclosure of any such information/documents be deemed confidential and not  
12 subject to disclosure to anyone other than the parties to this case and their attorneys, such  
13 that if such information would be filed with a pleading, the pleading should be filed under  
14 seal.

### 15 **III. CONCLUSION**

16 In light of the foregoing, the CCB respectively submits this pleading to give this  
17 Court the opportunity, should it deem it helpful in its determinations in this matter, to  
18 review otherwise confidential information maintained by the CCB through either the  
19 appointment of a Receiver or an Order Permitting Disclosure of Certain Confidential  
20 information under NRS 678A.470.

21 DATED this 12th of December, 2022. AARON D. FORD  
22 Attorney General

23 By: 

Ashley Balducci (Bar No. 12687)  
Senior Deputy Attorney General  
Emily N. Bordelove (Bar No. 13202)  
Senior Deputy Attorney General  
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ex rel. Cannabis Compliance Board*

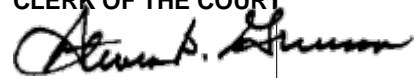
1  
2 **CERTIFICATE OF SERVICE**

3 I certify that I am an employee of the Office of the Attorney General, State of Nevada,  
4 and that on December 12, 2022, I filed the foregoing document via this Court's electronic  
5 filing system. Parties that are registered with this Court's EFS will be served electronically.

6 /s/ *Emily N. Bordelove*

7 An employee of the Office of the Nevada Attorney  
8 General  
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# EXHIBIT 1



**MOT**

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*Attorneys for NuVeda, LLC*

**DISTRICT OF NEVADA  
CLARK COUNTY, NEVADA**

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

Plaintiffs,

v.

PEJMAN BADY, an individual; POUYA  
MOHAJER, an individual; DOES I to X,  
inclusive; and ROES I to X, inclusive,

Defendants.

Case No.: A-15-728510-B

Dept. No.: 31

**MOTION TO CONTINUE HEARING  
AND ESTABLISH BRIEFING  
SCHEDULE OR ALTERNATIVELY,  
PERMIT SUPPLEMENT,  
ON ORDER SHORTENING TIME**

**Hearing on Shortened Time Requested<sup>1</sup>**

NuVeda, LLC a Nevada limited liability company (“NuVeda”), by and through counsel, Brenoch Wirthlin, Esq., and Traci Cassity, Esq., of Hutchison & Steffen, hereby files its Motion to Continue Hearing on Jennifer Goldstein’s (“Goldstein”) Motion to Appoint a Receiver (“Receivership Motion”) or alternatively, permit the filing of a supplement attached as **Exhibit 1** hereto. As set forth more fully herein, the key issue involved in Goldstein’s underlying motion

<sup>1</sup> An ex parte application to have the current motion heard on shortened time has been submitted to the Court for review concurrently with the filing of this motion. There is likely insufficient time to have NuVeda’s motion heard in the ordinary course as the Receivership Motion is set to be heard on December 13, 2022.

to appoint a receiver (“Receivership Motion”) has been addressed by the voluntary Chapter 11 bankruptcy case, no.: 22-11249-abl, filed by NuVeda (“Bankruptcy Case”). While Goldstein filed her Notice of Dismissal of Bankruptcy Case and Request to Set Hearing on Motion to Appoint Receiver (“Notice of Dismissal”), the briefing is stale, and Goldstein did not inform the Court that the material issue upon which her Receivership Motion is based has been decided by the Bankruptcy Court which precludes the relief sought in Goldstein’s Receivership Motion. Thus, Goldstein’s request to appoint a receiver is improper and barred by the doctrine of issue preclusion.

Undersigned counsel is new to this case.<sup>2</sup> After being retained by NuVeda, the undersigned reached out to Goldstein's counsel to request a continuance of the hearing on the Receivership Motion and to establish a new briefing schedule. Goldstein's counsel did not agree. *See* **Exhibit 2**, email chain between counsel.

This motion is brought pursuant to EDCR 2.20(i) and is based on the following Memorandum of Points and Authorities and all exhibits attached thereto, the Declaration of Dr. Pejman Bady (“Bady Declaration”), any oral argument the Court entertains at a hearing on this motion, and all papers and pleadings on file herein.

Dated this 6th day of December, 2022.

HUTCHISON &amp; STEFFEN, PLLC

By: /s/Brenoch Wirthlin

Brenoch R. Wirthlin, Esq. SBN 10282  
Traci L. Cassity, Esq. SBN 9648  
*Attorneys for NuVeda, LLC*

<sup>2</sup> Undersigned counsel has been involved for a short period in a related matter, case no.: A-17-755479-B (“Receivership Action”) since June 21, 2022.

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION AND SUMMARY OF ARGUMENT**

3 Goldstein filed her Notice of Dismissal regarding the proceedings in Bankruptcy Court,  
4 but did not inform the Court that the issue of NuVeda's lack of any assets or income to fund a  
5 feasible plan to pay Goldstein was decided by the Bankruptcy Court. Goldstein filed a motion to  
6 dismiss NuVeda's Bankruptcy Case, which request was subsequently joined by the Cannabis  
7 Compliance Board ("CCB"). However, the CCB stipulated with NuVeda to withdraw its joinder  
8 and did not oppose NuVeda's position that NuVeda divested its interests in all cannabis licenses  
9 and cannabis business including Clark NMSD, LLC and Nye Natural Medicinal Solutions, LLC  
10 ("Former Subsidiaries") in June of 2019. See **Exhibit 3** ("CCB Stipulation"). As such, NuVeda  
11 respectfully requests that this Court grant the motion and continue the hearing on the  
12 Receivership Motion to permit this issue to be fully briefed.

13 Because the Bankruptcy Court entered the CCB Stipulation as an order and subsequently  
14 determined in a written decision after full briefing by NuVeda, Goldstein, the CCB, and the U.S.  
15 Trustee's Office that NuVeda had no material assets or income to fund a plan, Goldstein is  
16 prohibited now under the doctrine of issue preclusion as set forth in the Nevada Supreme Court's  
17 decision in *Five Star Cap. Corp. v. Ruby*<sup>3</sup> from re-litigating NuVeda's ownership of the Former  
18 Subsidiaries. Accordingly, there is no basis for Goldstein to request a receivership, including  
19 over the Former Subsidiaries. NuVeda does not own the Former Subsidiaries. Even if Goldstein  
20 could re-litigate the matter – which she cannot – her request that this Court appoint a receivership  
21 over NuVeda's purported "subsidiaries and affiliates" is unlawful and improper. Courts have  
22 recognized that where no judgment exists against a subsidiary or affiliate, a court lacks  
23 jurisdiction to appoint a receiver over those entities. Accordingly, Goldstein's Receivership  
24 Motion should be denied.

25 **II. STATEMENT OF FACTS**

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<sup>3</sup> 124 Nev. 1048, 1055, 194 P.3d 709, 713 (2008).

1           **A.     Goldstein files her Receivership Motion**

2           1.     On March 7, 2022, Goldstein filed her Receivership Motion.<sup>4</sup>

3           2.     In the Receivership Motion, Goldstein requests a receiver be appointed over  
4 NuVeda “and its subsidiaries and affiliates.” *See* Receivership Motion, on file herein, at p. 1.

5           3.     Goldstein also asserts in the Receivership Motion that NuVeda’s assets “are  
6 substantial” and that NuVeda “operates, through its wholly-owned subsidiaries Clark NMSD,  
7 LLC, Clark Natural Medicinal Solutions, LLC, and Nye Natural Medicinal Solutions, LLC, two  
8 cannabis dispensaries and a cannabis cultivation and production facility in Clark County and a  
9 cultivation and production facility in Nye County.” *See* Receivership Motion at 15:7-12.

10          4.     NuVeda does not have any interest in Clark NMSD, LLC, Clark Natural  
11 Medicinal Solutions, LLC, and Nye Natural Medicinal Solutions, LLC. *See* Bady Declaration,  
12 **Exhibit 4** hereto, at ¶ 7.

13          5.     The Bankruptcy Court made numerous findings that in fact which directly impact  
14 the request for the appointment of a receiver, including, without limitation, the following: (a)  
15 NuVeda has not generated any money at all from operations during the pendency of the  
16 bankruptcy or the two (2) years prior to the filing of the bankruptcy petition; and (b) NuVeda has  
17 no assets available to fund a plan. For example, the Bankruptcy Court found as follows:

18                   Starting through the Little Creek factors. First, the debtor has one asset, such as a  
19 tract of undeveloped or developed real property. **Well, in this case, debtor**  
20 **schedules and monthly operating reports show debtor doesn't have any**  
21 **assets at all aside from the litigation claim in the CWNevada receivership**  
22 **case, which involves, of course, cannabis business operations.**<sup>5</sup>  
“And its schedules show absolutely no assets for use in posting a bond to support  
any sort of injunction against Goldstein’s collection actions.”<sup>6</sup>

---

23                   <sup>4</sup> NuVeda respectfully requests that this Court take judicial notice of all pleadings on its  
24 docket in this matter pursuant to NRS §§ 47.130, 47.140 *et seq.*

25                   <sup>5</sup> *See* Transcript of Oral Ruling on October 14, 2022 (“Bankruptcy Transcript”), attached  
26 as **Exhibit 5**, at 46:9-18.

1 “None of the debtor’s monthly operating reports show any income from  
2 operations or assets from which income could be derived.”<sup>7</sup>

3 “It [*i.e.* NuVeda] has no scheduled assets or business operations from which we  
4 could fund a plan.”<sup>8</sup>

5 6. Goldstein prevailed on her Motion to Dismiss NuVeda’s bankruptcy case. *See*  
6 **Exhibit 6** hereto, Order Dismissing Bankruptcy Case. The Bankruptcy Court’s findings were  
7 incorporated into a written order, which has not been appealed and is now final. *Id.*

8 7. As the Court is aware, the Bankruptcy Court has access to all information  
9 regarding NuVeda’s assets (including its schedules and statement of financial affairs), monthly  
10 operating reports, and jurisdiction over NuVeda and its assets and liabilities.

11 8. Accordingly, the issue of what assets are owned by NuVeda has been actually and  
12 necessarily litigated in the Bankruptcy Court, and Goldstein prevailed on her motion to dismiss  
13 NuVeda’s Bankruptcy Case.

14 9. On October 31, 2022, Goldstein filed her Notice with this Court and attached the  
15 Bankruptcy Transcript, but Goldstein failed to inform the Court of the findings of fact made by  
16 the Bankruptcy Court regarding NuVeda’s lack of assets and income.

17 **III. LAW AND ARGUMENT**

18 A. **Goldstein’s Receivership Motion should be denied as a result of the findings**  
19 **and orders by the Bankruptcy Court, which should be fully briefed.**  
20 **Alternatively, NuVeda respectfully requests permission to supplement the**  
**briefing to inform the Court of the proceedings in the Bankruptcy Court.**

21 NuVeda respectfully requests that the Court should set a briefing schedule and calendar a  
22 new hearing date for the Receivership Motion, as the issues presented to the Court in the current  
23 briefing do not take into account the proceedings in the Bankruptcy Court. Goldstein has failed  
24 to update the Court on the findings made by the Bankruptcy Court, which make the appointment  
25  
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27

1 of a receiver over NuVeda, not to mention the Former Subsidiaries, improper and unlawful.  
2 Without assets there is no basis for the appointment of a receiver over NuVeda. *See Anes v.*  
3 *Crown P'ship, Inc.*, 113 Nev. 195, 199, 932 P.2d 1067, 1069 (1997) (observing that the purpose  
4 of appointing a receiver is to "preserve [a receivership estate's] value for the benefit of the person  
5 or entity subsequently determined to be entitled to the property"). There is nothing for the  
6 receiver to preserve, no assets to liquidate, no income or other funds to pay creditors or to pay  
7 the receiver or his professionals. The appointment of a receiver "is a harsh and extreme remedy  
8 which should be used sparingly and only when the securing of ultimate justice requires it." *Hines*  
9 *v. Plante*, 99 Nev. 259, 261, 661 P.2d 880, 881–82 (1983). "[I]f the desired outcome may be  
10 achieved by some method other than appointing a receiver, then this course should be followed."  
11 *Id.* at 261, 661 P.2d at 882.

12 Alternatively, NuVeda respectfully submits that it should be permitted to supplement the  
13 briefing in this matter given the proceedings in Bankruptcy Court. EDCR 2.20(i) provides as  
14 follows:

15 (i) A memorandum of points and authorities that consists of bare  
16 citations to statutes, rules, or case authority does not comply with this rule and the  
17 court may decline to consider it. Supplemental briefs will only be permitted if  
18 filed within the original time limitations of paragraphs (d), (e), or (g), or by order  
of the court.

19 The Nevada Supreme Court has not addressed the standard for filing a supplement, but  
20 other courts doing so have found that supplements but EDCR 5.509 – applicable to family  
21 division matters and guardianships – provides some guidance in that it contemplates supplements  
22 which "pertain to the subject matter of an existing filing, provide information that could not  
23 reasonably have been supplied in the earlier filings, and reference the subject matter and filing to  
24 which it relates."

25 In this case, Goldstein filed her Notice in support of her Receivership Motion. But  
26 Goldstein did not inform the Court of the relevant findings of fact made by the Bankruptcy  
27 Court, namely the findings related to NuVeda's lack of assets. Accordingly, NuVeda could not

1 have supplied the information regarding the Bankruptcy Court proceedings prior to the  
2 conclusion of the briefing on the Receivership Motion. Thus, NuVeda respectfully requests that  
3 this Court permit the filing of NuVeda's supplement in its discretion pursuant to EDCR 2.20(i).

4  
5 **B. Goldstein's request for the appointment of a receiver over NuVeda's**  
6 **"subsidiaries and affiliates" is improper for multiple reasons. First, the**  
7 **Bankruptcy Court has already found that NuVeda does not own the Former**  
8 **Subsidiaries and the doctrine of issue preclusion applies to its findings.**  
9 **Second, even if NuVeda did own the Former Subsidiaries, which it does not,**  
10 **Goldstein's request asks this Court to far exceed its jurisdiction and is**  
11 **therefore unlawful and should be denied.**

12 Because the Bankruptcy Court has already decided the issue regarding NuVeda's assets  
13 and determined it does not own the Former Subsidiaries, Goldstein's request that a receiver be  
14 appointed over NuVeda's "subsidiaries and affiliates" is barred by the doctrine of issue  
15 preclusion. The Supreme Court of Nevada has outlined when issue preclusion applies:

16 Accordingly, the following factors are necessary for application of issue  
17 preclusion: "(1) the issue decided in the prior litigation must be identical to the  
18 issue presented in the current action; (2) the initial ruling must have been on the  
19 merits and have become final; ... (3) the party against whom the judgment is  
20 asserted must have been a party or in privity with a party to the prior  
21 litigation";<sup>32</sup> and (4) the issue was actually and necessarily litigated.

22 *Five Star Cap. Corp. v. Ruby*, 124 Nev. 1048, 1055, 194 P.3d 709, 713 (2008), holding modified  
23 by *Weddell v. Sharp*, 131 Nev. 233, 350 P.3d 80 (2015). In this case, all four factors apply. The  
24 issue decided by the Bankruptcy Court – what assets NuVeda has and what it does not have – is  
25 presented in Goldstein's Receivership Motion. Goldstein improperly requests that this Court  
26 appoint a receiver over NuVeda "and its subsidiaries and affiliates," effectively requesting this  
27 Court decide the issue of what subsidiaries NuVeda has, which would require an evidentiary  
hearing but for the fact that the Bankruptcy Court has already decided it. The Bankruptcy  
Court's ruling was final (*see* Order on Motion to Dismiss and CCB Stipulation), the parties are  
the same as the were in the Bankruptcy Court as it was Goldstein who filed her Motion to  
Dismiss and prevailed on it in the Bankruptcy Court, and the issue was actually and necessarily

1 litigated, with the Bankruptcy Court having full access to all financial information related to  
2 NuVeda. Accordingly, Goldstein is precluded from raising this issue in her Receivership  
3 Motion, but seeks to do exactly that. However, because the Bankruptcy Court has already  
4 determined that NuVeda has ownership of the Former Subsidiaries, Goldstein is precluded under  
5 the doctrine of issue preclusion from attempting to assert or litigate that issue.

6 Further, even if Goldstein was not barred from re-litigating the issue of NuVeda's lack of  
7 assets, which she is, her request that the Court grant a receivership over "subsidiaries and  
8 affiliates" of NuVeda is entirely improper. Even if NuVeda owned the Former Subsidiaries,  
9 which it does not, a Court does not have jurisdiction to appoint a receivership over entities  
10 against which there is no judgment, and which are not even parties before the Court:

11 **While the court may have had jurisdiction to appoint a receiver over the**  
12 **Florida corporation, this alone does not confer authority for appointing a**  
13 **receiver over any wholly-owned subsidiary. See *Reynolds Am., Inc. v. Gero*, 56**  
14 **So.3d 117, 120 (Fla. 3d DCA 2011) (stating it is "well settled that '[a] parent**  
15 **corporation and its wholly-owned subsidiary are separate and distinct legal**  
**entities'"); *Am. Int'l Grp., Inc. v. Cornerstone Bus., Inc.*, 872 So.2d 333, 336 (Fla.**  
**2d DCA 2004) (same).**

16 *Edelsten v. Mawardi*, 137 So. 3d 459, 461 (Fla. Dist. Ct. App. 2014). Accordingly, Goldstein's  
17 Receivership Motion should be denied.

#### 18 **IV. CONCLUSION**

19 For all these reasons, NuVeda respectfully requests that the Court set a briefing schedule  
20 and calendar a new hearing on the Receivership Motion. Otherwise, NuVeda respectfully  
21 requests that the Supplement be permitted, the Receivership Motion be denied in its entirety and,

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1 and that the Court grant such other and further relief as it deems appropriate.

2 Dated this 6th day of December, 2022.

3 HUTCHISON & STEFFEN, PLLC

4 By: /s/Brenoch Wirthlin

5 Brenoch R. Wirthlin, Esq. SBN 10282

6 Traci L. Cassity, Esq. SBN 9648

7 *Attorneys for NuVeda, LLC*

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EXHIBIT PAGE ONLY

## EXHIBIT 1

HUTCHISON & STEFFEN  
A PROFESSIONAL LLC

1 **MOT**

2 Brenoch R. Wirthlin, Esq. SBN 10282

3 Traci L. Cassity, Esq. SBN 9648

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12 Attorneys for NuVeda, LLC

13 **DISTRICT OF NEVADA**  
14 **CLARK COUNTY, NEVADA**

15 NUVEDA, LLC, a Nevada limited liability  
16 company; SHANE M. TERRY, an  
17 individual; and JENNIFER M.  
18 GOLDSTEIN, an individual;

19 Plaintiffs,

20 v.

21 PEJMAN BADY, an individual; POUYA  
22 MOHAJER, an individual; DOES I to X,  
23 inclusive; and ROES I to X, inclusive,

24 Defendants.

Case No.: A-15-728510-B

Dept. No.: 31

**SUPPLEMENT TO OPPOSITION TO  
JENNIFER GOLDSTEIN'S MOTION  
FOR APPOINTMENT OF A RECEIVER**

**Hearing Date: December 13, 2022**

**Hearing Time: 8:30 a.m.**

25 NuVeda, LLC a Nevada limited liability company ("NuVeda"), by and through counsel,  
26 Brenoch Wirthlin, Esq., and Traci Cassity, Esq., of Hutchison & Steffen, hereby submits its  
27 Supplement to Opposition to Jennifer Goldstein's Motion for Appointment of a Receiver  
("Receivership Motion").

As set forth more fully herein, the key issue involved in Goldstein's underlying  
Receivership Motion has been addressed by the voluntary Chapter 11 bankruptcy case, no.: 22-  
11249-abl, filed by NuVeda ("Bankruptcy Case"). While Goldstein filed her Notice of  
Dismissal of Bankruptcy Case and Request to Set Hearing on Motion to Appoint Receiver

1 (“Notice of Dismissal”), the briefing is stale, and Goldstein did not inform the Court that the  
2 material issue upon which her Receivership Motion is based has been decided by the Bankruptcy  
3 Court which precludes the relief sought in Goldstein’s Receivership Motion. Thus, Goldstein’s  
4 request to appoint a receiver is improper and barred by the doctrine of issue preclusion.

5 Undersigned counsel is new to this case.<sup>1</sup> After being retained by NuVeda, the  
6 undersigned reached out to Goldstein’s counsel to request a continuance of the hearing on the  
7 Receivership Motion and to establish a new briefing schedule. Goldstein’s counsel did not  
8 agree. *See Exhibit 1*, email chain between counsel.

9 This supplement is brought pursuant to EDCR 2.20(i)<sup>2</sup> and is based on the following  
10 Memorandum of Points and Authorities and all exhibits attached thereto, the Declaration of Dr.  
11 Pejman Bady (“Bady Declaration”), any oral argument the Court entertains at a hearing on this  
12 motion, and all papers and pleadings on file herein.

13 Dated this 6th day of December, 2022.

14 HUTCHISON & STEFFEN, PLLC

15  
16  
17 By: /s/Brenoch Wirthlin

18 Brenoch R. Wirthlin, Esq. SBN 10282  
19 Traci L. Cassity, Esq. SBN 9648  
20 *Attorneys for NuVeda, LLC*

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25 \_\_\_\_\_  
26 <sup>1</sup> Undersigned counsel has been involved for a short period in a related matter, case no.:  
A-17-755479-B (“Receivership Action”) since June 21, 2022.

27 <sup>2</sup> A motion for leave to file this supplement is being submitted concurrently herewith.

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION AND SUMMARY OF ARGUMENT**

3 Goldstein filed her Notice of Dismissal regarding the proceedings in Bankruptcy Court,  
4 but did not inform the Court that the issue of NuVeda's lack of any assets or income to fund a  
5 feasible plan to pay Goldstein was decided by the Bankruptcy Court. Goldstein filed a motion to  
6 dismiss NuVeda's Bankruptcy Case, which request was subsequently joined by the Cannabis  
7 Compliance Board ("CCB"). However, the CCB stipulated with NuVeda to withdraw its joinder  
8 and did not oppose NuVeda's position that NuVeda divested its interests in all cannabis licenses  
9 and cannabis business including Clark NMSD, LLC and Nye Natural Medicinal Solutions, LLC  
10 ("Former Subsidiaries") in June of 2019. See **Exhibit 2** ("CCB Stipulation"). As such, NuVeda  
11 respectfully requests that this Court grant the motion and continue the hearing on the  
12 Receivership Motion to permit this issue to be fully briefed.

13 Because the Bankruptcy Court entered the CCB Stipulation as an order and subsequently  
14 determined in a written decision after full briefing by NuVeda, Goldstein, the CCB, and the U.S.  
15 Trustee's Office that NuVeda had no material assets or income to fund a plan, Goldstein is  
16 prohibited now under the doctrine of issue preclusion as set forth in the Nevada Supreme Court's  
17 decision in *Five Star Cap. Corp. v. Ruby*<sup>3</sup> from re-litigating NuVeda's ownership of the Former  
18 Subsidiaries. Accordingly, there is no basis for Goldstein to request a receivership, including  
19 over the Former Subsidiaries. NuVeda does not own the Former Subsidiaries. Even if Goldstein  
20 could re-litigate the matter – which she cannot – her request that this Court appoint a receivership  
21 over NuVeda's purported "subsidiaries and affiliates" is unlawful and improper. Courts have  
22 recognized that where no judgment exists against a subsidiary or affiliate, a court lacks  
23 jurisdiction to appoint a receiver over those entities. Accordingly, Goldstein's Receivership  
24 Motion should be denied.

25 ///

26 \_\_\_\_\_  
27 <sup>3</sup> 124 Nev. 1048, 1055, 194 P.3d 709, 713 (2008).

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### A. Goldstein files her Receivership Motion

1. On March 7, 2022, Goldstein filed her Receivership Motion.<sup>4</sup>

2. In the Receivership Motion, Goldstein requests a receiver be appointed over NuVeda “and its subsidiaries and affiliates.” *See* Receivership Motion, on file herein, at p. 1.

3. Goldstein also asserts in the Receivership Motion that NuVeda’s assets “are substantial” and that NuVeda “operates, through its wholly-owned subsidiaries Clark NMSD, LLC, Clark Natural Medicinal Solutions, LLC, and Nye Natural Medicinal Solutions, LLC, two cannabis dispensaries and a cannabis cultivation and production facility in Clark County and a cultivation and production facility in Nye County.” *See* Receivership Motion at 15:7-12.

4. NuVeda does not have any interest in Clark NMSD, LLC, Clark Natural Medicinal Solutions, LLC, and Nye Natural Medicinal Solutions, LLC. *See* Bady Declaration, **Exhibit 3** hereto, at ¶ 7.

5. The Bankruptcy Court made numerous findings that in fact which directly impact the request for the appointment of a receiver, including, without limitation, the following: (a) NuVeda has not generated any money at all from operations during the pendency of the bankruptcy or the two (2) years prior to the filing of the bankruptcy petition; and (b) NuVeda has no assets available to fund a plan. For example, the Bankruptcy Court found as follows:

Starting through the Little Creek factors. First, the debtor has one asset, such as a tract of undeveloped or developed real property. **Well, in this case, debtor schedules and monthly operating reports show debtor doesn't have any assets at all aside from the litigation claim in the CWNevada receivership case, which involves, of course, cannabis business operations.**<sup>5</sup>

<sup>4</sup> NuVeda respectfully requests that this Court take judicial notice of all pleadings on its docket in this matter pursuant to NRS §§ 47.130, 47.140 *et seq.*

<sup>5</sup> See Transcript of Oral Ruling on October 14, 2022 (“Bankruptcy Transcript”), attached as **Exhibit 4**, at 46:9-18.

1 “And its schedules show absolutely no assets for use in posting a bond to support  
2 any sort of injunction against Goldstein’s collection actions.”<sup>6</sup>

3 “None of the debtor’s monthly operating reports show any income from  
4 operations or assets from which income could be derived.”<sup>7</sup>

5 “It [*i.e.* NuVeda] has no scheduled assets or business operations from which we  
6 could fund a plan.”<sup>8</sup>

6 6. Goldstein prevailed on her Motion to Dismiss NuVeda’s bankruptcy case. *See*  
7 **Exhibit 5** hereto, Order Dismissing Bankruptcy Case. The Bankruptcy Court’s findings were  
8 incorporated into a written order, which has not been appealed and is now final. *Id.*

9 7. As the Court is aware, the Bankruptcy Court has access to all information  
10 regarding NuVeda’s assets (including its schedules and statement of financial affairs), monthly  
11 operating reports, and jurisdiction over NuVeda and its assets and liabilities.

12 8. Accordingly, the issue of what assets are owned by NuVeda has been actually and  
13 necessarily litigated in the Bankruptcy Court, and Goldstein prevailed on her motion to dismiss  
14 NuVeda’s Bankruptcy Case.

15 9. On October 31, 2022, Goldstein filed her Notice with this Court and attached the  
16 Bankruptcy Transcript, but Goldstein failed to inform the Court of the findings of fact made by  
17 the Bankruptcy Court regarding NuVeda’s lack of assets and income.

18 **III. LAW AND ARGUMENT**

19  
20 **A. Goldstein’s Receivership Motion should be denied as a result of the findings**  
21 **and orders by the Bankruptcy Court, which should be fully briefed.**  
22 **Alternatively, NuVeda respectfully requests permission to supplement the**  
23 **briefing to inform the Court of the proceedings in the Bankruptcy Court.**

24 NuVeda respectfully requests that the Court should set a briefing schedule and calendar a  
25 new hearing date for the Receivership Motion, as the issues presented to the Court in the current  
26  
27

1 briefing do not take into account the proceedings in the Bankruptcy Court. Goldstein has failed  
2 to update the Court on the findings made by the Bankruptcy Court, which make the appointment  
3 of a receiver over NuVeda, not to mention the Former Subsidiaries, improper and unlawful.  
4 Without assets there is no basis for the appointment of a receiver over NuVeda. *See Anes v.*  
5 *Crown P'ship, Inc.*, 113 Nev. 195, 199, 932 P.2d 1067, 1069 (1997) (observing that the purpose  
6 of appointing a receiver is to "preserve [a receivership estate's] value for the benefit of the person  
7 or entity subsequently determined to be entitled to the property"). There is nothing for the  
8 receiver to preserve, no assets to liquidate, no income or other funds to pay creditors or to pay  
9 the receiver or his professionals. The appointment of a receiver "is a harsh and extreme remedy  
10 which should be used sparingly and only when the securing of ultimate justice requires it." *Hines*  
11 *v. Plante*, 99 Nev. 259, 261, 661 P.2d 880, 881–82 (1983). "[I]f the desired outcome may be  
12 achieved by some method other than appointing a receiver, then this course should be followed."  
13 *Id.* at 261, 661 P.2d at 882.

14 Alternatively, NuVeda respectfully submits that it should be permitted to supplement the  
15 briefing in this matter given the proceedings in Bankruptcy Court. EDCR 2.20(i) provides as  
16 follows:

17 (i) A memorandum of points and authorities that consists of bare  
18 citations to statutes, rules, or case authority does not comply with this rule and the  
19 court may decline to consider it. Supplemental briefs will only be permitted if  
20 filed within the original time limitations of paragraphs (d), (e), or (g), or by order  
of the court.

21 The Nevada Supreme Court has not addressed the standard for filing a supplement, but  
22 other courts doing so have found that supplements but EDCR 5.509 – applicable to family  
23 division matters and guardianships – provides some guidance in that it contemplates supplements  
24 which "pertain to the subject matter of an existing filing, provide information that could not  
25 reasonably have been supplied in the earlier filings, and reference the subject matter and filing to  
26 which it relates."

27 In this case, Goldstein filed her Notice in support of her Receivership Motion. But

1 Goldstein did not inform the Court of the relevant findings of fact made by the Bankruptcy  
2 Court, namely the findings related to NuVeda's lack of assets. Accordingly, NuVeda could not  
3 have supplied the information regarding the Bankruptcy Court proceedings prior to the  
4 conclusion of the briefing on the Receivership Motion. Thus, NuVeda respectfully submits that  
5 this supplement is appropriate.

6  
7 **B. Goldstein's request for the appointment of a receiver over NuVeda's**  
8 **"subsidiaries and affiliates" is improper for multiple reasons. First, the**  
9 **Bankruptcy Court has already found that NuVeda does not own the Former**  
10 **Subsidiaries and the doctrine of issue preclusion applies to its findings.**  
11 **Second, even if NuVeda did own the Former Subsidiaries, which it does not,**  
12 **Goldstein's request asks this Court to far exceed its jurisdiction and is**  
13 **therefore unlawful and should be denied.**

14 Because the Bankruptcy Court has already decided the issue regarding NuVeda's assets  
15 and determined it does not own the Former Subsidiaries, Goldstein's request that a receiver be  
16 appointed over NuVeda's "subsidiaries and affiliates" is barred by the doctrine of issue  
17 preclusion. The Supreme Court of Nevada has outlined when issue preclusion applies:

18 Accordingly, the following factors are necessary for application of issue  
19 preclusion: "(1) the issue decided in the prior litigation must be identical to the  
20 issue presented in the current action; (2) the initial ruling must have been on the  
21 merits and have become final; ... (3) the party against whom the judgment is  
22 asserted must have been a party or in privity with a party to the prior  
23 litigation";<sup>32</sup> and (4) the issue was actually and necessarily litigated.

24 *Five Star Cap. Corp. v. Ruby*, 124 Nev. 1048, 1055, 194 P.3d 709, 713 (2008), holding modified  
25 by *Weddell v. Sharp*, 131 Nev. 233, 350 P.3d 80 (2015). In this case, all four factors apply. The  
26 issue decided by the Bankruptcy Court – what assets NuVeda has and what it does not have – is  
27 presented in Goldstein's Receivership Motion. Goldstein improperly requests that this Court  
appoint a receiver over NuVeda "and its subsidiaries and affiliates," effectively requesting this  
Court decide the issue of what subsidiaries NuVeda has, which would require an evidentiary  
hearing but for the fact that the Bankruptcy Court has already decided it. The Bankruptcy  
Court's ruling was final (*see* Order on Motion to Dismiss and CCB Stipulation), the parties are

1 the same as the were in the Bankruptcy Court as it was Goldstein who filed her Motion to  
2 Dismiss and prevailed on it in the Bankruptcy Court, and the issue was actually and necessarily  
3 litigated, with the Bankruptcy Court having full access to all financial information related to  
4 NuVeda. Accordingly, Goldstein is precluded from raising this issue in her Receivership  
5 Motion, but seeks to do exactly that. However, because the Bankruptcy Court has already  
6 determined that NuVeda has ownership of the Former Subsidiaries, Goldstein is precluded under  
7 the doctrine of issue preclusion from attempting to assert or litigate that issue.

8 Further, even if Goldstein was not barred from re-litigating the issue of NuVeda's lack of  
9 assets, which she is, her request that the Court grant a receivership over "subsidiaries and  
10 affiliates" of NuVeda is entirely improper. Even if NuVeda owned the Former Subsidiaries,  
11 which it does not, a Court does not have jurisdiction to appoint a receivership over entities  
12 against which there is no judgment, and which are not even parties before the Court:

13 **While the court may have had jurisdiction to appoint a receiver over the**  
14 **Florida corporation, this alone does not confer authority for appointing a**  
15 **receiver over any wholly-owned subsidiary. See *Reynolds Am., Inc. v. Gero*, 56**  
16 **So.3d 117, 120 (Fla. 3d DCA 2011) (stating it is "well settled that '[a] parent**  
17 **corporation and its wholly-owned subsidiary are separate and distinct legal**  
**entities' "); *Am. Int'l Grp., Inc. v. Cornerstone Bus., Inc.*, 872 So.2d 333, 336 (Fla.**  
**2d DCA 2004) (same).**

18 *Edelsten v. Mawardi*, 137 So. 3d 459, 461 (Fla. Dist. Ct. App. 2014). Accordingly, Goldstein's  
19 Receivership Motion should be denied.

#### 20 **IV. CONCLUSION**

21 For all these reasons, NuVeda respectfully requests that the Receivership Motion should  
22 be denied in its entirety, and requests the Court grant such other and further relief as it deems

23 ///

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25 ///

1 appropriate.

2 Dated this 6th day of December, 2022.

3 HUTCHISON & STEFFEN, PLLC

4 By: /s/Brenoch Wirthlin

5 Brenoch R. Wirthlin, Esq. SBN 10282

6 Traci L. Cassity, Esq. SBN 9648

7 Attorneys for NuVeda, LLC

# EXHIBIT 2

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

CLARK NMSD, LLC,  
Appellant,

vs

JENNIFER GOLDSTEIN,  
Respondent.

Supreme Court Case No. 84623

District Court Case No. A-15-728510-B

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**APPELLANT’S EMERGENCY MOTION FOR STAY OR INJUNCTION  
[ACTION REQUESTED BEFORE 5PM ON DECEMBER 9, 2022]**

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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](mailto:mstipp@stipplaw.com)  
*Counsel for Appellant*

DATED this 5th day of December, 2022.

LAW OFFICE OF MITCHELL STIPP

/s/ Mitchell Stipp

---

MITCHELL STIPP, ESQ.  
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mstipp@stipplaw.com  
*Counsel for Appellant*

## **I. INTRODUCTION**

This appeal concerns the post-judgment collection activity of Jennifer Goldstein (“Respondent”) in District Court Case No. A-15-728510-B. Appellant, Clark NMSD, LLC, a Nevada limited liability company d/b/a The Sanctuary (“Appellant”), **intervened** in the district court case pursuant to which NuVeda, LLC (“NuVeda”) is a judgment debtor and Respondent is a judgment creditor. Appellant is not subject to Respondent’s judgment. See Case No. 79806 (Dkt. No. 19-42584).

The Appellant filed an application/petition in accordance with NRS 31.070 in the district court, which application/petition was opposed by Respondent and denied by the district court. The sole and exclusive remedy for third parties whose property is wrongfully seized is set forth in NRS 31.070. See Cooper v. Liebert, 81 Nev. 341, 344, 402 P.2d 989, 991 (1965) (confirming NRS 31.070 as exclusive remedy). Appellant timely filed its notice of appeal on April 21, 2022. See NRAP 4(a); see also Dkt. No. 22-13277. Respondent filed her **second motion** to dismiss this appeal, which was denied by the Nevada Supreme Court. See Dkt. No. 22-36847 (dismissing Respondent’s motion to dismiss appeal and confirming Appellant’s standing under NRS 31.070 and right to appeal).

## **II. STATEMENT OF FACTS.**

Judge Elizabeth Gonzalez of Department 11 of the Eighth Judicial District Court, State of Nevada, presided over district court case A-15-728510-B. After the retirement of Judge Gonzalez, the case was reassigned to Department 31, Judge Joanna Kishner. Respondent caused the Constable's Office to serve writs of execution for cash at the marijuana dispensaries operated by Appellant (which owns

the dispensary licenses under Nevada law). Dkt. No. 22-36637 (APP 000005-000027, 0000007 (Vol. 1)). The Constable's Office seized cash from one of the dispensaries, which cash belongs to Appellant. Id. at 000007-000008 (referencing Exhibit A to Exhibit 2, APP 000016-000023). Appellant made a written claim for the cash in accordance with NRS 31.070. Id. 000016-000023 (Vol. 1). Appellant filed an application/petition for the return of the cash after the Constable's Office refused to release the same to Appellant. APP 000005-000027 (Vol. 1). Respondent opposed the application/petition. APP 000028-000038 (Vol. 1). Appellant filed a reply. APP 000039-000059 (Vol. 1).

The district court denied Appellant's application/petition because the court determined that Appellant failed to comply with the requirements under NRS 31.070 and failed to establish that it had any relationship with or interest in the judgment debtor (NuVeda) or the cash seized. Id. APP 000060-000061 (Vol. 1) (Minutes); APP 000084-000093 (Vol. 1) (Order). The district court's decision was a clear abuse of discretion. See Dkt. No. 22-36636. Appellant requested as part of its relief before the district court was for an order prohibiting Respondent from pursuing her illegal collection activity. Dkt. No. 22-36637 (APP 000005-000027 (Vol. 1)). If the district court denied the relief requested by Appellant, Appellant requested a stay to pursue the matter before the Nevada Supreme Court. Id. APP 000039-000059, 000045 (Vol. 1).

NuVeda filed a chapter 11 bankruptcy petition (Nevada Bankruptcy Court, Case No. BK-22-11249-abl) after Respondent moved Department 31 to appoint a

receiver over NuVeda and its subsidiaries/affiliates (including Appellant).<sup>1</sup> The dispute over NuVeda's assets was resolved by the bankruptcy court. Respondent moved the bankruptcy court to dismiss NuVeda's bankruptcy. The Cannabis Compliance Board ("CCB") initially filed a joinder to Respondent's motion. However, the CCB withdrew its opposition and agreed that NuVeda did not own Appellant (or any of the purported subsidiaries that were licensed cannabis establishments) ("CCB Stipulation"). See Exhibit 1 to Appellant's Appendix in Support of Motion ("Motion Appendix"). The bankruptcy court dismissed NuVeda's chapter 11 petition on October 14, 2022. See Exhibits 2 and 3 to Appellant's Exhibits filed in support of this Motion (Exhibit 2, Transcript; Exhibit 3, Order). As part of the basis for dismissing the bankruptcy, the bankruptcy court determined NuVeda had no income or assets to fund a feasible plan. See Exhibit 2 to Motion Appendix, Transcript at 46:9-18.

Despite NuVeda's lack of assets and income to fund a feasible bankruptcy plan (i.e., to pay Respondent's judgment), Respondent has asked the district court again to appoint a receiver. See Exhibit 4 to Motion Appendix; see also Exhibit 5 to Motion Appendix, Receivership Motion at 15:7-12. The Clerk of the Court did not schedule a hearing. Instead, the district court issued a memorandum, which

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<sup>1</sup> The receiver for CW Nevada, LLC ("Receiver" and "CW Nevada," respectively) attempted to expand the scope of the initial receivership order applicable to CW Nevada by including CWNV, LLC as part of the estate in District Court Case No. A-18-773230-B. See Case No. 79110. The difference between this entity and Appellant is Appellant owns cannabis licenses and operates dispensaries. Accordingly, the harm to Appellant is real. Respondent's attorney, Brian Irvine, also represents TRC-Evolution which entered into a settlement with the Receiver to get preferred payments on receivership certificates in exchange for withdrawing any objection to payment of the Receiver's fees and costs. The bad acts are the subject of a writ petition and stay. See Case No. 85254.

continued what was assumed to be a status check and converted that hearing to a hearing on the appointment of a receiver. See Exhibit 6 to Motion Appendix.

Respondent is a third-party beneficiary of an indemnification agreement which requires CWNevada to consent to any settlement or payment and for CWNevada to pay the same (“Indemnification Agreement”). See Dkt. No. 22-36637 (APP 000012-000015 (Vol. 1)) (Exhibit 1 to Motion). NuVeda and Appellant sought relief before Department 13 concerning enforcement of the Indemnification Agreement and enjoining Respondent’s illegal collection activities. See Exhibits 7 through 9 to Motion Appendix. Unfortunately, despite having jurisdiction, Department 13 denied the motion (deferring to Department 31 on the request for an injunction). See Exhibit 10 to Motion Appendix.

### **III. ARGUMENT.**

Appellant requested as part of its relief before Department 31 for an order prohibiting Respondent from pursuing her illegal collection activity. Dkt. No. 22-36637 (APP 000005-000027 (Vol. 1)). Appellant also requested a stay to pursue the matter before the Nevada Supreme Court. Id. APP 000039-000059, 000045 (Vol. 1).

The determination of the bankruptcy court on the assets and income of NuVeda is binding on Respondent in this case. For “issue preclusion to attach, the issue decided in the prior [proceeding] must be identical to the issue presented in the current [proceeding],” *id.* (alterations in original) (quotation omitted), and have been ““actually litigated and determined by a valid and final judgment [in which] the determination [was] essential to the judgment.”” In re Sandoval, 126 Nev. —, —

—, 232 P.3d 422, 424 (2010) (quoting Restatement (Second) of Judgments § 27 (1982)). All factors are present here.

The appointment of a receiver over NuVeda's former subsidiaries/affilites (including Appellant) will cause irreparable harm. Appellant is aware that such a decision is subject to the right of appeal under NRAP 3A(b)(4). However, Appellant operates two (2) cannabis dispensaries, which will in the interim be impacted by any such order by Department 31. The appointment of a receiver is a harsh and extreme remedy which should be used sparingly and only when the securing of ultimate justice requires it. Hines v. Plante, 99 Nev. 259, 261, 661 P.2d 880, 881-82 (1983). It would be a clear abuse of discretion to appoint a receiver over former subsidiaries/affiliates of NuVeda (including Appellant) when Respondent does not have a judgment against any person or entity other than against NuVeda. Further, NuVeda does not own cannabis licenses or interests in cannabis businesses. In Hines, the Nevada Supreme Court noted the following:

[A]ppointing a receiver to supervise the affairs of a business is potentially costly, as the receiver typically must be paid for his or her services. A receivership also significantly impinges on the right of individuals or corporations to conduct their business affairs as they see fit, and may endanger the viability of a business. The existence of a receivership can also impose a substantial administrative burden on the court.

99 Nev. at 261.

NRAP 8 permits a stay or injunction pending appeal. Here, Appellant requests a stay of the district court proceedings below or an injunction under NRAP

8(a)(1)(C) prohibiting Respondent from pursuing collection activities against Appellant (including requesting the appointment of a receiver over Appellant and other former subsidiaries/affiliates of NuVeda). A preliminary injunction is available when the moving party can demonstrate that the nonmoving party's conduct, if allowed to continue, will cause irreparable harm for which compensatory relief is inadequate and that the moving party has a reasonable likelihood of success on the merits. See NRS 33.010; University Sys. v. Nevadans for Sound Gov't, 120 Nev. 712, 721, 100 P.3d 179, 187 (2004); Dangberg Holdings v. Douglas Co., 115 Nev. 129, 142, 978 P.2d 311, 319 (1999). Appellant is likely to be successful on the merits of its appeal. See Dkt. No. 22-36636. Without a stay or injunction, Appellant and former subsidiaries and affiliates of NuVeda will be harmed (as briefed above). Respondent will suffer no injury or harm as a result of a stay or injunction. As confirmed by the bankruptcy court, NuVeda does not have assets or income to pay Respondent's judgment. While those circumstances are unfortunate, Respondent still has rights and remedies in the Receivership Action pursuant to the Indemnification Agreement.

The Nevada Supreme Court has recognized the right of an Appellant to request that the district court case be reassigned upon remand. Valley Health Sys., LLC v. Eighth Judicial Dist. Court of Nev., 510 P.3d 777 (Nev. 2022). Appellant has not yet sought recusal or disqualification of Judge Kushner (Department 31) in the district court below. However, Appellant has requested reassignment as part of the relief requested on appeal. See Dkt. No. 22-36636 (Article VII, Section D, p. 15-17). Appellant believes Judge Kushner's decisions in the district court case below cannot be explained other than by deep-seated antagonism toward Joseph

Kennedy (which is a managing member of NuVeda and a manager of Appellant) that would make fair judgment by her impossible (including at the hearing on December 13, 2022). See e.g. Case No. 84336 (disqualification of Judge Kushner). Appellant complied with NRS 31.070. However, Judge Kushner determined despite clear evidence to the contrary that Appellant failed to do so and did not establish that it had any relationship with or interest in NuVeda or the property at issue. Id. (Article VII, Section C., p. 13-15). Obviously, Appellant did not need to establish any relationship with NuVeda as part of NRS 31.070.

Judge Kushner created procedural rules to block Appellant's attempt at substantive relief. For example, she denied Appellant's motion for reconsideration as "premature" because there was no notice of entry on file. See Dkt. No. 22-36636, APP 000062-000077 (Vol. 1) (motion), APP 000078-000083 (Vol. 1) (order to show cause), and APP 000084-000093 (Vol. 1) (order); Dkt. No. 22-36638, APP 000115-000116 (Vol. 2) (minutes); Dkt. No. 22-36639, APP 000220-000225 (Vol. 3) (order). Appellant provided notice of entry (when Respondent failed to do so) and refiled its motion. Dkt. No. 22-36638, APP 000117-000128 (Vol. 2); APP 000129-000148 (Vol. 2). This time, Judge Kushner refused to consider the motion. According to the district court, there was no mechanism under the Nevada Rules of Civil Procedure or the Eighth Judicial District Court of the State of Nevada for filing a "renewed" motion for reconsideration. See Dkt. No. 22-36640 (APP 000259-000271 (Vol. 4)). Alternatively, the district court denied the motion because, "as a matter of due process," Respondent was impermissibly precluded from addressing the impact of the appeal. Id. No regard was provided to procedural and substantive due process rights of NuVeda or Appellant.

#### **IV. CONCLUSION.**

For the reasons set forth above, Appellant respectfully requests that the Nevada Supreme Court stay the proceedings in Case No. A-15-728510-B or enjoin Respondent from pursuing any collection activities against any person or entity other than NuVeda (including requesting a receivership over NuVeda's former subsidiaries/affiliates).

## DECLARATION OF MITCHELL STIPP

The undersigned, Mitchell Stipp, Attorney for Appellant, declares under penalty of perjury as follows:

1. The facts set forth in the motion are true and accurate to the best of my knowledge and belief.
2. The Exhibits included as part of Appellant's Motion Appendix are true and accurate.
3. I have personal knowledge of the facts contained in the motion unless otherwise qualified by information and belief or such knowledge is based on the record in this case, I am competent to testify thereto, and such facts are true and accurate to the best of my knowledge and belief.

DATED this 5th day of December, 2022.

LAW OFFICE OF MITCHELL STIPP

/s/ Mitchell Stipp

---

MITCHELL STIPP, ESQ.  
Nevada Bar No. 7531  
1180 N. Town Center Drive, Suite 100  
Las Vegas, Nevada 89144  
Telephone: (702) 602-1242  
mstipp@stipplaw.com

## **NRAP 27(E) CERTIFICATE**

1. The telephone number and office address of the attorneys for Respondent are as follows:

DICKINSON WRIGHT PLLC  
BRIAN R. IRVINE  
BROOKS T. WESTERGARD  
100 West Liberty Street, Suite 940  
Reno, Nevada 89501  
Tel.: (775) 343-7500  
Fax: (844) 670-6009  
Email: birvine@dickinsonwright.com  
Email: bwestergard@dickinsonwright.com

2. Department 31 e-served a memorandum that it intends to consider Respondent's request for a receiver over NuVeda and its subsidiaries/affiliates on December 13, 2022 at 9:00 a.m.

4. A copy of this motion and appendix of exhibits were provided to Respondent's attorneys on December 5, 2022 via email before filing it.

LAW OFFICE OF MITCHELL STIPP

/s/ Mitchell Stipp

---

MITCHELL STIPP, ESQ.  
Nevada Bar No. 7531  
1180 N. Town Center Drive, Suite 100  
Las Vegas, Nevada 89144

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on the 5th day of December, 2022, I filed the foregoing **Emergency Motion and Appendix (Volumes 1-4)**, using the court's electronic filing system.

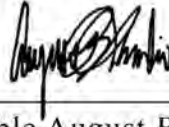
DICKINSON WRIGHT PLLC  
BRIAN R. IRVINE  
Nevada Bar No. 7758  
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100 West Liberty Street  
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Email: birvine@dickinsonwright.com  
Email: bwestergard@dickinsonwright.com

By: /s/ Mitchell Stipp

---

An employee of Law Office of Mitchell Stipp

# EXHIBIT 3



Honorable August B. Landis  
United States Bankruptcy Judge



Entered on Docket  
August 26, 2022

AARON D. FORD  
Attorney General  
Ashley A. Balducci (Bar No. 12687)  
Senior Deputy Attorney General  
Emily N. Bordelove (Bar No. 13202)  
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*Attorneys for State of Nevada,  
ex rel. Cannabis Compliance Board &  
the Department of Taxation*

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:

BK-22-11249-abl  
Chapter 11 (Subchapter V)

NUVEDA, LLC, a Nevada limited  
liability company,

Debtor(s)

**ORDER APPROVING STIPULATION BY AND AMONG DEBTOR, THE  
CANNABIS COMPLIANCE BOARD, AND THE DEPARTMENT OF  
TAXATION**

The Court, having considered the Stipulation by and among Debtor, the State of Nevada, *ex rel.* the Cannabis Compliance Board (“CCB”) and the Department of Taxation (“DOT”), attached hereto as **Exhibit 1**, and good cause appearing:

///

IT IS HEREBY ORDERED that the Stipulation is APPROVED as follows:

1. That 11 U.S.C. § 362(a)'s automatic stay in this matter does not apply to any action or proceeding instituted or maintained by the State of Nevada, *ex rel.* Cannabis Compliance Board or the Department of Taxation involving the Debtor, Clark NMSD, LLC ("Clark NMSD"), or Nye Natural Medicinal Solutions, LLC ("Nye Natural").

2. Upon entry by the United States Bankruptcy Judge of this Order approving said Stipulation, the CCB's Joinder to the Motion to Dismiss [dkt. 92] and Motion for Declaratory Relief [dkt. 96] shall be deemed withdrawn.

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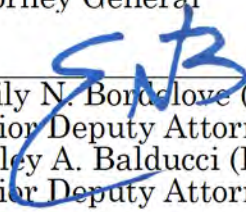
Further, upon entry by the United States Bankruptcy Judge of this Order approving said Stipulation, the CCB and the DOT will not file an opposition in this case to the Debtor's position that Debtor does not own any interest in any cannabis establishments including, without, limitation, Clark NMSD and Nye Natural. However, the CCB reserves all rights and remedies to take any action regarding any transfers concerning the Debtor's interest in Clark NMSD and Nye Natural that violated Nevada laws and regulations which governed the same. Similarly, the DOT reserves all rights and remedies to take any action regarding any tax liabilities within the DOT's jurisdiction and collection of the same from any and all persons liable including, but not limited to, responsible persons pursuant to NRS 360.297 and successors pursuant to NRS 360.525.

IT IS SO ORDERED.

Respectfully submitted:

DATED this 23rd day of August, 2022

AARON D. FORD  
Attorney General

  
\_\_\_\_\_  
Emily N. Bortolove (Bar No. 13202)  
Senior Deputy Attorney General  
Ashley A. Balducci (Bar No. 12687)  
Senior Deputy Attorney General

*Attorneys for State of Nevada, ex rel.  
Cannabis Compliance Board and  
Department of Taxation.*

# EXHIBIT 4

AARON D. FORD  
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Ashley A. Balducci (Bar No. 12687)  
Senior Deputy Attorney General  
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*Attorneys for State of Nevada,  
ex rel. Cannabis Compliance Board &  
the Department of Taxation*

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re:

BK-22-11249-abl  
Chapter 11 (Subchapter V)

NUVEDA, LLC, a Nevada limited  
liability company,

Debtor(s)

**STIPULATION BY AND AMONG DEBTOR, THE CANNABIS COMPLIANCE  
BOARD, AND THE DEPARTMENT OF TAXATION**

This stipulation (“Stipulation”) is made by and between debtor NuVeda LLC (“Debtor”), by and through its counsel, Mitchell Stipp, Esq. and Nathan A. Schultz Esq., and the State of Nevada, *ex rel.* the Cannabis Compliance Board (“CCB”) and the Department of Taxation (“DOT”), by and through their counsel of record, Attorney General Aaron D. Ford, Senior Deputy Attorney General Emily N. Bordelove, Senior Deputy Attorney General Ashley A. Balducci, and is predicated upon the following:

1. The CCB is the regulatory body over cannabis establishments and cannabis establishment agents in the State of Nevada.

2. The DOT regulates, imposes, and collects taxes for doing business in the State of Nevada.

3. Debtor filed its petition for bankruptcy on or about April 11, 2022. This

petition enacted an automatic stay of “the commencement or continuation, including ... other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title.” 11 USC § 362 (a)(1).

4. The CCB and the DOT seek to maintain their regulatory authority over cannabis establishments and cannabis establishment agents in the State of Nevada.

5. 11 USC § 362(b)(4) provides exceptions to the automatic stay under subsection (a) in pertinent part:

(b) The filing of a petition under section 301, 302, or 303 of this title, or of an application under section 5(a)(3) of the Securities Investor Protection Act of 1970, does not operate as a stay—

...

(4) under paragraph (1), (2), (3), or (6) of subsection (a) of this section, of the commencement or continuation of an action or proceeding by a governmental unit ... to enforce such governmental unit's or organization's police and regulatory power, including the enforcement of a judgment other than a money judgment, obtained in an action or proceeding by the governmental unit to enforce such governmental unit's or organization's police or regulatory power;

6. The CCB agrees that, by entering into this Stipulation and upon entry by the United States Bankruptcy Judge of the associated Order approving this Stipulation, the CCB's Joinder to the Motion to Dismiss [dkt. 92] and Motion for Declaratory Relief [dkt. 96] shall be deemed withdrawn.

7. Further, the CCB and the DOT stipulate and agree that, upon entry by the United States Bankruptcy Judge of the associated Order approving this Stipulation, neither will file an opposition in this case to the Debtor's position that Debtor does not own any interest in any cannabis establishments including, without, limitation, Clark NMSD, LLC (“Clark NMSD”) and Nye Natural Medicinal Solutions, LLC (“Nye Natural”). However, the CCB reserves all rights and remedies to take any action regarding any transfers which violated Nevada laws and regulations which governed the same. Similarly, the DOT reserves all rights and remedies to take any action regarding any tax liabilities within the DOT's jurisdiction and collection of the same

1 from any and all persons liable including, but not limited to, responsible persons  
2 pursuant to NRS 360.297 and successors pursuant to NRS 360.525.

3 **NOW, THEREFORE**, Debtor, the CCB, and the DOT stipulate as follows:

4 1. Debtor, the CCB, and the DOT have met, conferred, and agreed to stipulate  
5 that 11 U.S.C. § 362(a)'s automatic stay in this matter does not apply to any action  
6 or proceeding instituted or maintained by the State of Nevada, *ex rel.* Cannabis  
7 Compliance Board or the Department of Taxation involving the Debtor, Clark NMSD,  
8 or Nye Natural.

9 2. Upon entry by the United States Bankruptcy Judge of the associated Order  
10 approving this Stipulation, the CCB's Joinder to the Motion to Dismiss [dkt. 92] and  
11 Motion for Declaratory Relief [dkt. 96] shall be deemed withdrawn.

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3. Further, upon entry by the United States Bankruptcy Judge of the associated Order approving this Stipulation, the CCB and the DOT stipulate and agree not to file an opposition in this case to the Debtor's position that Debtor does not own any interest in any cannabis establishments including, without, limitation, Clark NMSD and Nye Natural. However, the CCB reserves all rights and remedies to take any action regarding any transfers by Debtor in Clark NMSD and Nye Natural that violated Nevada laws and regulations which governed the same. Similarly, the DOT reserves all rights and remedies to take any action regarding any tax liabilities within the DOT's jurisdiction and collection of the same from any and all persons liable including, but not limited to, responsible persons pursuant to NRS 360.297 and successors pursuant to NRS 360.525.

DATED this 23rd day of August, 2022.

LAW OFFICE OF MITCHELL STIPP,  
P.C.

/s/ Mitchell Stipp

MITCHELL STIPP, ESQ.  
Nevada Bar No. 7531  
1180 N. Town Center Drive, #100  
Las Vegas, Nevada 89144

*Co-Counsel for Debtor  
and Debtor In Possession*

DATED this 23rd day of August, 2022

AARON D. FORD  
Attorney General

Emily N. Bordelove (Bar No. 13202)  
Senior Deputy Attorney General  
Ashley A. Balducci (Bar No. 12687)  
Senior Deputy Attorney General

*Attorneys for State of Nevada, ex rel.  
Cannabis Compliance Board and  
Department of Taxation.*

# EXHIBIT 5

AARON D. FORD  
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 Senior Deputy Attorney General  
 Emily N. Bordelove (Bar No. 13202)  
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[ebordelove@ag.nv.gov](mailto:ebordelove@ag.nv.gov)

*Attorneys for State of Nevada,  
 ex rel. Cannabis Compliance Board*

**UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF NEVADA**

In re:	BK-22-11249-abl Chapter 11 (Subchapter V)
NUVEDA, LLC, a Nevada limited liability company,	
_____ Debtor(s).	Hearing Date: August 23, 2022 Hearing Time: 2:00 PM

**LIMITED JOINDER TO CREDITOR JENNIFER M. GOLDSTEIN'S  
 MOTION TO DISMISS BANKRUPTCY PETITION**

The State of Nevada *ex rel.* Cannabis Compliance Board (“CCB”), by and through its counsel, Attorney General Aaron D. Ford, Senior Deputy Attorney General, Emily N. Bordelove, and Senior Deputy Attorney General, Ashley A. Balducci hereby submits this Limited Joinder To Creditor Jennifer M. Goldstein’s Motion To Dismiss Bankruptcy Petition (“underlying Motion”) and Request upon dismissal for an Order pursuant to 11 U.S.C. § 362(j) confirming that the automatic stay has been terminated. This Limited Joinder is filed pursuant to 11 U.S.C. § 105(a).

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# MEMORANDUM OF POINTS AND AUTHORITIES

## INTRODUCTION

The CCB agrees that dismissal is warranted under 11 U.S.C. § 1112(b) and hereby adopts and incorporates those legal arguments relating to Debtor NuVeda LLC's ("Debtor" or "NuVeda") ownership interest in cannabis establishment subsidiaries, Clark NMSD LLC ("Clark NMSD") and Nye Natural Medicinal Solutions LLC ("Nye Natural"), as set forth in the underlying Motion, adding that Debtor's ownership interest was not formally transferred under the CCB.

Alternatively, the CCB files, contemporaneous with this Limited Joinder, a separate Motion for declaratory relief in the form of an Order from this Court that this bankruptcy does not stay the CCB's ability to execute its regulatory and enforcement powers over Clark NMSD and Nye Naturals, given 11 USC § 362(b) provides for an exception to such stay for the exercise of regulatory powers. *See* Motion for Declaratory Relief filed contemporaneously with this Limited Joinder.

## ADDITIONAL RELEVANT FACTS

### A. OWNERSHIP AND INJUNCTIONS

As noted in the underlying Motion, the state court in Case No. A-17-755479-B enjoined Debtor "from ***selling, transferring, or otherwise disposing of any assets*** in their possession, custody, and/or control, ***including any Nevada cannabis license*** and cash received (except as needed for normal business operations) from the lawful sale of cannabis through their Nevada retail dispensaries until this Court orders otherwise." (emphasis added). *See* underlying Motion at ¶ 24 at 13, *see also* Exhibit 16 to underlying Motion, Dkt. 45 in Case No. A-17-755479-B,<sup>1</sup> March 14, 2019, Injunction at 2. This injunction prohibits Debtor from transferring its ownership interests in Clark NMSD and Nye Naturals.

The state court initially put this prohibition in place in a Temporary

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<sup>1</sup> While the pleadings list the case number as A-17-755479-C, the Eighth Judicial District Court provides the case number as A-17-755479-B. *See* **Exhibit C**, attached to Decl. of Emily N. Bordelove.

1 Restraining Order (“TRO”) filed on February 5, 2019. *See* **Exhibit A.**, Dkt. 21 in Case  
2 No. A-17-755479-B, February 5, 2019, Notice of Entry of Temporary Restraining  
3 Order at 4, attached to Decl. of Emily N. Bordelove.

4 Furthermore, the state court in Case No. A-17-755479-B has not lifted nor  
5 modified the above TRO or injunction to allow Debtor to transfer or otherwise dispose  
6 of its assets or its Nevada cannabis licenses, including ownership in Clark NMSD and  
7 Nye Naturals and their associated Nevada cannabis licenses. *See* **Exhibit B.**, Dkt.  
8 91 in Case No. A-17-755479-B, April 16, 2019, Notice of Entry of Amended Injunction  
9 at 6, attached to Decl. of Emily N. Bordelove.

10 As noted in the underlying Motion, on or about June 12, 2019, about four  
11 months after the above TRO was entered, Debtor claims it reorganized and  
12 transferred its ownership interest in Clark NMSD and Nye Naturals to a *different*  
13 NuVeda LLC, a Delaware limited liability company (“NuVeda DE”). *See* underlying  
14 Motion ¶ 5 at 8, *see also* Exhibit 8 to underlying Motion, Dkt. 190 in Case No. A-15-  
15 728510-C, Opposition to Motion to Appoint Receiver at 7.

16 As outlined in the MIPA attached to Exhibit 8 to the underlying Motion, the  
17 natural persons with ownership interests in Debtor, Joseph Kennedy, Pejman Bady,  
18 and Pouyha Mohajer also own NuVeda DE. *See id.* at 18-19.

19 There has been no allegation nor assertion that Debtor obtained regulatory  
20 approval from any Nevada state agency, including the CCB, for the transfer of  
21 Debtor’s interests in Clark NMSD and Nye Naturals to NuVeda DE. Under Nevada  
22 law, a transfer of ownership interest in a cannabis establishment is not effective until  
23 the state agency is notified of the transfer and the state agency finds that each person  
24 acquiring an ownership interest is individually qualified to be an owner of a cannabis  
25 establishment. *See* Nev. Admin. Code § 453D.315(5) (repealed 2020); Nevada  
26 Cannabis Compliance Regulation (“NCCR”) 5.110(1).

27 As of the date of this Limited Joinder, the CCB’s records reflect Debtor, not  
28 NuVeda DE, as the parent company that owns both Clark NMSD and Nye Naturals.

1           **B.     PLAN OF REORGANIZATION**

2           Debtor filed its Plan of Reorganization (“Plan”) on July 11, 2022. *See* Dkt 89.  
 3 In the Plan, Debtor states that it will be funded by a \$500,000 loan from one or more  
 4 of its equity security holders. *See* Dkt 89 at 2 & 4. According to Debtor’s Voluntary  
 5 Petition for Non-Individuals Filing for Bankruptcy, Debtor’s Security holders are  
 6 Joseph Kennedy, Pejman Bady, and Pouyha Mohajer. *See* Dkt. 1’s Exhibit 3 at 16.

7                                   **LEGAL ARGUMENT**

8 **I.   DEBTOR OWNS THE SUBSIDIARIES THAT HOLD THE CANNABIS**  
 9 **LICENSES BECAUSE NO STATE AGENCY APPROVED THE**  
**TRANSFER TO NUVEDA DE.**

10          The underlying Motion argues that Debtor’s prior ownership of cannabis  
 11 facilities provides cause for dismissal under Section 1112(b) of the Bankruptcy Code.  
 12 *See* underlying Motion at 16-19. The CCB joins in this argument and additionally  
 13 provides that Debtor *presently* serves as the parent company for Clark NMSD and  
 14 Nye Naturals.

15          Ownership interest in a cannabis license cannot be transferred absent  
 16 notification and approval from the CCB. NRS 678B.380 provides in pertinent part  
 17 that “[e]xcept as otherwise provided by regulations adopted by the Board pursuant to  
 18 subsection 2, the following are nontransferable... [a] medical cannabis establishment  
 19 license [and] [a]n adult-use cannabis establishment license.” NRS 678B.380 (1)(d)-  
 20 (e). In 2019 when the alleged transfer occurred to the present, Nevada law has  
 21 expressly stated that a transfer of ownership interest in a cannabis establishment is  
 22 not effective until the state agency is notified of the transfer and the state agency  
 23 finds that each person acquiring an ownership interest is individually qualified to be  
 24 an owner of a cannabis establishment. *See* Nev. Admin. Code § 453D.315(5) (repealed  
 25 2020); NCCR 5.110(1).

26          As noted above, there has been no allegation nor assertion that Debtor notified  
 27 and obtained regulatory approval from the CCB or its predecessor for the transfer of  
 28 interest to NuVeda DE. Further, the CCB’s records currently reflect Debtor, not

NuVeda DE, as the parent company owning both Clark NMSD and Nye Naturals. Furthermore, given the state district court's order in Case No. A-17-755479-B enjoining Debtor from transferring assets, including the Nevada cannabis licenses, it is an open question as to whether the CCB could approve a request to transfer Debtor's ownership interest in Clark NMSD and Nye Naturals to NuVeda DE.

Debtor may argue that even if it owns Clark NMSD and Nye Naturals "on paper," practically, NuVeda DE and not Debtor, received cannabis related money from these entities that would implicate 11 USC § 1112(b). However, as noted above, Debtor will be financed from a \$500,000 loan from one or more of its equity security holders. These equity security holders, Joseph Kennedy, Pejman Bady, and Pouyha Mohajer, also own NuVeda DE and receive cannabis related money from Clark NMSD and Nye Naturals. As a result, the loan from Debtor's equity security holders to fund Debtor could originate from cannabis related money that would implicate 11 USC § 1112(b).

Thus, the CCB supplements the arguments in the underlying Motion that dismissal is warranted under 11 USC § 1112(b) with the fact that Debtor *currently* owns Clark NMSD and Nye Naturals.

## **II. ORDER CONFIRMING TERMINATION OF STAY DUE TO DISMISSAL**

If this Court grants the underlying Motion, the CCB, as a real party in interest<sup>2</sup>, requests an Order from this Court confirming that the automatic stay has been terminated.

11 USC § 362 (j) provides "[o]n request of a party in interest, the court shall issue an order under subsection (c) confirming that the automatic stay has been terminated." 11 USC § 362(c)(2)(B) provides that "[e]xcept as provided in subsections (d), (e), (f), and (h) of this section-- the stay of any other act under subsection (a) of this section continues until the earliest of--the time the case is dismissed."

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<sup>2</sup> Please see the CCB's Motion for Declaratory Relief, filed contemporaneously with this Limited Joinder.

1 Thus, if this Court grants the underlying Motion and dismisses Debtor's  
2 bankruptcy case, the CCB requests an Order from this Court, pursuant to 11 USC §  
3 362 (j), confirming that the automatic stay has been terminated.

4 **CONCLUSION**

5 For the reasons stated, the CCB files this Limited Joinder To Creditor Jennifer  
6 M. Goldstein's Motion To Dismiss Bankruptcy Petition and requests, if this Court  
7 grants said motion an Order Confirming Termination Of Stay Due To Dismissal of  
8 the Bankruptcy case.

9 DATED this 18th of July, 2022.

AARON D. FORD  
Attorney General

10  
11 By: 

Emily N. Rordelove (Bar No. 13202)  
Senior Deputy Attorney General  
Ashley A. Balducci (Bar No. 12687)  
Senior Deputy Attorney General

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14 *Attorneys for State of Nevada, ex rel.*  
15 *Cannabis Compliance Board*  
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# **EXHIBIT 6**

# **EXHIBIT 6**

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12 Email: birvine@dickinsonwright.com  
13 Email: bwestergard@dickinsonwright.com  
14 *Attorneys for Plaintiff Jennifer M. Goldstein*

9 **DISTRICT COURT**  
10 **CLARK COUNTY, NEVADA**

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

15 Plaintiffs,  
16 vs.

16 PEJMAN BADY; POUYA MOHAJER; DOE  
17 Individuals I-X and ROE Entities I-X, inclusive,  
18 Defendants.

Case No.: A-15-728510-B

Dept. No.: 31

**[PROPOSED] ORDER APPOINTING  
KEVIN SINGER AS RECEIVER  
OVER NUVEDA, LLC**

19 Having considered (a) Plaintiff/Judgment Creditor Jennifer M. Goldstein's  
20 ("Goldstein") Motion to Appoint Receiver ("Motion"); (b) Defendant/Judgment Debtor  
21 NuVeda, LLC's ("NuVeda") Opposition to the Motion; and (c) Goldstein's Reply in Support  
22 of the Motion; and

23 Having conducted a hearing on the Motion and considered the arguments of the  
24 parties; and

25 With GOOD CAUSE appearing therefore, the Court GRANTS the Motion as follows:  
26

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1           5.       The Receiver is vested with all of NuVeda’s right, title, and interest in and to  
2 all assets and property of every kind, both tangible and intangible, including but not limited to  
3 NuVeda’s Nevada cannabis establishment licenses, affiliated licenses and the businesses and  
4 properties associate therewith, including but not limited to: The Sanctuary, 1324 S. 3<sup>rd</sup> Street,  
5 Las Vegas, NV 89104; CANOPI, 2113 N. Las Vegas Blvd., Las Vegas, NV 89030; Solaris  
6 Farms, 2795 W. Brooks Ave., North Las Vegas, NV 89032; the operations at 301 S. Oxbow  
7 Ave., Unit 13, Pahrump, NV 89048; the operations at 1620 W. Charleston Park, Pahrump, NV  
8 89048; Nevada Cannabis Establishment numbers: 2502 5985 3578 6823 7824; 9409 0342  
9 9554 6702 0377; 6499 5797 7556 7012 2923; 5447 7437 9374 7929 7460; 4073 3091 6294  
10 5475 1109; and 9160 4693 9161 6650 7699 (all assets are, collectively, the “Receivership  
11 Estate”). The Receiver shall assume full and exclusive control of the Receivership Estate, and  
12 is authorized to take all steps necessary to secure such property, rehabilitate the same as  
13 necessary, and to maintain or close all existing accounts or open new accounts for the  
14 receivership.  
15

16           6.       The Receiver is directed to immediately take and maintain possession and  
17 control of the premises occupied by NuVeda for its business, conduct all of the business and  
18 affairs of NuVeda or so much thereof as he may deem appropriate consistent with the laws of  
19 Nevada, including the Nevada Cannabis Compliance Regulations, manage the affairs of  
20 NuVeda and rehabilitate NuVeda, if feasible, or seek liquidation if the Receiver determines  
21 that rehabilitation is not feasible.

22           7.       All authority of all owners or persons acting on their behalf, officers, directors,  
23 and managers of NuVeda is hereby suspended and vested with the Receiver until further  
24 written order of this Court.  
25  
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1           8.       All third-party vendor contracts and provider contracts with NuVeda shall  
2 continue in full force and effect, and the Receiver shall be authorized to maintain and  
3 administer such contracts according to the terms of the agreements between NuVeda and the  
4 third-party vendor or provider, regardless of any prior notice of or attempt at cancellation by  
5 such vendor or provider, until such time as the Receiver or this court directs otherwise, and  
6 any action by the parties to the contrary is stayed by entry of this order. The Receiver shall  
7 also have the right to terminate and suspend the performance of the estate under such  
8 contracts in his sole discretion. Any claim by a provider with respect to services or supplies  
9 provided on or after the date hereof shall be an expense of administration and shall be paid in  
10 the ordinary course by the receiver.  
11

12           9.       NuVeda and its owners, shareholders, officers, directors, managing general  
13 agents, agents, attorneys, accountants, actuaries, servants, employees, banks, savings and loan  
14 associations, credit unions, and any other partnership, company, or entity controlled by same  
15 or persons acting for or on their behalf are hereby ordered to immediately surrender and turn  
16 over to the Receiver property, business, affairs, transactions, bank accounts, bank cards, all  
17 keys to the NuVeda premises and to safe deposit boxes, to advise the Receiver of the  
18 combinations to any safes, safe-keeping devices or restricted access entries, any passwords to  
19 electronic information or online accounts with vendors, computers, all primary and secondary  
20 storage media documents, claims files, software, electronic data, e-mail, websites, copying  
21 rights, trademarks, patents, books, records, accounts, contracts, lease and sublease  
22 agreements, royalty and license agreements, mail, rights of action, and all other assets of  
23 NuVeda, including all real property, and the premises occupied by NuVeda, and are hereby  
24 enjoined from the transaction of the business of NuVeda, except with the concurrence of the  
25 Receiver or until further order of this court. Nothing herein is intended to, nor is to be  
26 construed to, require any party to turn over documents that are lawfully protected from

1 disclosure by a properly asserted privilege, including the attorney-client privilege and/or  
2 attorney work product privilege.

3 10. The Receiver may maintain existing accounts or establish new accounts at any  
4 financial institutions insured by an agency of the United States government, shall deposit in  
5 those accounts funds received in connection with the Receivership Estate, shall take  
6 possession of securities and certificates of deposit, and if a legal bank account can be  
7 obtained, Receiver shall deposit in interest-bearing accounts money not expended for  
8 receivership purposes.

9 11. The Receiver shall assume custody and control of all the books and records of  
10 the receivership; it shall maintain accurate records of all receipts and expenditures.

11 12. All persons and entities who become aware of the Court's order, including the  
12 parties named in this action, shall have an affirmative duty to cooperate with the Receiver,  
13 shall refrain from interfering with the Receiver in the exercise of his duties, shall refrain from  
14 exercising any control with respect to the Receivership Estate, and such persons shall  
15 immediately turn over to the Receiver all books and records of the receivership, as well as any  
16 other property of the receivership, as requested by the Receiver, notwithstanding their  
dismissal by the receiver.

17 13. The Receiver is and shall be the holder of all privileges held by NuVeda,  
18 including the attorney-client, accountant-client, and all other evidentiary privileges, with the  
19 power to waive such privileges, in the Receiver's sole discretion.

20 14. The Receiver is entitled to permit such further operation of NuVeda as the  
21 Receiver may deem necessary to be in the best interest of the creditors of NuVeda.

22 15. The Receiver is authorized to enter into contracts, obtain professional services,  
23 including attorneys, accountants, and real estate professionals, pay claims, collect debts,  
24 purchase insurance as necessary to carry out the terms of the receivership, as the Receiver  
25 deems reasonable and necessary, and the Receiver may appear in, prosecute, and defend such  
26 legal actions as are necessary to carry out its obligations. The Receiver is authorized to

1 represent, defend, and settle in any/all lawsuits and to represent, defend and settle any/all  
2 administrative proceedings filed by any/all regulatory agencies against NuVeda.

3 16. The Receiver is authorized to purchase materials, supplies, and services and to  
4 pay therefor at ordinary and usual rates and prices out of funds that shall come into its  
5 possession as Receiver, and to compromise debts of the Receivership Estate, and as Receiver  
6 to do all things and to incur the risks and obligations ordinarily incurred by owners, managers,  
7 and operators of similar businesses and that no such risk or obligation so incurred shall be the  
8 personal risk or obligation of the Receiver but shall be a risk or obligation of the Receivership  
9 Estate. No funds of the Receivership Estate may be expended without the authorization of the  
10 Receiver and the Receiver may impose whatever safeguards it deems necessary to ensure  
11 every expenditure is properly authorized.

12 17. Any bank, savings and loan association, financial institution, governmental  
13 entity, and any other person which has on deposit or in its control any funds, accounts, or  
14 other assets of NuVeda or which may owe amounts to NuVeda shall immediately transfer  
15 title and control of such assets to the Receiver or shall make such payment to the Receiver  
16 and are hereby instructed that the Receiver has absolute control over such assets and  
17 rights to payment. The Receiver may change the name of such accounts, withdraw the  
18 contents, or take such action necessary for the proper conduct of this receivership. No  
19 bank, savings and loan association, financial institution, governmental entity, or any other  
20 person shall exercise any form of setoff, recoupment, administrative freeze, or other similar  
21 remedy whatsoever, or refuse to transfer any funds or assets or pay any amounts owed to the  
22 Receiver without the permission of this court.

23 18. Any entity furnishing telephone, water, electric, cable, internet, sewage,  
24 garbage, or trash removal services to NuVeda shall maintain such service and shall transfer  
25 any such accounts to the Receiver as of the date of the order entered appointing the  
26 Receiver, unless instructed to the contrary by the Receiver.

1           19. The Receiver may contact any party is reasonably believes to be an  
2 account debtor of NuVeda and arrange for direct payment of the obligations due from  
3 account debtors to the Receiver. The Receiver is further empowered to commence a  
4 lawsuit against an account debtor.

5           20. The Receiver may conduct an investigation of NuVeda to uncover and make  
6 fully available to the court the true state of NuVeda's financial affairs. In furtherance of this  
7 investigation, NuVeda, its members, parent corporations, its subsidiaries, its affiliates, its  
8 third party administrators, and all other persons shall make all books, documents,  
9 accounts, records, and affairs which either belong to or pertain to NuVeda, available for  
10 full, free, and unhindered inspection and examination by the Receiver during normal  
11 business hours (9:00 a.m. to 5:00 p.m.) Monday through Friday, or such other times as  
12 the Receiver deems necessary, from the date of the order appointing the Receiver.  
13 NuVeda and the above-specified persons and entities shall fully cooperate with the  
14 Receiver. Such cooperation shall include, but not be limited to, the taking of oral  
15 testimony under oath of NuVeda's policyholders, shareholders, owners, officers, directors,  
16 managing general agents, agents, accountants, actuaries, attorneys, servants, managers,  
17 trustees, adjusters, employees, or independent contractors of NuVeda, its parent, affiliates,  
18 and subsidiaries, and any other person or entity who possesses or possessed any authority or  
19 control over any segment of the affairs of NuVeda in either their official, representative, or  
20 individual capacities, and the production of all documents needed to disclose the true state of  
NuVeda's affairs.

21           21. The Receiver is authorized to review, analyze, account for and approve the  
22 Receivership Estate's expenses, payments, transfers, withdrawals, and distributions  
23 (collectively "Payments") to ensure that all such Payments are proper and made in the  
24 ordinary course of business. In addition, the Receiver shall have the authority to write checks  
25 for the purpose of making any payments required or permitted to be made hereunder,  
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1 including, without limitation, expenses on account of bank service charges, commissions,  
2 marketing and sale costs, dues and publications, insurance, maintenance, accounting and other  
3 professional services, postage costs and courier or other delivery costs, interest, inventory,  
4 office expenses, rent or other payment arising under a lease or rental agreement, repairs and  
5 maintenance, supplies, taxes, utilities and telephone expenses, wages and premiums. The  
6 Receiver may open any/all operating or security accounts deemed necessary for the estate and  
7 transfer any/all funds from estate accounts to these receivership accounts and operate out of  
8 these receivership accounts, if deemed necessary and appropriate, in order to preserve and  
9 protect the estate and in order to be able to supply reviewed and reconciled financials.

10           22.     The Receiver is authorized to take all proper actions related to the (i) marketing  
11 and sale of all or any portion of the Receivership Estate in the normal course of business, (ii)  
12 collection of accounts receivable and other amounts owed in respect of the Receivership  
13 state, (iii) removal from the Receivership Estate of persons not entitled to entry thereon, (iv)  
14 securement and protection of the Receivership Estate, (v) damage caused to the Receivership  
15 Estate, (vi) recovery of possession of the Receivership Estate, and (vii) initiation or  
16 prosecution of any claims or litigation for the benefit of the Receivership Estate.  
17

18           23.     The Receiver may communicate, directly or indirectly, with any person, firm  
19 or entity, including without limitation, any representative of NuVeda.

20           24.     The Receiver may take any and all steps necessary to retrieve, collect and  
21 review all mail and/or e-mail addressed to NuVeda or related entities or individuals at the  
22 Receivership Estate and the Receiver is authorized to instruct the United States Postmaster to  
23 reroute, hold and/or release said mail to the Receiver. The Receiver shall redirect mail  
24 determined (whether before or after opening) to be of a personal nature, not involving the  
25 business activities of NuVeda conducted at the Receivership Estate, to the person to whom  
26

1 the mail was intended to be delivered (if the Receiver knows the forwarding address of said  
2 person) or shall return such mail to the sender.

3 25. The Receiver shall have all the powers, duties and authority that the Receiver  
4 believes may be necessary or appropriate to secure, operate, manage, control and sell the  
5 Receivership Estate and/or to protect, preserve and maximize the value of the Receivership  
6 Estate and/or to do any other acts and incur any of the risks and obligations ordinarily taken or  
7 incurred by an owner of property similar to the property at issue in the normal course of  
8 business; provided, however, that no such risk or obligation shall be the personal risk or  
9 obligation of the Receiver, but shall be solely the risk and obligation of the Receivership  
10 Estate.

11 26. The Receiver shall, within thirty days of its qualification hereunder, file in this  
12 action an inventory of all property of which it shall have taken possession pursuant hereto,  
13 including, without limitation, the identity of all written or non-written contracts (whether for  
14 sale or otherwise), options, insurance policies, fixtures or personal property. The Receiver  
15 may thereafter, to the extent necessary, conduct periodic inventories of all property of the  
16 Receivership Estate of which he shall have taken possession pursuant to this Order, and to  
17 provide counsel herein with regular and material updates.

18 27. The Receiver may charge for his services no more than two hundred and  
19 seventy- five dollars (\$275.00) per hour, two hundred and fifty dollars (\$250) per hour for  
20 Senior Project Manager, One hundred and fifty dollars (\$150) per hour for a Project  
21 Manager, One hundred and fifty dollars (\$150) an hour for an accountants and eighty five  
22 dollars (\$85) per hour for Bookkeepers and Administrative Staff; In addition, the  
23 Receiver shall be reimbursed for all reasonable expenses incurred by the Receiver or his  
24 Agents on behalf of NuVeda. To be paid on such basis, the Receiver must file a statement  
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1 of account with all parties for the time and expense incurred. This statement of account  
2 with be included in the monthly Receiver's Report. Once the Receiver's Report has been  
3 filed and served, the Receiver or his Agents may pay the statement from the income  
4 of NuVeda, an alternative funding source or from the sale of NuVeda. Objections to each  
5 of the Receiver's Reports, if any, must be made within ten (10) days of notice of the  
6 statement. All objections shall be made on a line-item basis with a statement of the  
7 reason for such objection. Failure of a Party to object within this 10-day period shall  
8 constitute a waiver of that party's objection(s) to the fees for that period;

9           28. Any party, lender or private individual is authorized to make a loan  
10 advances to Receiver for expenses incurred by the Receiver relating to the administration,  
11 care, preservation, and maintenance of the Collateral, Books and Records, and/or  
12 receivership estate. All loans shall be secured by a priority Receivership Certificate on  
13 NuVeda. Said Receivership Certificate shall be paid out of the sales proceeds and bear  
14 interest at 10% per annum. Any such borrowing shall be the sole and exclusive  
15 responsibility of the Receivership Estate, and no such borrowing or obligation so incurred  
16 shall be the personal risk or obligation of Receiver. All funds loaned to Receiver  
17 pursuant to such Receivership Certificate(s) shall be deemed to be a lien of first priority  
18 which shall be repaid prior to all other encumbrances and claims, other than the reasonable  
19 cost of administration.

20           29. Upon entering into an agreement for sale or transfer of any material asset  
21 or property in the Receivership Estate outside the sale of NuVeda's products and inventory  
22 in the normal course of business, the Receiver shall file a Motion with the Court, giving at  
23 least thirty days' notice to all parties, setting forth the details of the proposed sale and seeking  
24 the Court's approval for said sale. This shall be done for each proposed sale of any asset of  
25 NuVeda in the possession or control of the Receiver outside of the ordinary course of  
26 business. The Receiver shall also disclose and obtain any/all required regulatory approval

1 prior to the sale of any material asset or property in the Receivership Estate, including, but not  
2 limited to, any required approvals from the CCB.

3         30. The Receiver may use any federal taxpayer identification numbers of NuVeda  
4 relating to the Receivership Estate for any lawful purpose.

5         31. The Receiver shall determine upon taking possession of the Receivership  
6 Estate whether in the Receiver's judgment there is sufficient insurance coverage. If coverage  
7 is in place, NuVeda, and its members, principals, agents and employees, may not cancel  
8 policies or coverages for the said estate and must turn over all information regarding any/all  
9 coverages immediately. If sufficient insurance coverage does not exist, the Receiver shall  
10 immediately notify interested parties and advise the Court of any need to procure sufficient  
11 insurance for the Receivership Estate; provided, however, that if the Receiver does not have  
12 sufficient funds to do so, the Receiver shall seek instructions from the Court with regard to  
13 whether insurance shall be obtained and how it is to be paid for. The Receiver and the  
14 Receiver's company, "Receivership Specialists," will be added as additional named insureds  
15 for any insurance policies that the Receiver procures or takes over from NuVeda. NuVeda  
16 shall immediately name the Receiver as named insured and Receivership Specialists as  
17 additional named insured on the existing insurance policy(ies) for the period that the Receiver  
18 shall be in possession of the Receivership Estate. If consistent with existing law, the Receiver  
19 shall not be responsible for claims arising from the lack of procurement or inability to obtain  
20 insurance. The parties and their agents and representatives are prohibited from canceling,  
21 reducing or modifying any and all insurance coverage currently in existence with respect to  
22 the Receivership Estate.  
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1           32.     The Receiver and/or a management agent, as appropriate, may apply for,  
2 obtain and pay any reasonable fees for any lawful license, permit or other governmental  
3 approval relating to the Receivership Estate or the operation thereof; confirm the existence of  
4 and, to the extent permitted by law, exercise the privileges of any existing license, permit or  
5 governmental approval; and do all things necessary to protect and maintain those licenses,  
6 permits and approvals.

7           33.     The Receiver and/or a management agent, as appropriate, may apply for,  
8 obtain and pay any reasonable fee to apply for any lawful license, permit or other  
9 governmental approval relating to new licenses for the cultivation, production, or distribution  
10 of marijuana if any such licenses become available from the State of Nevada, Clark County,  
11 Nye County, the City of Las Vegas or the City of North Las Vegas, if the Receiver believes it  
12 in its reasonable business judgment that such an application(s) is in the best interest of the  
13 Receivership Estate. Submission of any such applications is subject to the Court's prior  
14 approval.

15           34.     The Receiver shall, as necessary and appropriate, notify all local, state and  
16 federal governmental agencies, all vendors and suppliers, known creditors, and any and all  
17 others who provide goods or services to the Receivership Estate of its appointment as  
18 Receiver.

19           35.     The Receiver as an Officer of the Court shall be provided with judicial  
20 immunity to the fullest extent the statutory and case law allows for performance of all of his  
21 duties. Nobody shall file a lawsuit against the Receiver without first obtaining leave from the  
22 Appointing Court.

23           36.     The Receiver shall serve with a \$5,000 bond.  
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1           37. NuVeda and its agents, servants, members, managers, principals, officers,  
2 affiliates, employees, representatives, and all other persons and entities who are successors in  
3 interest to or who are acting in concert or participating with them, or any of them are hereby  
4 restrained and enjoined from engaging in or performing, directly or indirectly, any of the  
5 following acts:

- 6           a. Retaining possession of the Receivership Estate or any other portion of the  
7 Receivership Estate, including any assets of the Receivership Estate as to  
8 which the Receiver has requested be turned over;  
9  
10          b. Expending, disbursing, transferring, assigning, selling, conveying,  
11 devising, ledging, mortgaging, creating a security interest in, encumbering,  
12 concealing or in any manner whatsoever dealing in or disposing of the whole  
13 or any part of the assets of the Receivership Estate, including, but not  
14 limited to, any contract or other agreement concerning the Receivership  
15 Estate, without the written consent of the Court first obtained;  
16          c. Demanding, collecting, receiving, expending, disposing, assigning,  
17 secreting or in any other way diverting, using or making unavailable to the  
18 Receiver any asset of the Receivership Estate or any of the rents, issues,  
19 proceeds, or profits thereof;  
20          d. Doing any act which will, or which will tend to, impair, defeat, divert,  
21 prevent or prejudice the preservation of the Receivership Estate or  
22 creditor's interest therein, in whatever form the interest is held or used as of  
23 this date, pending further proceedings in this action;  
24          e. Destroying, altering, concealing, transferring or failing to preserve any  
25 document and other record (including records maintained in electronic  
26 form) which evidences, reflects, relates, or pertains to NuVeda, including

1 (without limitation) the factual basis of any actual or anticipated lawsuit  
2 involving NuVeda, or NuVeda's disposition of the Receivership Estate, or  
3 any part thereof; and

4 f. Interfering in any manner with the operation of the Receivership Estate or  
5 the Receiver's possession thereof, including, without limitation, interfering  
6 with the Receiver's efforts to secure the Receivership Estate or otherwise  
7 interfering with the management, preservation, protection, maintenance,  
8 operation, or control of the Receivership Estate (including but not limited  
9 to) removing funds from estate accounts, and/or concealing cash or other  
funds belonging to the Receivership Estate.

10 38. Except with the concurrence of the Receiver or until further written order of  
11 this court, all suits, proceedings, and seizures against NuVeda in any court are hereby stayed  
12 in order to prevent the obtaining of any preference, judgment, seizure, levy, or lien, and to  
13 preserve the property and assets of NuVeda. This excludes any/all administrative  
14 proceedings and/or actions brought by any/all regulatory agencies, including but not limited  
15 to the CCB, which will not be stayed, and which may be commenced at the discretion of  
16 such administrative agencies.

17 39. The Receiver shall continue in possession of the Receivership Estate until  
18 discharged by this Court. The Receiver shall also apply to the Court for a formal discharge  
19 and approval of its final accounting no later than sixty days after it relinquishes  
20 control of the Receivership Estate or otherwise ordered by the Court. Until such time as  
21 the Receiver's final report and accounting has been approved by the Court, or by earlier  
22 order of this Court, the Receiver shall not turn over any receivership funds to any party  
or entity without prior Court order.

23 40. Unless expressly limited herein, the Receiver shall be further granted all  
24 powers given to an equity receiver, provided by N.R.S. Chapter 32 and/or common law.  
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1           41. Kevin Singer is acting solely in his capacity as Receiver and no risk,  
2 obligation or expense incurred shall be the personal risk, obligation or expense of Kevin  
3 Singer, but shall be the risk, obligation or expense of the Receivership Estate.

4           ///

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6           ///

7           42. Individuals or entities interested in the Receivership Estate may contact the  
8 Receiver directly by and through the following individual:

9           **Kevin Singer**

10           7251 W. Lake Mead Blvd. Ste. 300

11           Las Vegas, NV 89128

12           [keving@receivershipspecialists.com](mailto:keving@receivershipspecialists.com)

13           43. Beginning the month after appointment and continuing each month thereafter  
14 until discharged by the Court, the Receiver shall file a monthly report and accounting with the  
15 Court on the 15th day of each month or first following business day thereafter, if the 15th day  
16 of the month falls on a weekend or holiday recognized by the State of Nevada.

17           44. This Order Appointing Receiver may be modified to comply with the terms,  
18 conditions, and requirements set forth by the CCB.

19           The appointment of Kevin Singer is subject to the CCB issuing an agent registration  
20 card for a cannabis receiver to Kevin Singer and voting to approve placement of Mr. Singer as  
21 Receiver, as required by regulations promulgated in Assembly Bill 326. No portions of this  
22 Order are in effect until such time as Mr. Singer is issued a receiver agent card and CCB has  
23 approved his placement as a receiver.

24           IT IS THEREFORE ORDERED that Kevin Singer shall be and hereby is appointed as  
25 Receiver over NUVEDA, LLC and all of its assets including, without limitation, all assets and  
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1 rights related to any subsidiary and affiliated entities (collectively, “NuVeda”) in which  
2 NuVeda has an ownership interest.

3 IT IS SO ORDERED.  
4  
5  
6  
7

8 *Submitted by:*

9 **DICKINSON WRIGHT PLLC**

10 /s/ Brian R. Irvine

BRIAN R. IRVINE

11 Nevada Bar No. 7758

BROOKS T. WESTERGARD

12 Nevada Bar No. 14300

100 West Liberty Street

13 Suite 940

Reno, Nevada 89501

14 Tel.: (775) 343-7500

Fax: (844) 670-6009

15 Email: [birvine@dickinsonwright.com](mailto:birvine@dickinsonwright.com)

Email: [bwestergard@dickinsonwright.com](mailto:bwestergard@dickinsonwright.com)

16 *Attorneys for Plaintiff Jennifer M. Goldstein*

17 *Approved as to form and content:*

18 **LAW OFFICE OF MITCHELL STIPP**  
19

20 /s/ Mitchell Stipp

MITCHELL STIPP

21 Nevada Bar No. 7531

1180 N. Town Center Drive

22 Suite 100

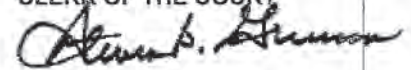
Las Vegas, NV 89144

23 Tel: (702) 602-1242

24 [mstipp@stipplaw.com](mailto:mstipp@stipplaw.com)  
25  
26

# **EXHIBIT 7**

# **EXHIBIT 7**



**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  
Facsimile: 866.220.5332  
mstipp@stiplaw.com  
*Counsel for Plaintiff, The Sanctuary*

CASE NO: A-22-850747-W  
Department 8

**DISTRICT COURT**

**CLARK COUNTY, NEVADA**

**CLARK NMSD, LLC D/B/A THE  
SANCTUARY.**

**PLAINTIFF,**

**vs.**

**CLARK COUNTY SHERIFF JOE  
LOMBARDO, OFFICE OF THE EX-  
OFFICIO CONSTABLE,**

**DEFENDANT.**

Case No: (See Above)

Department No.: (See Above)

**ARBITRATION EXEMPTION CLAIMED:**  
Rule 3(a): Action Seeking Equitable Relief

Plaintiff, Clark NMSD LLC, a Nevada limited liability company d/b/a The Sanctuary ("Plaintiff"), by and through its attorney, Mitchell D. Stipp, Esq., of the Law Office of Mitchell Stipp, alleges as follows:

**PARTIES**

1. Plaintiff is a Nevada limited liability company, which is organized under Chapter 86 of the Nevada Revised Statutes, as amended (the "NRS").

1           2.       Plaintiff owns a recreational and medical cannabis dispensary license and operates  
2 its dispensary business at 1324 S. 3rd Street, Las Vegas, Nevada 89104.

3           3.       Defendant, Clark County Sheriff Joe Lombardo, is the Ex-Officio Constable, as  
4 appointed by the Clark County Board of Commissioners, under NRS 258.010 ("Defendant").  
5

#### 6                                   **JURISDICTION AND VENUE**

7           4.       This court has jurisdiction over Defendant because he is the duly elected Sheriff  
8 of Clark County, State of Nevada, and was appointed by the Clark County Board of  
9 Commissions pursuant to NRS 258.010, to serve as Ex Officio Constable.

10          5.       Venue is proper because Defendant is the Ex Officio Constable and/or a  
11 substantial portion of the acts, events, and transactions complained of herein occurred in Clark  
12 County, Nevada.  
13

14          6.       This court has jurisdiction to grant relief pursuant to NRS 30.030 and 33.010,  
15 respectively.

16          7.       The court has jurisdiction to grant a writ of mandamus or prohibition pursuant to  
17 Chapter 34 of NRS.  
18

#### 19                                   **GENERAL ALLEGATIONS**

20          8.       On or about June 11, 2021, NuVeda, LLC ("NuVeda") received notice of two (2)  
21 writs of execution requested by Jennifer Goldstein in Case. No. A-15-728510-B ("Goldstein  
22 Case"). These writs are identified as Docket Nos. 164 and 165 as filed in the Goldstein Case  
23 ("Goldstein Writs").

24          9.       Goldstein fraudulently requested the Goldstein Writs to collect amounts owed  
25 pursuant to a judgment in her favor against NuVeda.  
26  
27  
28

1           10.     The Goldstein Writs requested that Defendant seize without regard to ownership  
2     “all cash, currency, and other monies from the cash register, vault, safe and cash box” at the  
3     following locations:  
4

<b>CANOPI</b> <b>2113 N. Las Vegas Blvd.</b> <b>Las Vegas, NV 89030</b>	<b>The Sanctuary Dispensaries</b> <b>1324 S. 3rd St.</b> <b>Las Vegas, NV 89104</b>	<b>Solaris Farms</b> <b>2795 W. Brooks Ave.</b> <b>North Las Vegas, NV 89032</b>
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8           11.     NuVeda does not own any property at the above locations.  
9

10          12.     NuVeda sent a letter dated June 15, 2021 to Defendant, a copy of which is  
11     attached hereto as **Exhibit 1**, objecting to the service of the writs.

12          13.     NuVeda sent another letter dated July 21, 2021 to Defendant, a copy of which is  
13     attached hereto as **Exhibit 2**, objecting to the service of the writs.

14          14.     Despite the notice provided by NuVeda as set forth in **Exhibits 1 and 2** hereto,  
15     Defendant served the Goldstein Writs including on Plaintiff at the cannabis dispensary it  
16     operates at 1324 S. 3rd Street, Las Vegas, Nevada 89104.  
17

18          15.     On August 9, 2021, Defendant arrested an employee of Plaintiff and wrongfully  
19     seized cash from the cash registers at the cannabis dispensary operated by Plaintiff at 1324 S. 3rd  
20     Street, Las Vegas, Nevada 89104.

21          16.     On August 10, 2021, Plaintiff sent a demand/claim letter to Defendant asserting  
22     that the cash seized by Defendant was owned by Plaintiff and demanding the return of the cash  
23     unless Goldstein posted security, as required by NRS 31.070, a copy of which is attached hereto  
24     as **Exhibit 3**.  
25

26          17.     NRS 31.070(1) provides as follows:  
27

28                 If the property levied on is claimed by a third person as the person's property by a  
written claim verified by the person's oath or that of the person's agent, setting out the

1 person's right to the possession thereof, and served upon the sheriff, the sheriff must  
2 release the property if the plaintiff, or the person in whose favor the writ of attachment  
3 runs, fails within 7 days after written demand to give the sheriff an undertaking  
4 executed by at least two good and sufficient sureties in a sum equal to double the value  
5 of the property levied on. If such undertaking be given, the sheriff shall hold the  
6 property. The sheriff, however, shall not be liable for damages to any such third person  
7 for the taking or keeping of such property if no claim is filed by any such third person.

8 (emphasis added).

9 18. Defendant refused to release the cash seized as required by NRS 31.070(1).

10 19. Defendant failed to request that Goldstein provide security as required by NRS  
11 31.070(1).

12 20. Goldstein failed to provide security as required by NRS 31.070(1).

13 21. Defendant remains in possession of Plaintiff's cash.

14 **CLAIM FOR RELIEF**  
15 **(INJUNCTIVE RELIEF)**

16 22. Plaintiff repeats and re-alleges the allegations contained in the preceding  
17 paragraphs of this Complaint as though said paragraphs were fully set forth herein.

18 23. The seizure of cash from Plaintiff was not permitted under Nevada law.

19 24. Defendant had actual notice that the cash seized belonged to Plaintiff.

20 25. Defendant refused to follow the requirements of NRS 31.070.

21 26. Plaintiff has no adequate remedy at law. Defendant is not a party to the Goldstein  
22 Case. Defendant remains in possession of Plaintiff's cash.

23 27. Without injunctive relief, Defendant will continue to seize property including  
24 cash which belongs to Plaintiff and refuse to follow the requirements of NRS 31.070. As a  
25 result, Plaintiff has suffered and will continue to suffer irreparable harm for which compensatory  
26 damages are inadequate.  
27  
28

1           28.     The court should enjoin Defendant from seizing Plaintiff's property to satisfy a  
2 judgment owed by NuVeda to Goldstein (unless Defendant complies with Nevada law including  
3 NRS 31.070),  
4

5                   **APPLICATION FOR WRIT OF MANDAMUS OR PROHIBITION**  
6

7           29.     Plaintiff repeats and re-alleges the allegations contained in the preceding  
8 paragraphs of this Complaint as though said paragraphs were fully set forth herein.

9           30.     In Nevada, a writ shall issue "in all cases where there is not a plain, speedy and  
10 adequate remedy in the ordinary course of law." NRS 34.170; NRS 34.330. "A writ of prohibition is  
11 appropriate when a district court acts without or in excess of its jurisdiction." Cote v. District Ct., 124  
12 Nev. 36, 39, 175 P.3d 906, 907 (2008) (citing NRS 34.320; State v. District Ct. (Anzalone), 118 Nev.  
13 140, 146-47, 42 P.3d 233, 237 (2002)). "A writ of mandamus is available to 'compel the performance  
14 of an act which the law . . . [requires] as a duty resulting from an office, trust or station.' *Id.*, 124  
15 Nev. At 39, 175 P.3d at 907-08 (quoting NRS 34.160), or to control a manifest abuse or an arbitrary  
16 or capricious exercise of discretion. *Id.* (citing Round Hill Gen. Imp. Dist. v. Newman, 97 Nev. 601,  
17 603-04, 637 P.2d 534, 536 (1981)). "Because both writs of prohibition and writs of mandamus are  
18 extraordinary remedies, [the court has] complete discretion to determine whether to consider them."  
19 *Id.*, 124 Nev. At 39, 175 P.3d at 908 (citing Smith v. District Ct., 107 Nev. 674, 818 P.2d 849  
20 (1991)).  
21

22           31.     Even when an "arguable adequate remedy exists, this court may exercise its  
23 discretion to entertain a petition for mandamus under circumstances of urgency or strong necessity,  
24 or when an important issue of law needs clarification and sound judicial economy and administration  
25 favor the granting of the petition." State v. District Ct., 118 Nev. 609, 614, 55 P.3d 420, 423 (2002)  
26 (citations omitted).  
27  
28

1           32.     Here, "there is not a plain, speedy and adequate remedy in the ordinary course of law."  
2 NRS 34.170; NRS 34.330.

3           33.     As such, this court has the ability to mandate that Defendant return the cash to  
4 Plaintiff it wrongfully seized and to prohibit Defendant from seizing Plaintiff's property to satisfy a  
5 judgment owed by NuVeda to Goldstein (unless Defendant complies with Nevada law including  
6 NRS 31.070).  
7

8  
9                               **PRAYER FOR RELIEF**

10           WHEREFORE, Plaintiff respectfully requests as follows:

11           1.     Grant preliminary and permanent injunction enjoining Defendant from seizing Plaintiff's  
12 property to satisfy a judgment owed by NuVeda to Goldstein (unless Defendant complies with Nevada  
13 law including NRS 31.070).

14           2.     Mandate that Defendant return the cash to Plaintiff it wrongfully seized and to prohibit  
15 Defendant from seizing Plaintiff's property to satisfy a judgment owed by NuVeda to Goldstein (unless  
16 Defendant complies with Nevada law including NRS 31.070).

17           3.     For an award of attorney's fees and costs; and

18           4.     For such other and further relief as the Court may deem just and proper.

19                               DATED this 5th day of April, 2022.  
20

21   LAW OFFICE OF MITCHELL STIPP

22   /s/ Mitchell Stipp

23   \_\_\_\_\_  
24   MITCHELL STIPP, ESQ.

25   Nevada Bar No. 7531

26   1180 N. Town Center Drive

27   Suite 100

28   Las Vegas, Nevada 89144

Telephone: 702.602.1242

Facsimile: 866.220.5332

mstipp@stiplaw.com

*Counsel for Plaintiff, The Sanctuary*

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# EXHIBIT 1 TO COMPLAINT



**Mitchell Stipp**

**Law Office of Mitchell Stipp**

T: 702.602.1242 | M: 702.378.1907

E: [mstipp@stipplaw.com](mailto:mstipp@stipplaw.com) | [www.stipplaw.com](http://www.stipplaw.com)

1180 N. Town Center Drive, Suite 100, Las Vegas, Nevada 89144

---

June 15, 2021

**VIA FAX at 702-385-2436**

Office of the Ex-Officio Constable  
Las Vegas Township  
301 E. Clark Ave., Suite 100  
Las Vegas, NV 89101

**RE: Writs of Execution by Jennifer Goldstein  
Eighth Judicial District Court, State of Nevada (Case No. A-15-728510-B)**

To Whom It May Concern:

My firm represents NuVeda, LLC (the "Company"). The Company became aware of writs of execution prepared and filed in the above-referenced case by Jennifer Goldstein. As a result, the Company filed a motion to quash these writs. A copy of the motion is attached as **Exhibit A** hereto. The writs are included as Exhibits 2 and 3 to the Company's motion. Ms. Goldstein is asking the Constable's Office to appear at five (5) separate business locations and seize "all cash, currency, and other monies from the cash register, vault, safe and cash box." These business locations are not owned or operated by the Company (as set forth in more detail in the Company's motion). We would respectfully ask the Constable's Office to refrain from taking any action on these writs or any others delivered by Ms. Goldstein pending an order from the district court in the above-referenced case.

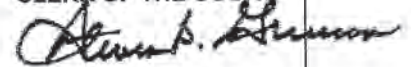
If you have any questions regarding the foregoing, please do not hesitate to contact the undersigned.

Best Regards,

Mitchell D. Stipp

**Mailing and Payment Address:** 10120 W. Flamingo Rd., PMB 4-124, Las Vegas, Nevada 89147

EXHIBIT A TO LETTER



MITCHELL D. STIPP, ESQ.  
Nevada Bar No. 7531  
**LAW OFFICE OF MITCHELL STIPP**  
1180 N. Town Center Drive, Suite 100  
Las Vegas, Nevada 89144  
Telephone: 702.602.1242  
mstipp@stipplaw.com  
*Attorneys for Plaintiff NuVeda, LLC*

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

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

Plaintiffs,

v.

PEJMAN BADY, an individual; POUYA  
MOHAJER, an individual; DOES I to X,  
inclusive; and ROES I to X, inclusive,

Defendants.

Case No.: A-15-728510-B

Dept. No.: XI

**MOTION TO QUASH  
WRITS OF EXECUTION**

**HEARING REQUESTED**

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

This filing is based on the papers and pleadings on file in this action, the memorandum of points  
and authorities that follows, the exhibits attached hereto (or filed separately in support), and any  
argument of counsel permitted by the court at any hearing.

1  
2  
3 DATED this 11th day of June, 2021.  
4

5 **LAW OFFICE OF MITCHELL STIPP**  
6

7 /s/ Mitchell Stipp, Esq.

8 MITCHELL STIPP, ESQ.

9 Nevada Bar No. 7531

10 LAW OFFICE OF MITCHELL STIPP

11 1180 N. Town Center Drive, Suite 100

12 Las Vegas, Nevada 89144

13 Telephone: 702.602.1242

14 mstipp@stipplaw.com

15 Attorneys for NuVeda, LLC  
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**[MEMORANDUM OF POINTS AND AUTHORITIES FOLLOW]**

## MEMORANDUM OF POINTS AND AUTHORITIES

Jennifer Goldstein ("Goldstein"), former member of NuVeda, LLC, a Nevada limited liability company ("NuVeda"), has a judgment against NuVeda in the approximate amount of \$2,565,276.41 (plus interest from October 31, 2019). The judgment arises from binding arbitration (AAA Case # 01-15-005-8574), which was supervised by this court.

Goldstein's judgment is subject to an indemnification agreement with CWNevada, LLC (which through Brian Padgett controlled the arbitration proceedings). This agreement is part of NuVeda's proof of claim submitted in the Receivership Action, which the receiver has refused to honor.<sup>1</sup> NuVeda does not own any property other than purportedly membership interests in one or more subsidiaries.

Goldstein has conducted post-judgment discovery. NuVeda has responded to the same. After the hearing on March 1, 2021 concerning Goldstein's motion for an order to show cause why NuVeda should not be held in contempt, NuVeda reached out to Goldstein's attorney to resolve any disputes with NuVeda's discovery responses and to coordinate a judgment debtor examination. Goldstein's attorney provided no response. See Exhibit 1.

On June 11, 2021, NuVeda received copies of two (2) writs of execution filed by Goldstein in this case. These writs are attached hereto as Exhibits 2 and 3. The writs ask the sheriff/constable's office to seize without regard to ownership "all cash, currency, and other monies from the cash register, vault, safe and cash box" at the following locations:

<b>CANOPI</b> <b>2113 N. Las Vegas Blvd.</b> <b>Las Vegas, NV 89030</b>	<b>The Sanctuary Dispensaries</b> <b>1324 S. 3rd St.</b> <b>Las Vegas, NV 89104</b>	<b>Solaris Farms</b> <b>2795 W. Brooks Ave.</b> <b>North Las Vegas, NV 89032</b>
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<sup>1</sup> Goldstein also submitted a proof of claim in the Receivership Action based on the indemnification agreement.  
NuVeda's Motion 003

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<b>NUVEDA</b> <b>301 S. Oxbow Ave., Unit 13</b> <b>Pahrump, NV 89048</b>
--

<b>NUVEDA</b> <b>1620 W. Charleston Park</b> <b>Pahrump, NV 89048</b>
---

NuVeda does not own or have rights to any property at the addresses above. Goldstein has personal knowledge that NuVeda does not own or have rights to the cash, currency, and other monies from any cash register, vault, safe, or cash box at these facilities. However, she wants the sheriff/constable to seize such property subject to any objections to be litigated.

Clark NMSD, LLC operates the dispensaries addressed at 2113 N. Las Vegas Blvd, Las Vegas, Nevada 89030 and 1324 S. 3rd Street, Las Vegas, Nevada 89104, which are separately owned by 2113 Investors, LLC. Clark Natural Medicinal Solutions, LLC (which is not the same as Clark NMSD, LLC) leases the cultivation/production facility at 2795 W. Brooks Avenue, North Las Vegas, Nevada 89032. Nye Natural Medicinal Solutions, LLC leased spaced at 301 S. Oxbow Avenue., Unit 13, Pahrump, Nevada 89048. However, the lease expired, and the space was vacated. The premises located at 1620 W. Charleston Park, Pahrump, Nevada 89048 is not owned by NuVeda.

NRS 21.075 does not require a judgment creditor to identify the "specific" property that is subject to execution. It merely requires the judgment creditor to notify the judgment debtor of the property that is exempt from execution. See id. If exempt property is being levied on, then NRS 21.075 requires the judgment debtor—not the judgment creditor—to identify the specific property that is being levied on that is allegedly exempt from execution. However, NRS 21.075 does not permit Goldstein to execute on property which does NOT belong to NuVeda. The writs of execution do not qualify that "all cash, currency, and other monies from the cash register, vault, safe and cash box" must actually belong to NuVeda. Here, Goldstein is seeking to expand the limitations of her charging order, which limits her relief to NuVeda's share of profits and distributions in its subsidiaries and does not provide her the right to any of the assets of the subsidiaries or the right to participate in the management or administration of the business of the subsidiaries. See Weddell v. H2O, Inc., 271 P.3d 743 (Nev. 2012). Accordingly, NuVeda asks the court to quash the writs of execution filed by Ms. Goldstein.

///

///

///

1  
2 DATED this 11th day of June, 2021.

3  
4 **LAW OFFICE OF MITCHELL STIPP**

5  
6 /s/ Mitchell Stipp, Esq.

7 MITCHELL STIPP, ESQ.

8 Nevada Bar No. 7531

9 LAW OFFICE OF MITCHELL STIPP

10 1180 N. Town Center Drive, Suite 100

11 Las Vegas, Nevada 89144

12 Telephone: 702.602.1242

13 mstipp@stiplaw.com

14 Attorneys for NuVeda, LLC

1  
2  
3 **CERTIFICATE OF SERVICE**

4 I hereby certify that I am an employee of the Law Office of Mitchell Stipp and that on the 11th  
5 day of June, 2021, I electronically filed the foregoing with the Clerk of the Court for the Eighth Judicial  
6 District Court, which provided e-service to the following:  
7

8  
9 Briar R. Irvine, Esq.  
Brooks T. Westergard, Esq.  
10 **DICKINSON WRIGHT PLLC**  
100 West Liberty Street, Suite 940  
11 Reno, Nevada 89501  
Attorneys for Jennifer Goldstein  
12

13 */s/ Amy Hernandez*

14 Amy Hernandez  
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**EXHIBIT 1**

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**Jennifer Goldstein**

1 message

Mon, Mar 1, 2021 at 8:29 PM

**Mitchell Stipp** <mstipp@stiplaw.com>

To: "Brian R. Irvine" <BIrvine@dickinson-wright.com>

I will supplement our responses. NuVeda has no banking records or financial statements. It owns nothing other than membership interests. You will be able to confirm this during the judgment debtor examination.

Just so we are clear, it was not my intention to exclude documents that may be in the possession of those who act on behalf of NuVeda. I fully understand that Nuveda cannot withhold documents in Dr. Bady's possession as manager. In this instance, it does not change Nuveda's responses.

After you receive our supplement, please advise when you would like to schedule a judgment debtor examination. If possible, I would like it to be in-person.

We are also open to re-start settlement discussions. I understand that Jason Wiley did not get very far. Let me know your thoughts.



**Mitchell Stipp**

Law Office of Mitchell Stipp

(O) 702.602.1242 | (M) 702.378.1907 | mstipp@stiplaw.com

Address: 1180 N. Town Center Drive, Suite 100  
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Website: [www.stiplaw.com](http://www.stiplaw.com)

**EXHIBIT 2**

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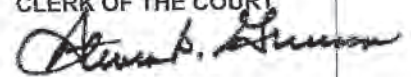
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1 **WTEX**  
2 DICKINSON WRIGHT PLLC  
3 BRIAN R. IRVINE  
4 Nevada Bar No. 7758  
5 BROOKS T. WESTERGARD  
6 Nevada Bar No. 14300  
7 100 West Liberty Street  
8 Suite 940  
9 Reno, Nevada 89501  
10 Tel.: (775) 343-7500  
11 Fax: (844) 670-6009  
12 Email: birvine@dickinsonwright.com  
13 Email: bwestergard@dickinsonwright.com  
14 *Attorneys for Plaintiff Jennifer M. Goldstein*

15 **DISTRICT COURT**  
16 **CLARK COUNTY, NEVADA**

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

Case No.: A-15-728510-B

Dept. No.: XI

**WRIT OF EXECUTION**

21 Plaintiffs,  
22 vs.

☐ Earnings ☒ Other Property  
☐ Earnings, Order of Support

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

25 Defendants.

26 **THE PEOPLE OF THE STATE OF NEVADA TO THE SHERIFF OF CLARK COUNTY,**  
27 **GREETINGS:**

28 On November 13, 2019, a judgment was entered in the above-entitled action in favor of  
JENNIFER M. GOLDSTEIN as judgment creditor and against NUVEDA, LLC, a Nevada Limited  
Liability Company, as judgment debtor for:

\$ 2,426,163.80 principal,  
\$ 26,944.08 attorney's fees,  
\$ 112,168.53 interest, and

1           \$ 0.00                   costs, making a total amount of

2  
3           \$ 2,565,276.41           the judgment as entered.

4       WHEREAS, it appears that further sums have accrued since the entry of judgment, to wit:

5       \$ 299,398.48 accrued interest, and

6       \$ 0.00 accrued costs, together with \$0 fee, for the issuance of this writ,  
7       making a total of

8       \$ 299,398.48 as accrued costs, accrued interest and fees.

9       Credit must be given for payments and partial satisfactions in the amount of:

10       \$ 0.00

11       which is to be first credited against the total accrued costs and accrued interest, with any excess  
12       credited against the judgment as entered, leaving a net balance of:

13       \$ 2,864,674.89

14       actually due on the date of the issuance of this writ, of which:

15       \$ 2,864,674.89

16       bears interest at 7.5 percent per annum, in the amount of \$ 527.11 per day, from the date of judgment  
17       to the date of levy, to which must be added the commissions and costs of the officer executing this  
18       writ.

19       **NOW, THEREFORE**, you are hereby commanded to satisfy this judgment with interest and  
20       costs as provided by law, out of the personal property of the judgment debtor, except that for any  
21       workweek, 82 percent of the disposable earnings of the debtor during that week if the gross weekly  
22       salary or wage of the debtor on the date the most recent writ of garnishment was issued was \$770 or  
23       less, 75 percent of the disposable earnings of the debtor during that week if the gross weekly salary or  
24       wage of the debtor on the date the most recent writ of garnishment was issued exceeded \$770, or 50  
25       times the minimum hourly wage prescribed by section 206(a)(1) of the federal Fair Labor Standards  
26       Act of 1938, 29 U.S.C. §§ 201 et seq., and in effect at the time the earnings are payable, whichever is  
27       greater, is exempt from any levy of execution pursuant to this writ, and if sufficient personal property  
28

1 cannot be found, then out of the real property belonging to the debtor in the aforesaid county, and  
2 make return to this writ within not less than 10 days or more than 60 days endorsed thereon with what  
3 you have done.

4 Please retain all cash, currency, and other monies from the cash register, vault, safe and cash  
5 box, and similar at the following locations in satisfaction of the Judgment against NUVEDA, LLC:

<b>CANOPI</b> <b>2113 N. Las Vegas Blvd.</b> <b>Las Vegas, NV 89030</b>	<b>The Sanctuary Dispensaries</b> <b>1324 S. 3rd St.</b> <b>Las Vegas, NV 89104</b>	<b>Solaris Farms</b> <b>2795 W. Brooks Ave.</b> <b>North Las Vegas, NV 89032</b>
---	---	--

9  
10 DATED this \_\_\_\_\_ day of June, 2021.

11  
12 CLERK OF THE COURT

13 By: \_\_\_\_\_  
14 Deputy Clerk

15 *Respectfully Submitted by:*

16 DICKINSON WRIGHT PLLC

17  
18 /s/ Brian R. Irvine  
19 BRIAN R. IRVINE  
20 BROOKS T. WESTERGARD  
21 100 West Liberty Street, Suite 940  
22 Reno, Nevada 89501  
23 Email: [birvine@dickinsonwright.com](mailto:birvine@dickinsonwright.com)  
24 Email: [bwestergard@dickinsonwright.com](mailto:bwestergard@dickinsonwright.com)

25 *Attorneys for Plaintiff Jennifer M. Goldstein*  
26  
27  
28

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Melinda Beckman  
An Employee of Dickinson Wright PLLC

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3 BRIAN R. IRVINE  
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11 Fax: (844) 670-6009  
12 Email: [birvine@dickinsonwright.com](mailto:birvine@dickinsonwright.com)  
13 Email: [bwestergard@dickinsonwright.com](mailto:bwestergard@dickinsonwright.com)

14 *Attorneys for Plaintiff Jennifer M. Goldstein*

15 **DISTRICT COURT**

16 **CLARK COUNTY, NEVADA**

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

21 Plaintiffs,

22 vs.

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

25 Defendants.

Case No.: A-15-728510-B

Dept. No.: XI

26 **NOTICE OF EXECUTION**

27 **YOUR PROPERTY IS BEING ATTACHED**

28 A court has determined that you owe money to JENNIFER M. GOLDSTEIN, the judgment creditor. The judgment creditor has begun the procedure to collect that money by garnishing your wages, bank account and other personal property held by third persons or by taking money or other property in your possession.

1 Certain benefits and property owned by you may be exempt from execution and may not be  
2 taken from you. The following is a partial list of exemptions:

3 1. Payments received pursuant to the federal Social Security Act, including, without  
4 limitation, retirement and survivors' benefits, supplemental security income benefits and disability  
5 insurance benefits.

6 2. Payments for benefits or the return of contributions under the Public Employees'  
7 Retirement System.

8 3. Payments for public assistance granted through the Division of Welfare and Supportive  
9 Services of the Department of Health and Human Services or a local governmental entity.

10 4. Proceeds from a policy of life insurance.

11 5. Payments of benefits under a program of industrial insurance.

12 6. Payments received as disability, illness or unemployment benefits.

13 7. Payments received as unemployment compensation.

14 8. Veteran's benefits.

15 9. A homestead in a dwelling or a mobile home, not to exceed \$550,000, unless:

16 (a) The judgment is for a medical bill, in which case all of the primary dwelling,  
17 including a mobile or manufactured home, may be exempt.

18 (b) Allodial title has been established and not relinquished for the dwelling or  
19 mobile home, in which case all of the dwelling or mobile home and its  
20 appurtenances are exempt, including the land on which they are located, unless a  
21 valid waiver executed pursuant to NRS 115.010 is applicable to the judgment.

22 10. All money reasonably deposited with a landlord by you to secure an agreement to rent or  
23 lease a dwelling that is used by you as your primary residence, except that such money is not exempt  
24 with respect to a landlord or landlord's successor in interest who seeks to enforce the terms of the  
25 agreement to rent or lease the dwelling.

26 11. A vehicle, if your equity in the vehicle is less than \$15,000.

27 12. Eighty-two percent of the take-home pay for any workweek if your gross weekly salary  
28 or wage was \$770 or less on the date the most recent writ of garnishment was issued, or seventy-five  
percent of the take-home pay for any workweek if your gross weekly salary or wage exceeded \$770 on

1 the date the most recent writ of garnishment was issued, unless the weekly take-home pay is less than  
2 50 times the federal minimum hourly wage, in which case the entire amount may be exempt.

3 13. Money, not to exceed \$1,000,000 in present value, held in:

- 4 (a) An individual retirement arrangement which conforms with or is maintained  
5 pursuant to the applicable limitations and requirements of section 408 or 408A of  
6 the Internal Revenue Code, 26 U.S.C. §§ 408 and 408A, including, without  
7 limitation, an inherited individual retirement arrangement;
- 8 (b) A written simplified employee pension plan which conforms with or is  
9 maintained pursuant to the applicable limitations and requirements of section 408  
10 of the Internal Revenue Code, 26 U.S.C. § 408, including, without limitation, an  
11 inherited simplified employee pension plan;
- 12 (c) A cash or deferred arrangement plan which is qualified and maintained pursuant  
13 to the Internal Revenue Code, including, without limitation, an inherited cash or  
14 deferred arrangement plan;
- 15 (d) A trust forming part of a stock bonus, pension or profit-sharing plan that is  
16 qualified and maintained pursuant to sections 401 et seq. of the Internal Revenue  
17 Code, 26 U.S.C. §§ 401 et seq.; and
- 18 (e) A trust forming part of a qualified tuition program pursuant to chapter 353B of  
19 NRS, any applicable regulations adopted pursuant to chapter 353B of NRS and  
20 section 529 of the Internal Revenue Code, 26 U.S.C. § 529, unless the money is  
21 deposited after the entry of a judgment against the purchaser or account owner or  
22 the money will not be used by any beneficiary to attend a college or university.

23 14. All money and other benefits paid pursuant to the order of a court of competent  
24 jurisdiction for the support, education and maintenance of a child, whether collected by the judgment  
25 debtor or the State.

26 15. All money and other benefits paid pursuant to the order of a court of competent  
27 jurisdiction for the support and maintenance of a former spouse, including the amount of any  
28 arrearages in the payment of such support and maintenance to which the former spouse may be  
entitled.

16. Regardless of whether a trust contains a spendthrift provision:

- (a) A present or future interest in the income or principal of a trust that is a  
contingent interest, if the contingency has not been satisfied or removed;

- 1 (b) A present or future interest in the income or principal of a trust for which  
2 discretionary power is held by a trustee to determine whether to make a  
3 distribution from the trust, if the interest has not been distributed from the trust;  
4 (c) The power to direct dispositions of property in the trust, other than such a power  
5 held by a trustee to distribute property to a beneficiary of the trust;  
6 (d) Certain powers held by a trust protector or certain other persons; and  
7 (e) Any power held by the person who created the trust.  
8 17. If a trust contains a spendthrift provision:  
9 (a) A present or future interest in the income or principal of a trust that is a  
10 mandatory interest in which the trustee does not have discretion concerning  
11 whether to make the distribution from the trust, if the interest has not been  
12 distributed from the trust; and  
13 (b) A present or future interest in the income or principal of a trust that is a support  
14 interest in which the standard for distribution may be interpreted by the trustee or  
15 a court, if the interest has not been distributed from the trust.  
16 18. A vehicle for use by you or your dependent which is specially equipped or modified to  
17 provide mobility for a person with a permanent disability.  
18 19. A prosthesis or any equipment prescribed by a physician or dentist for you or your  
19 dependent.  
20 20. Payments, in an amount not to exceed \$16,150, received as compensation for personal  
21 injury, not including compensation for pain and suffering or actual pecuniary loss, by the judgment  
22 debtor or by a person upon whom the judgment debtor is dependent at the time the payment is  
23 received.  
24 21. Payments received as compensation for the wrongful death of a person upon whom the  
25 judgment debtor was dependent at the time of the wrongful death, to the extent reasonably necessary  
26 for the support of the judgment debtor and any dependent of the judgment debtor.  
27 22. Payments received as compensation for the loss of future earnings of the judgment  
28 debtor or of a person upon whom the judgment debtor is dependent at the time the payment is  
received, to the extent reasonably necessary for the support of the judgment debtor and any dependent  
of the judgment debtor.  
23. Payments received as restitution for a criminal act.

1        24.    Personal property, not to exceed \$10,000 in total value, if the property is not otherwise  
2 exempt from execution.

3        25.    A tax refund received from the earned income credit provided by federal law or a similar  
4 state law.

5        26.    Stock of a corporation described in subsection 2 of NRS 78.746 except as set forth in  
6 that section.

7        These exemptions may not apply in certain cases such as a proceeding to enforce a judgment for  
8 support of a person or a judgment of foreclosure on a mechanic's lien. You should consult an attorney  
9 immediately to assist you in determining whether your property or money is exempt from execution. If  
10 you cannot afford an attorney, you may be eligible for assistance through Washoe Legal Services. If  
11 you do not wish to consult an attorney or receive legal services from an organization that provides  
12 assistance to persons who qualify, you may obtain the form to be used to claim an exemption from the  
13 clerk of the court.

#### 14                    **PROCEDURE FOR CLAIMING EXEMPT PROPERTY**

15        If you believe that the money or property taken from you is exempt, you must complete and file  
16 with the clerk of the court an executed claim of exemption. A copy of the claim of exemption must be  
17 served upon the sheriff, the garnishee and the judgment creditor within 10 days after the notice of  
18 execution or garnishment is served on you by mail pursuant to NRS 21.076 which identifies the  
19 specific property that is being levied on. The property must be released by the garnishee or the sheriff  
20 within 9 judicial days after you serve the claim of exemption upon the sheriff, garnishee and judgment  
21 creditor, unless the sheriff or garnishee receives a copy of an objection to the claim of exemption and a  
22 notice for a hearing to determine the issue of exemption. If this happens, a hearing will be held to  
23 determine whether the property or money is exempt. The objection to the claim of exemption and  
24 notice for the hearing to determine the issue of exemption must be filed within 8 judicial days after the  
25 claim of exemption is served on the judgment creditor by mail or in person and served on the  
26 judgment debtor, the sheriff and any garnishee not less than 5 judicial days before the date set for the  
27 hearing. The hearing to determine whether the property or money is exempt must be held within 7  
28 judicial days after the objection to the claim of exemption and notice for the hearing is filed. You may

1 be able to have your property released more quickly if you mail to the judgment creditor or the  
2 attorney of the judgment creditor written proof that the property is exempt. Such proof may include,  
3 without limitation, a letter from the government, an annual statement from a pension fund, receipts for  
4 payment, copies of checks, records from financial institutions or any other document which  
5 demonstrates that the money in your account is exempt.

6 **IF YOU DO NOT FILE THE EXECUTED CLAIM OF EXEMPTION WITHIN THE TIME**  
7 **SPECIFIED, YOUR PROPERTY MAY BE SOLD AND THE MONEY GIVEN TO THE**  
8 **JUDGMENT CREDITOR, EVEN IF THE PROPERTY OR MONEY IS EXEMPT.**

9 DATED this 11th day of June, 2021.

10  
11 DICKINSON WRIGHT PLLC

12 /s/ Brian R. Irvine

13 BRIAN R. IRVINE

14 Nevada Bar No. 7758

15 BROOKS T. WESTERGARD

16 Nevada Bar No. 14300

17 100 West Liberty Street

18 Suite 940

19 Reno, Nevada 89501

20 Tel.: (775) 343-7500

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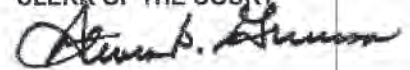
24 *Attorneys for Plaintiff Jennifer M. Goldstein*

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Melinda Beckman  
An Employee of Dickinson Wright PLLC

**EXHIBIT 3**

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1 **WTEX**  
2 DICKINSON WRIGHT PLLC  
3 BRIAN R. IRVINE  
4 Nevada Bar No. 7758  
5 BROOKS T. WESTERGARD  
6 Nevada Bar No. 14300  
7 100 West Liberty Street  
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9 Reno, Nevada 89501  
10 Tel.: (775) 343-7500  
11 Fax: (844) 670-6009  
12 Email: birvine@dickinsonwright.com  
13 Email: bwestergard@dickinsonwright.com  
14 *Attorneys for Plaintiff Jennifer M. Goldstein*

DISTRICT COURT  
CLARK COUNTY, NEVADA

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

15 Plaintiffs,

16 vs.

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

19 Defendants.

Case No.: A-15-728510-B

Dept. No.: XI

**WRIT OF EXECUTION**

☐ Earnings ☒ Other Property

☐ Earnings, Order of Support

20 **THE PEOPLE OF THE STATE OF NEVADA TO THE SHERIFF OF NYE COUNTY,**

21 **GREETINGS:**

22 On November 13, 2019, a judgment was entered in the above-entitled action in favor of  
23 JENNIFER M. GOLDSTEIN as judgment creditor and against NUVEDA, LLC, a Nevada Limited  
24 Liability Company, as judgment debtor for:

25 \$ 2,426,163.80 principal,

26 \$ 26,944.08 attorney's fees,

27 \$ 112,168.53 interest, and  
28

1           \$ 0.00                   costs, making a total amount of

2  
3           \$ 2,565,276.41           the judgment as entered.

4       WHEREAS, it appears that further sums have accrued since the entry of judgment, to wit:

5       \$ 299,398.48 accrued interest, and

6       \$ 0.00 accrued costs, together with \$0 fee, for the issuance of this writ,  
7       making a total of

8       \$ 299,398.48 as accrued costs, accrued interest and fees.

9       Credit must be given for payments and partial satisfactions in the amount of:

10       \$ 0.00

11       which is to be first credited against the total accrued costs and accrued interest, with any excess  
12       credited against the judgment as entered, leaving a net balance of:

13       \$ 2,864,674.89

14       actually due on the date of the issuance of this writ, of which:

15       \$ 2,864,674.89

16       bears interest at 7.5 percent per annum, in the amount of \$ 527.11 per day, from the date of judgment  
17       to the date of levy, to which must be added the commissions and costs of the officer executing this  
18       writ.

19       NOW, THEREFORE, CONSTABLE/SHERIFF, you are hereby commanded to satisfy this  
20       judgment with interest and costs as provided by law, out of the personal property of the judgment  
21       debtor, except that for any workweek, 82 percent of the disposable earnings of the debtor during that  
22       week if the gross weekly salary or wage of the debtor on the date the most recent writ of garnishment  
23       was issued was \$770 or less, 75 percent of the disposable earnings of the debtor during that week if the  
24       gross weekly salary or wage of the debtor on the date the most recent writ of garnishment was issued  
25       exceeded \$770, or 50 times the minimum hourly wage prescribed by section 206(a)(1) of the federal  
26       Fair Labor Standards Act of 1938, 29 U.S.C. §§ 201 et seq., and in effect at the time the earnings are  
27       payable, whichever is greater, is exempt from any levy of execution pursuant to this writ, and if  
28

1 sufficient personal property cannot be found, then out of the real property belonging to the debtor in  
2 the aforesaid county, and make return to this writ within not less than 10 days or more than 60 days  
3 endorsed thereon with what you have done.

4 Please retain all cash, currency, and other monies from the cash register, vault, safe and cash  
5 box, and similar at the following locations in satisfaction of the Judgment against NUVEDA, LLC:

6 **NUVEDA**  
7 **301 S. Oxbow Ave., Unit 13**  
8 **Pahrump, NV 89048**

**NUVEDA**  
**1620 W. Charleston Park**  
**Pahrump, NV 89048**

9  
10 DATED this \_\_\_\_\_ day of June, 2021.

11 CLERK OF THE COURT

12  
13 By: \_\_\_\_\_  
14 Deputy Clerk

15 *Respectfully Submitted by:*

16 DICKINSON WRIGHT PLLC

17  
18 /s/ Brian R. Irvine  
19 BRIAN R. IRVINE  
20 BROOKS T. WESTERGARD  
21 100 West Liberty Street, Suite 940  
22 Reno, Nevada 89501  
23 Email: [birvine@dickinsonwright.com](mailto:birvine@dickinsonwright.com)  
24 Email: [bwestergard@dickinsonwright.com](mailto:bwestergard@dickinsonwright.com)  
25 *Attorneys for Plaintiff Jennifer M. Goldstein*  
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9 *Attorneys for Plaintiff Jennifer M. Goldstein*

10 **DISTRICT COURT**  
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12 NUVEDA, LLC, a Nevada limited liability  
13 company, SHANE M. TERRY, a Nevada  
14 resident; and JENNIFER M. GOLDSTEIN, a  
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15 Plaintiffs,  
16 vs.

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

19 Defendants.

Case No.: A-15-728510-B

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2 taken from you. The following is a partial list of exemptions:

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4 limitation, retirement and survivors' benefits, supplemental security income benefits and disability  
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27 or wage was \$770 or less on the date the most recent writ of garnishment was issued, or seventy-five  
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- (a) A present or future interest in the income or principal of a trust that is a  
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9 DATED this 11th day of June, 2021.

10  
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12 /s/ Brian R. Irvine

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25 *Attorneys for Plaintiff Jennifer M. Goldstein*  
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Melinda Robinson  
An Employee of Dickinson Wright PLLC

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## EXHIBIT 2 TO COMPLAINT



**Mitchell Stipp**

**Law Office of Mitchell Stipp**

T: 702.602.1242 | M: 702.378.1907

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1180 N. Town Center Drive, Suite 100, Las Vegas, Nevada 89144

July 21, 2021

**VIA FAX at 702-385-2436**

Office of the Ex-Officio Constable  
Las Vegas Township  
301 E. Clark Ave., Suite 100  
Las Vegas, NV 89101

**RE: Writs of Execution by Jennifer Goldstein**  
**Eighth Judicial District Court, State of Nevada (Case No. A-15-728510-B)**

To Whom It May Concern:

My firm represents NuVeda, LLC ("NuVeda") and its affiliates: Clark NMSD, LLC, Clark Natural Medicinal Solutions, and Nye Natural Medicinal Solutions, LLC (collectively, "NuVeda Affiliates"). I sent a letter to the Constable's Office dated June 15, 2021 on behalf of NuVeda objecting to writs of execution prepared and filed in the above-referenced case by Jennifer Goldstein. The writs ask the Constable's Office to seize without regard to ownership "all cash, currency, and other monies from the cash register, vault, safe and cash box" at the following locations:

<b>CANOPI</b> 2113 N. Las Vegas Blvd. Las Vegas, NV 89030	<b>The Sanctuary Dispensaries</b> 1324 S. 3rd St. Las Vegas, NV 89104	<b>Solaris Farms</b> 2795 W. Brooks Ave. North Las Vegas, NV 89032
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<b>NUVEDA</b> 301 S. Oxbow Ave., Unit 13 Pahrump, NV 89048	<b>NUVEDA</b> 1620 W. Charleston Park Pahrump, NV 89048
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**Mailing and Payment Address:** 10120 W. Flamingo Rd., PMB 4-124, Las Vegas, Nevada 89147

NuVeda filed a motion to quash these writs. NuVeda believes they are drafted to imply that NuVeda has assets located at the above-referenced facilities. However, the court denied the motion because the court believes NuVeda lacks standing to challenge them. NuVeda contends that the property subject to Ms. Goldstein's writs is not owned by NuVeda. See Kulick v. Albers Incorporated, 91 Nev. 134, 137, 532 P.2d 603, 605 (1975) (concluding that for property to be properly subject to a writ of execution, "it must be owned by the party against who, the judgment is entered."). NRS 31.070(1) further provides if property levied upon "is claimed by a third person as his property by a written claim verified by his oath or that of his agent[]" and "served upon the sheriff," the sheriff "must release the property" if the plaintiff fails "within 7 days after written demand to give the sheriff an undertaking executed by at least two good and sufficient sureties in a sum equal to double the value of the property levied on." The Nevada Supreme Court has stated that NRS 31.070 provides "a complete and valid remedy to third persons whose property has been attached." Cooper v. Liebert, 81 Nev. 341, 344, 402 P.2d 989, 991 (1965).

Clark NMSD, LLC operates the dispensaries addressed at 2113 N. Las Vegas Blvd, Las Vegas, Nevada 89030 and 1324 S. 3rd Street, Las Vegas, Nevada 89104. Clark Natural Medicinal Solutions, LLC (which is not the same as Clark NMSD, LLC) leases the cultivation facility at 2795 W. Brooks Avenue, North Las Vegas, Nevada 89032. The premises located at 1620 W. Charleston Park, Pahrump, Nevada 89048 is leased by Nye Natural Medicinal Solutions, LLC. The facility located at 301 S. Oxbow Avenue, Unit 13, Pahrump, NV 89048 is no longer leased or occupied by Nye Natural Medicinal Solutions, LLC.

Dr. Pejman Bady is the manager of Clark NMSD, LLC, Clark Natural Medicinal Solutions, LLC, and Nye Natural Medicinal Solutions, LLC. As set forth below, he declares under penalty of perjury that any cash, currency, or other monies from any cash register, vault, safe, or cash box at these facilities do not belong to NuVeda. Assets (other than the real property) located at 2113 N. Las Vegas Blvd, Las Vegas, Nevada 89030 and 1324 S. 3rd Street, Las Vegas, Nevada 89104 belong to Clark NMSD, LLC. Assets (other than the real property) located at 2795 W. Brooks Avenue, North Las Vegas, Nevada 89030 belong to Clark Natural Medicinal Solutions, LLC. Assets (other than the real property) located at 1620 W. Charleston Park, Pahrump, Nevada 89048 belong to Nye Natural Medicinal Solutions, LLC. NuVeda and the NuVeda Affiliates do not have any assets located at 301 S. Oxbow Avenue, Unit 13, Pahrump, NV 89048.

If any property is seized by the Constable's Office at the above facilities based on Ms. Goldstein's writs, we would ask that the property be returned, and Ms. Goldstein post a bond in accordance with NRS 31.070. However, we would prefer that the Constable's Office elect not to seize any cash, currency, or other money at these facilities in light of this letter (including the declaration of Dr. Bady). Ms. Goldstein's writs are intentionally deception to trick the Constable's Office into seizing property which does not belong to NuVeda because cash, currency, or other

money does not have typical indicia of ownership. Nevada law does provide guidance on this issue: the seizure of property from someone is prima facie evidence of that person's entitlement, particularly when the seized property is money-negotiable instruments difficult to identify and trace. See Ferris v. United States, 501 F. Supp. 98 (D. Nev. 1980). Hopefully, we can avoid litigation over this issue.

If you have any questions regarding the foregoing, please do not hesitate to contact the undersigned.

Best Regards,

A handwritten signature in black ink, appearing to read "Mitchell D. Stipp". The signature is written in a cursive, flowing style with some capitalization.

Mitchell D. Stipp

**DECLARATION UNDER PENALTY OF PERJURY**

Dr. Pejman Bady, as manager of NuVeda, LLC, Clark NMSD, LLC, Clark Natural Medicinal Solutions, LLC, and Nye Natural Medicinal Solutions, LLC, declares under penalty of perjury, as follows: (1) Any cash, currency, and other monies from the cash register, vault, safe and cash box located at 2113 N. Las Vegas Blvd, Las Vegas, Nevada 89030 and 1324 S. 3rd Street, Las Vegas, Nevada 89104, are owned by Clark NMSD, LLC; (2) Any cash, currency, and other monies from the cash register, vault, safe and cash box located at located at 2795 W. Brooks Avenue, North Las Vegas, Nevada 89030, are owned by Clark Natural Medicinal Solutions, LLC; and (3) Any cash, currency, and other monies from the cash register, vault, safe and cash box located at 1620 W. Charleston Park, Pahrump, Nevada 89048, are owned Nye Natural Medicinal Solutions, LLC. NuVeda, LLC, Clark NMSD, LLC, Clark Natural Medicinal Solutions, LLC, and Nye Natural Medicinal Solutions, LLC, do not have any assets located at 301 S. Oxbow Avenue, Unit 13, Pahrump, NV 89048.

STATE OF NEVADA        )

COUNTY OF CLARK        )

 Dr. Pejman Bady

This Declaration was acknowledged before me on July 21, 2021, by Dr. Pejman Bady, as manager of NuVeda, LLC and its affiliates: Clark NMSD, LLC, Clark Natural Medicinal Solutions, and Nye Natural Medicinal Solutions, LLC.

Signature Victoria O'Harra (Seal)



CC: Brian Irvine (attorney for Jennifer Goldstein)

# EXHIBIT 3 TO COMPLAINT

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Mitchell Stipp

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1180 N. Town Center Drive, Suite 100, Las Vegas, Nevada 89144

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August 10, 2021

VIA FAX at 702-385-2436

Office of the Ex-Officio Constable  
Las Vegas Township  
301 E. Clark Ave., Suite 100  
Las Vegas, NV 89101

**RE: Writs of Execution by Jennifer Goldstein**  
**Eighth Judicial District Court, State of Nevada (Case No. A-15-728510-B)**

To Whom It May Concern:

My firm represents Clark NMSD, LLC ("The Sanctuary"). We sent letters to the Constable's Office dated June 15, 2021 and July 21, 2021 via fax objecting to writs of execution prepared and filed in the above-referenced case by Jennifer Goldstein. We received no response. The writs asked the Constable's Office to seize without regard to ownership "all cash, currency, and other monies from the cash register, vault, safe and cash box" at several business locations including the cannabis dispensary operated and leased by The Sanctuary addressed as 1324 S. 3rd Street, Las Vegas, Nevada 89104. My firm has previously notified the Constable's Office that the judgment debtor, NuVeda, LLC, has no property at these business locations. We even supplied a sworn statement by Dr. Pejman Bady, as manager of The Sanctuary. Notwithstanding these letters, the Constable's Office served the writs. On August 9, 2021, officers from the Constable's Office placed an employee of The Sanctuary, Armando Mendoza, in handcuffs and forced the staff to open the dispensary floor area to gain access to the cash register. Despite being informed that NuVeda, LLC had no property at the facility (including by the undersigned via telephone), the officers removed \$638.00 in cash, which belongs to The Sanctuary. See Declaration of Dr. Bady included herewith; see also Cash Receipt attached as Exhibit A and Shift Report by Mr. Mendoza attached as Exhibit B.

NRS 31.070(1) provides if property levied upon "is claimed by a third person as his property by a written claim verified by his oath or that of his agent[]" and "served upon the sheriff," the sheriff "must release the property" if the plaintiff fails "within 7 days after written demand to give the sheriff an undertaking executed by at least two good and sufficient sureties in a sum equal to double the value of the property levied on." See also Cooper v. Liebert, 81 Nev. 341, 344, 402 P.2d 989, 991 (1965). The cash seized by the Constable's Office based on Ms. Goldstein's writs

**Mailing and Payment Address:** 10120 W. Flamingo Rd., PMB 4-124, Las Vegas, Nevada 89147

must be returned unless Ms. Goldstein posts a bond in accordance with NRS 31.070. The Sanctuary and its employee, Mr. Mendoza, are reserving their rights and remedies against the Constable's Office and the officers who arrested Mr. Mendoza. The Constable's Office had adequate notice that the cash seized did not belong to the judgment debtor.

If you have any questions regarding the foregoing, please do not hesitate to contact the undersigned.

Best Regards,

A handwritten signature in black ink, appearing to read "Mitchell Stipp". The signature is written in a cursive, slightly slanted style.


Mitchell D. Stipp

**DECLARATION UNDER PENALTY OF PERJURY**

Dr. Pejman Bady, as manager of Clark NMSD, LLC, declares under penalty of perjury, that the cash removed from cannabis dispensary addressed as 1324 S. 3rd Street, Las Vegas, Nevada 89104, in the amount of \$638.00 on August 9, 2021, belongs to Clark NMSD, LLC.

STATE OF NEVADA )

COUNTY OF CLARK )

 Dr. Pejman Bady

This Declaration was acknowledged before me on August 10, 2021, by Dr. Pejman Bady, as manager of Clark NMSD, LLC.

Signature Victoria O'Hara (Seal)



# EXHIBIT A

2021

CLARK COUNTY, Sheriff

DATE

08-09-21

TIME

CASE#

A-15-7085/KO-15

ADDRES: 1324 S. 3RD ST, LAS VEGAS, NV 89104

OFFICE OF THE EX-OFFICIO CONSTABLE  
LVMPD - DETENTION SERVICES DIVISION  
CONSTABLE OPERATIONS SECTION  
301 E. Clark #100 • Las Vegas NV 89101 • (702) 455-4099

CASH RECEIPT

No

opening Amount  
Cash, Jenders  
Same Props  
Results  
Baptist  
CC, 10/10/2020

Cash Retrieved	Dollars/Cents	Cash Retrieved	Dollars/Cents	Cash Retrieved	Dollars/Cents
18	X \$1 = \$48	1	X \$50 = \$50.00		
	X \$2 =	X	\$100 =		
18	X \$5 = \$90.00	X	Removes =		
5	X \$10 = \$50.00	X	Nickels =		
20	X \$20 = \$400.00	X	Dimes =		

Officer's Signature:

Officer's Signature:

Received from:

Officer's Name (Print):

Officer's Name (Print):

Name:

Rev. 7-2015

DISTRIBUTION:

WHITE-Gainship

CANARY-Gulf

CH-12-2015

# EXHIBIT B



*The Secretary's Department*

Date	Name	Res.
\$1.00	W. H. H.	1
\$5.00		
\$10.00		
\$20.00		
\$50.00		
\$100.00		
Cost Change	1.98	
Grand Total		

Signature: *[Signature]*  
MOD Signature: *[Signature]*

Shift Report

Class of 50, all (Prod.) 08-08-2001  
Shift closed by Armando Mendoza on  
August 09, 2001 at 10:28 am

Operating Income  
Cash Income  
Safe Deposits  
Returns  
Expected Drawer  
Actual Drawer  
Shift

1328.00  
1311.52  
50.00  
13.00  
1639.22  
11.98  
1651.20

*Note*

# DISTRICT COURT CIVIL COVER SHEET

County, Nevada

Case No. \_\_\_\_\_

(Assigned by Clerk's Office)

## I. Party Information (provide both home and mailing addresses if different)

Plaintiff(s) (name/address/phone):  <div style="text-align: center;">Clark NMSD, LLC d/b/a The Sanctuary c/o Law Office of Mitchell Stipp, 1180 N. Town Center Drive, #100 Las Vegas, Nevada 89144 (T: 702-602-1242)</div>	Defendant(s) (name/address/phone):  <div style="text-align: center;">CLARK COUNTY SHERIFF JOE LOMBARDO, OFFICE OF THE EXOFFICIO CONSTABLE</div>
Attorney (name/address/phone):  <div style="text-align: center;">Law Office of Mitchell Stipp, 1180 N. Town Center Drive, #100 Las Vegas, Nevada 89144 (T: 702-602-1242)</div>	Attorney (name/address/phone):  

## II. Nature of Controversy (please select the one most applicable filing type below)

### Civil Case Filing Types

<b>Real Property</b>  <b>Landlord/Tenant</b> <input type="checkbox"/> Unlawful Detainer <input type="checkbox"/> Other Landlord/Tenant  <b>Title to Property</b> <input type="checkbox"/> Judicial Foreclosure <input type="checkbox"/> Other Title to Property  <b>Other Real Property</b> <input type="checkbox"/> Condemnation/Eminent Domain <input type="checkbox"/> Other Real Property	<b>Negligence</b> <input type="checkbox"/> Auto <input type="checkbox"/> Premises Liability <input type="checkbox"/> Other Negligence  <b>Malpractice</b> <input type="checkbox"/> Medical/Dental <input type="checkbox"/> Legal <input type="checkbox"/> Accounting <input type="checkbox"/> Other Malpractice	<b>Torts</b>  <b>Other Torts</b> <input type="checkbox"/> Product Liability <input type="checkbox"/> Intentional Misconduct <input type="checkbox"/> Employment Tort <input type="checkbox"/> Insurance Tort <input type="checkbox"/> Other Tort
<b>Probate</b>  <b>Probate (select case type and estate value)</b> <input type="checkbox"/> Summary Administration <input type="checkbox"/> General Administration <input type="checkbox"/> Special Administration <input type="checkbox"/> Set Aside <input checked="" type="checkbox"/> Surviving Spouse <input type="checkbox"/> Trust/Conservatorship <input type="checkbox"/> Other Probate  <b>Estate Value</b> <input type="checkbox"/> Greater than \$300,000 <input type="checkbox"/> \$200,000-\$300,000 <input type="checkbox"/> \$100,001-\$199,999 <input type="checkbox"/> \$25,001-\$100,000 <input type="checkbox"/> \$20,001-\$25,000 <input type="checkbox"/> \$2,501-\$20,000 <input type="checkbox"/> \$2,500 or less	<b>Construction Defect &amp; Contract</b>  <b>Construction Defect</b> <input type="checkbox"/> Chapter 40 <input type="checkbox"/> Other Construction Defect  <b>Contract Case</b> <input type="checkbox"/> Uniform Commercial Code <input type="checkbox"/> Building and Construction <input type="checkbox"/> Insurance Carrier <input type="checkbox"/> Commercial Instrument <input type="checkbox"/> Collection of Accounts <input type="checkbox"/> Employment Contract <input type="checkbox"/> Other Contract	<b>Judicial Review/Appeal</b>  <b>Judicial Review</b> <input type="checkbox"/> Foreclosure Mediation Case <input type="checkbox"/> Petition to Seal Records <input type="checkbox"/> Mental Competency  <b>Nevada State Agency Appeal</b> <input type="checkbox"/> Department of Motor Vehicle <input type="checkbox"/> Worker's Compensation <input type="checkbox"/> Other Nevada State Agency  <b>Appeal Other</b> <input type="checkbox"/> Appeal from Lower Court <input type="checkbox"/> Other Judicial Review/Appeal
<b>Civil Writ</b>  <b>Civil Writ</b> <input type="checkbox"/> Writ of Habeas Corpus <input type="checkbox"/> Writ of Mandamus <input type="checkbox"/> Writ of Quo Warrantum  <input type="checkbox"/> Writ of Prohibition <input checked="" type="checkbox"/> Other Civil Writ		<b>Other Civil Filing</b>  <b>Other Civil Filing</b> <input type="checkbox"/> Compromise of Minor's Claim <input type="checkbox"/> Foreign Judgment <input type="checkbox"/> Other Civil Matters

*Business Court filings should be filed using the Business Court civil coversheet.*

04/5/22

Date

  
 Signature of initiating party or representative

See other side for family-related case filings.