IN THE SUPREME COURT OF THE STATE OF NEVADA

EDGEWORTH FAMILY TRUST; AND AMERICAN GRATING, LLC,

Case No.

Electronically Filed Apr 27 2023 11:35 AM Elizabeth A. Brown Clerk of Supreme Court

VS.

CLARK COUNTY DISTRICT COURT, THE HONORABLE TIERRA XX JONES, DISTRICT JUDGE, DEPT. 10,

Respondents,

Dist. Ct. Case No. A-16-738444-C Consolidated with A-18-767242-C

DANIEL S. SIMON; THE LAW OFFICE OF DANIEL S. SIMON,

Real Parties in Interest.

PETITIONERS

APPENDIX IN SUPPORT OF EDGEWORTHS' PETITION FOR A WRIT OF MANDAMUS TO COMPEL THE DISTRICT COURT TO ENTER A QUANTUM MERUIT ORDER AS TWICE PREVIOUSLY ORDERED BY THIS COURT BUT DISREGARDED BY THE DISTRICT COURT

VOLUME V P00703 – P00834

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EDGEWORTH FAMILY TRUST, ET AL. vs. DANIEL S. SIMON; THE LAW OFFICE OF DANIEL S. SIMON SUPREME COURT CASE NO. .

PETITIONERS' APPENDIX

CHRONOLOGICAL INDEX

DATE	DOCUMENT TITLE	VOL	BATES
			NOS.
2018-01-02	Amended Lien	I	P00001 – 04
2018-11-19	Decision and Order on Motion to Adjudicate Lien	I	P00005 – 27
2020-12-30	Order Affirming in Part, Vacating in Part and Remanding	I	P00028 – 42
2021-03-16	Second Amended Decision and Order on Motion to Adjudicate Lien	I	P00043 – 67
2021-04-13	Nevada Supreme Court Clerk's Certificate Judgment Affirmed	I	P00068 – 84
2021-04-19	Third Amended Decision and Order on Motion to Adjudicate Lien	I	P00085 - 109
2021-05-03	Plaintiffs' Renewed Motion for Reconsideration of Third-Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs, and Motion for Reconsideration of Third Amended Decision and Order on Motion to Adjudicate Lien	I	P00110 – 215
2021-05-13	Edgeworths' Motion For Order Releasing Client Funds And Requiring Production Of File	II	P00216 - 290
2021-05-20	Opposition to Edgeworths' Motion For Order Releasing Client Funds And Requiring Production Of File	II	P00291 – 339
2021-05-21	Reply ISO Edgeworths' Motion For Order Releasing Client Funds And Requiring Production Of File	II	P00340 - 359
2022-09-16	Order on Edgeworths' Writ Petition (Case No. 84159)	II	P00360 -365

EDGEWORTH FAMILY TRUST, ET AL. vs. DANIEL S. SIMON; THE LAW OFFICE OF DANIEL S. SIMON SUPREME COURT CASE NO. .

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CHRONOLOGICAL INDEX

DATE	DOCUMENT TITLE	VOL	BATES
			NOS.
2022-09-16	Order Vacating Judgment and Remanding (Case No. 83258-83260)	III	P00366 - 370
2022-09-27	Fourth Amended Decision & Order to Adjudicate Lien	III	P00371 - 396
2022-09-27	Order to Release Edgeworth File	III	P00397 - 400
2022-12-15	Remittitur (signed and filed)	III	P00401 - 404
2023-02-09	Simon's Motion for Adjudication Following Remand	III	P00405 - 429
2023-02-23	Edgeworths' Response to Motion for Adjudication Following Remand	IV	P00430 - 702
2023-03-14	Reply ISO Motion for Adjudication Following Remand	V	P00703 - 770
2023-03-28	Fifth Amended Decision and Order on Motion to Adjudicate Lien	V	P00771 - 801
2023-04-24	Notice of Entry of Fifth Amended Decision and Order on Motion to Adjudicate Lien	V	P00802 - 834

EDGEWORTH FAMILY TRUST, ET AL. vs. DANIEL S. SIMON; THE LAW OFFICE OF DANIEL S. SIMON SUPREME COURT CASE NO. .

PETITIONERS' APPENDIX

ALPHABETICAL INDEX

DATE	DOCUMENT TITLE	VOL.	BATES
			NOS.
2018-01-02	Amended Lien	I	P00001 – 04
2018-11-19	Decision and Order on Motion to Adjudicate Lien	I	P00005 – 27
2023-02-23	Edgeworths' Response to Motion for Adjudication Following Remand	IV	P00430 - 702
2021-05-13	Edgeworths' Motion For Order Releasing Client Funds And Requiring Production Of File	II	P00216 - 290
2023-03-28	Fifth Amended Decision and Order on Motion to Adjudicate Lien	V	P00771 - 801
2022-09-27	Fourth Amended Decision & Order to Adjudicate Lien	III	P00371 - 396
2021-04-13	Nevada Supreme Court Clerk's Certificate Judgment Affirmed	I	P00068 – 84
2023-04-24	Notice of Entry of Fifth Amended Decision and Order on Motion to Adjudicate Lien	V	P00802 - 834
2021-05-20	Opposition to Edgeworths' Motion For Order Releasing Client Funds And Requiring Production Of File	II	P00291 – 339
2020-12-30	Order Affirming in Part, Vacating in Part and Remanding	I	P00028 – 42
2022-09-16	Order on Edgeworths' Writ Petition (Case No. 84159)	II	P00360 -365
2022-09-27	Order to Release Edgeworth File	III	P00397 - 400
2022-09-16	Order Vacating Judgment and Remanding (Case No. 83258-83260)	III	P00366 - 370

EDGEWORTH FAMILY TRUST, ET AL. vs. DANIEL S. SIMON; THE LAW OFFICE OF DANIEL S. SIMON SUPREME COURT CASE NO. PETITIONERS' APPENDIX

ALPHABETICAL INDEX

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2022-12-15	Remittitur (signed and filed)	III	P00401 - 404
2021-05-21	Reply ISO Edgeworths' Motion For Order Releasing Client Funds And Requiring Production Of File	II	P00340 - 359
2023-03-14	Reply ISO Motion for Adjudication Following Remand	V	P00703 - 770
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Electronically Filed 3/14/2023 2:10 PM Steven D. Grierson CLERK OF THE COURT

RIS
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Nevada Bar No. 3861
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Eighth Judicial District Court

District of Nevada

EDGEWORTH FAMILY TRUST, and AMERICAN GRATING, LLC Plaintiffs.

VS.

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LANGE PLUMBING, LLC; THE VIKING CORPORATION, a Michigan corporation; SUPPLY NETWORK, INC., dba VIKING SUPPLY NET, a Michigan Corporation; and DOES 1 through 5 and ROE entities 6 through 10;

Defendants.

Case No. A-16-738444-C Dept No. 10

REPLY IN SUPPORT OF MOTION FOR ADJUDICATION FOLLOWING REMAND

Date of Hearing: 3.21.23 Time of Hearing: 9:00 a.m.

Notice of Intent to Appear Via Simultaneous Audio Visual Transmission Equipment

I. Introduction

The Edgeworths' opposition continues their effort to punish Simon for his audacity to think that the massive amount of fantastic work performed by his firm to obtain his former friends over Six Million Dollars on a \$500,000.00 property damage case was worth a reasonable market rate fee.

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Much of the time and documents provided to the Court in the moving papers which provide support for a substantial *quantum meruit* award of post discharge fees address events which occurred after the last date on the superbill - and in part which occurred before this Court during subsequent hearings. Accordingly, the argument that Simon cannot recover for time not contained in the superbill clearly fails because the events occurred after the last date of the bill, and the implied invitation for this Court to forget that Simon appeared before this Court to assist the Edgeworths, even after they had frivolously sued Simon, are without merit. The remainder of the opposition consists of personal attacks and innuendo that do not move the needle on the value of Simon's services.

Simon's work after discharge increased the value of the settlement with Lange by \$75,000.00, removed confidentiality and non-disparagement clauses, saved the Edgeworths the fees required to bring Vannah and Greene up to speed at \$925.00 an hour each, and successfully resolved a complex case for millions of dollars. There is a sound foundation for a *quantum meruit* award of \$200,000.00 or more for the post discharge work of Simon and his firm.

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II. The Record Supports Simon.

Simon performed excellent work for the Edgeworths. Far from the Edgeworths' reliance being misplaced, Simon delivered. The record is clear and incontrovertible regarding the outstanding legal services provided by Simon.

- Defense counsel "Michael Nunez testified that Mr. Simon's work on this case was extremely impressive". (4.19.2021, Third Am.
 D & O on Mot., to Adj. at 19:8-14.)
- Defense attorney Ms. Pancoast wrote: "I just read the Motion to Adjudicate the attorney lien. But for your determination,
 Edgeworths would have significantly less in their pocket." (Ex. 2 to the motion.)
- Will Kemp, one of the best trial attorneys in the United States, "testified that Mr. Simon's work product and results are exceptional." (4.19.2021, Third Am. D & O on Mot., to Adj. at 19:8-14; and, at 19:16-24 ("the work was exceptional").)
- Mr. Kemp testified that the most important factor in obtaining the result was Simon's work. Mr. Kemp also testified, "that he has never heard of a \$6 million settlement with a \$500,000.00

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damage case." (4.19.2021, Third Am. D & O on Mot., to Adj. at 20:8-17.)

Finally, and most importantly, this Court found that Simon was
an "exceptional advocate for the Edgeworths, the character of
the work was complex, the work actually performed was
extremely significant, and the work yielded a phenomenal result
for the Edgeworths." (4.19.2021, Third Am. D & O on Mot., to
Adj. at 21:15-22:2.)

The record supports Simon's excellent work and cannot be legitimately challenged. However, while the record is complimentary of Simon, the same is not true of the Edgeworths.

- Angela Edgeworth testified before this Court that the
 Edgeworths sued Simon to punish him. (Ex. 3 September 18,
 2018 evidentiary hearing transcript at 145:17-19.)
- The Edgeworth complaints and Brian Edgeworth's affidavits allege an oral contract was formed at the outset of the attorney client relationship. (1.4.2018 Edgeworth complaint at ¶9, 3.15.18 Edgeworth amended complaint at ¶9, Ex. 4 at ¶6, Ex. 5 at ¶6.) When faced with the May 27 Simon email deferring on a fee discussion at the outset of the relationship, Brian Edgeworth

changed the story and testified that the oral contract was formed on June 10. Brian Edgeworth agreed there were no emails or documents supporting his changed testimony. (Ex. 6 and 7.)

- On Appeal, the Edgeworths opening brief conceded six times that the Edgeworths were not believed by the district court.
 (August 8, 2019, opening brief at pp. 11, 12, 15, 18 & 28.)
- The Edgeworths complaint filed against Simon to punish him contained a frivolous conversion claim which the Supreme Court found was "legally impossible". Edgeworth Family Trust v. Simon, 477 P.3d 1129 (table) 2020 WL 7828800 (Nev. 2020) (unpublished)(upholding this Court's dismissal of A-18-767242-C, award of sanctions, and the finding that the engagement began between friends and an express written or oral contract was not formed).
- The Supreme Court upheld the \$50,000 attorney fee award assessed by this Court against the Edgeworths on the basis that the Edgeworths litigation was "maintained without reasonable ground or to harass the prevailing party". (*Ibid.*)

The record supports Simon's excellent work. The record does not support the Edgeworths veracity or their innuendo. Rather, the record details an extended effort by the Edgeworths to mount unsupported *post hoc* attacks against Simon.

III. Quantum Meruit

The record reflects that Simon did substantial and valuable post discharge work for the Edgeworths. Following the last day on the superbill of January 8, the motion details extensive work including court appearances. The contemporaneous statements of the Edgeworths and defense counsel support the valuable nature of the post discharge work.

As detailed in the Simon motion at page 12-18, Simon made court appearances and facilitated the resolution of this complex litigation. (*E.g.*, 2.6.2018 transcript at 6:15, "MS PANCOAST: -- Mr. Simon's facilitating wrapping this up.") The value to the Edgeworths is clear and obvious.

In the past, the Edgeworths agreed Simon's work had obvious value. (See, e.g., 2.20.2018 hearing transcript at 3:15-25 ("MR. VANNAH: If you take out the form and content, I don't know anything about the case, and I want -- I don't know anything about the case -- I mean, we're not involved in a case. You understand that, Teddy?") (italics added).) The Edgeworths valued Simon's work so much that they threatened Simon not to withdraw

after they filed their punishment lawsuit, in part because of the resulting cost to the Edgeworths to bring Vannah up to speed. (Defendants' evidentiary hearing exhibit 53.) The Edgeworths valued Simon so highly that as late as 2019 the Edgeworths argued to the Supreme Court that Simon was still their attorney. (Appellants' Opening Brief filed 8.8.2019 at 25-26.)

The Edgeworths *post hoc* attacks are exposed by their changing positions. The Edgeworths argued that Simon's post discharge work was so valuable that Simon had to continue working for the Edgeworths even after they had frivolously sued Simon. That was until the narrative no longer benefitted them. The Edgeworths then changed to their current narrative that Simon's post discharge work was worth next to nothing.

Currently, the Edgeworths argue that Simon's work after January 8 should be ignored. However, no authority is provided for the proposition that this Court should ignore an attorney's work when determining a reasonable fee under quantum meruit. The omission of authority is glaring because some of the work the Edgeworths want this Court to ignore include appearances before Her Honor, therefore ignoring the work would be contrary to Nevada law. See, e.g., Leventhal v. Black & LoBello, 129 Nev. 472, fn. 5, 305 P.3d 907, fn 5 (2013)(mentioning the court's familiarity

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with the relevant facts regarding the attorney's performance as a basis for awarding attorney fees).

Simon always sought quantum meruit, and the superbill was prepared to demonstrate time and effort, not to act as an actual bill. The Edgeworths' current position is nothing more than an argument of convenience and may be disregarded on that basis.

IV. The Case File

The current motion seeks adjudication of the value of Simon's post discharge work under *quantum meruit*. The Edgeworths apparently see the motion as an opportunity to air grievances and insinuation about the production of the case file. The Edgeworths are mistaken. (*See, e.g.*, EDCR 2.20(e) (an opposition presents arguments against the motion).)

Nonetheless, because the Edgeworths have again made an unsupported claim that there is a "purposeful" retention of materials and have again made unsupported claims of nefarious doings by Simon, the following is offered in reply.

On November 15, 2022, this Court heard the Edgeworths bid to hold Simon in contempt regarding file production. The motion was denied.

On December 8, 2022, Simon served but did not file a motion for Rule 11 sanctions against the Edgeworths for filing the contempt motion without a sound basis and sent an accompanying safe harbor letter. (Ex. 8.)

On December 9, 2022, Edgeworths' counsel responded and disclosed their human errors that prevented them from making accurate statements to this court regarding the case file. (Ex. 9.) While Simon sent another safe harbor letter on December 16, it was eventually decided that counsel's admission of human error was sufficient and the motion for Rule 11 sanctions was not filed.

On December 21, 2022, the Edgeworths sent another letter which added new requests to requests previously made before counsel admitted to an incomplete review of the produced file and their own review errors. (Ex. O to the response.)

There was a delay in response to the December letter for various reasons. Regardless, on February 27, 2023, Simon responded to the December letter as follows:

2. Regarding the ongoing document requests:

For the enumerated items on the December 21 letter:

1. The cost print out is just that. It was a snap shot of the costs listed on the case expense summary at the time it was made. If your client did not retain the copy, then it is no longer available.

- 2. The back-up for the correct amount of costs was provided in the lien adjudication hearing. (As you are aware, the amount of costs claimed was corrected during the lien adjudication.) You have the information.
- 3. As reflected on LODS 14786, the mediator proposal was sent to Brian Edgeworth on November 11, 2017, at 10:05 a.m.
- 4&5. As reflected on LODS 24686 & 687, both invoices were sent directly to Brian Edgeworth.
- 6V. Because he had been fired, Simon did not retain a fully executed Viking settlement agreement. An agreement lacking Scott Martorano's signature can be found at LODS 38134-38140.
- 6L. Because he had been fired, Simon did not retain a fully executed Lange settlement agreement. An agreement lacking Lange's signature can be found at LODS 38107-38122.

I looked but did not find an email from you or your office dated November 16.

I reviewed your October letter. I noted the letter was sent before your motion for sanctions was filed and denied, and before your letter of December 9, 2022. In the course of events, I thought it had become clear that your office had not reviewed the materials already provided by Simon. Your seeming concession of that point on December 9 was why the Simon motion for sanctions was not filed.

I looked at the first 2 emails listed on the October letter, LODS 14716 & 14717. Both are emails from Simon to Brian Edgeworth. *Thus, on their face the emails establish that you already have the emails and the attachments*. Further, the referenced and attached Parker letter is also separately found at LODS 464-465. I stopped my review at that point.

Simon is happy to help, if there is a legitimate question about a missing item. Please double check your future inquiries. (Ex. 10.)

As can be seen from the above, nothing has changed. The continuing Edgeworth demands for file production are nothing more than make-work requests, which have nothing to do with reaching a fee for Simon's post discharge work. For example, the Edgeworths complained about not having a mediator proposal that was emailed to Brian Edgeworth on November 11, 2017, at 10:05 am. (Ex. 11, email bated LODS 14786.) In other words, the Edgeworths claimed the mediator proposal was purposefully withheld to further their narrative of misdeeds by Simon, when in fact the proposal was emailed to Brian over 5 years ago. The Edgeworths do not have a basis for their continuing complaints, which only serve to waste the time of this Court and Simon.

V. Conclusion

The record as detailed in pages 12 -18 of the motion reflects that Simon's post discharge work was substantial, valuable and provides support for the Court's new order. Simon respectfully requests a

reasonable fee of \$200,000.00 or more under *quantum meruit* for his post 1 discharge work. 2 3 DATED this 14th day of March 2023. 4 Is/James R. Christensen 5 James R. Christensen Esq. Nevada Bar No. 3861 6 James R. Christensen PC 601 S. Sixth Street Las Vegas NV 89101 (702) 272-0406 7 8 (702) 272-0415 fax jim@jchristensenlaw.com 9 Attorney for LAW OFFICE OF 10 DANIEL S. SIMON, P.C. 11 CERTIFICATE OF SERVICE 12 I CERTIFY SERVICE of REPLY IN SUPPORT OF MOTION FOR 13 ADJUDICATION FOLLOWING REMAND was made by electronic service 14 15 (via Odyssey) this 14th_day of March 2023, to all parties currently shown 16 on the Court's E-Service List. 17 /s/ Dawn Christensen 18 an employee of James R. Christensen 19 20 21 22 23 24 25

EXHIBIT 3

TRAN

DISTRICT COURT CLARK COUNTY, NEVADA

EDGEWORTH FAMILY TRUST,

Plaintiff,

CASE NO. A-16-738444-C A-18-767242-C

DEPT NO. X

vs.

LANGE PLUMBING, L.L.C.,

TRANSCRIPT OF PROCEEDINGS

Defendant.

AND RELATED CASES AND PARTIES

BEFORE THE HONORABLE TIERRA JONES, DISTRICT COURT JUDGE

TUESDAY, SEPTEMBER 18, 2018

RE: EVIDENTIARY HEARING - EXCERPT

TESTIMONY OF ANGELA EDGEWORTH ONLY

APPEARANCES:

FOR DANIEL SIMON: JAMES R. CHRISTENSEN, ESQ. PETER S. CHRISTIANSEN, ESQ.

FOR EDGEWORTH TRUST: ROBERT D. VANNAH, ESQ.

JOHN B. GREENE, ESQ.

RECORDED BY: VICTORIA BOYD, COURT RECORDER

TRANSCRIBED BY: JD REPORTING, INC.

A Yes.

Q Okay. So if you're trying to get punitive damages from a husband individually, you're trying to get the family's money; right?

MR. GREENE: Same objection.

THE COURT: And, Mr. Christiansen, the lawsuit is against Danny Simon as an individual and the law office of Danny Simon. So that's who they sued.

BY MR. CHRISTIANSEN:

- Q You made an intentional choice to sue him as an individual as opposed to just his law office, fair?
 - A Fair.
- Q That is an effort to get his individual money; correct? His personal money as opposed to like some insurance for his law practice?
 - A Fair.
- Q And you wanted money to punish him for stealing your money, converting it; correct?
 - A Yes.
 - Q And he hadn't even cashed the check yet; correct?
 - A No.
- Q All right. He couldn't cash a check because

 Mr. Vannah and him had to make an agreement. Mr. Vannah I

 figured out how to do it I think at a bank, right, how to do

 like a joint --

JD Reporting, Inc.

EXHIBIT 4

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AFFIDAVIT OF BRIAN EDGEWORTH

STATE OF NEVADA) ss. COUNTY OF CLARK

I, BRIAN EDGEWORTH, do hereby swear, under penalty of perjury, that the assertions of this Affidavit are true and correct:

- I am over the age of twenty-one, and a resident of Clark County, Nevada.
- 2. I have lived and breathed this matter since April of 2016 through the present date, and I have personal knowledge of the matters stated herein.
- On or about May 27, 2016, I, on behalf of PLAINTIFFS, retained SIMON to 3. represent our interests following a flood that occurred on April 10, 2016, in a home under construction that was owned by PLAINTIFFS.
- The damage from the flood caused in excess of \$500,000 of property damage to 4. the home. It was initially hoped that SIMON drafting a few letters to the responsible parties could resolve the matter, but that wasn't meant to be. We were forced to litigate to get the defendants to do the right thing and pay the damages
- When it became clear the litigation was likely, I had options on who to retain. 5. However, I asked SIMON if he wanted to represent PLAINTIFFS. In his Motion, SIMON seems to liken our transaction as an act of charity performed by him for a friend = me. Hardly. Agreeing to pay and receive \$550 per hour is a business agreement, not an act of charity. Also, those "few letters" mentioned above were not done for free by SIMON, either. I paid over \$7,500 in hourly fees to SIMON for his services for these tasks alone.
- At the outset of the attorney-client relationship, SIMON and I orally agreed that SIMON would be paid for his services by the hour and at an hourly rate of \$550 and that we'd reimburse him for his costs. No other form or method of compensation such as a contingency fee was ever brought up at that time, let alone ever agreed to.

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- SIMON never reduced the terms of our fee agreement to writing. However, that 7. formality didn't matter to us, as we each recognized what the terms of the agreement were and performed them accordingly. For example, SIMON billed us at an hourly rate of \$550, his associate billed us at \$275 per hour, costs incurred were billed to us, and I paid SIMON all of the invoices in full in less than one week from the date they were received.
- For example, SIMON sent invoices to me dated December 16, 2016, May 3, 2017, 8. August 16, 2017, and September 25, 2017. The amount of fees and costs SIMON billed us in those invoices totaled \$486,453.09. There were hundreds of entries in these invoices. The hourly rate that SIMON billed us in all of his invoices was at \$550 per hour. I paid the invoices in full to SIMON. He also submitted an invoice to us on November 10, 2017, in the amount of approximately \$72,000. However, SIMON withdrew the invoice and failed to resubmit the invoice to us, despite an email request from me to do so. I don't know whether SIMON ever disclosed that "final" invoice to the defendants in the LITIGATION or whether he added those fees and costs to the mandated computation of damages. I do know, however, that when SIMON produced his "new" invoices to us (in a Motion) for the first time on or about January 24, 2018, for an additional \$692,120 in fees, his hourly rate for all of his work was billed out at our agreed to rate of \$550.
- From the beginning of his representation of us, SIMON was aware that I was 9. required to secure loans to pay SIMON'S fees and costs in the LITIGATION. SIMON was also aware that these loans accrued interest. It's not something for SIMON to gloat over or question my business sense about, as I was doing what I had to do to with the options available to me. On that note, SIMON knew that I could not get traditional loans to pay SIMON'S fees and costs.
- Plus, SIMON didn't express an interest in taking what amounted to a property 10. damage claim with a value of \$500,000 on a contingency basis. Easy math shows that 40% of \$500,000 is \$200,000. SIMON billed over twice that in fees in the invoices that he disclosed in AA00659

the LITIGATION. I believe that in my conversations and dealings with SIMON, he only wanted what amounts to a bonus after he'd received \$500,000 in fees and costs from me and after the risk of loss in the LITIGATION was gone.

- Regrettably, it was and has been my life for nearly two years. While I don't discount some of the good work SIMON performed, I was the one who dug through the thousands of documents and found the trail that led to the discovery that Viking had a bad history with these sprinklers, and that there was evidence of a cover up. I was the one who located the prior case involving Viking and these sprinklers, a find that led to more information from Viking executives, Zurich (Viking's insurer), and from fire marshals, etc. I was also the one who did the research and made the calls to the scores of people who'd had hundreds of problems with these sprinklers and who had knowledge that Viking had tried to cover this up for years. This was the work product that caused this case to grow into the one that it did.
- 12. Around August 9, 2017, SIMON and I traveled to San Diego to meet with an expert. This was around the time that the value of the case had blossomed from one of property damage of approximately \$500,000 to one of significant and additional value due to the conduct of one of the defendants. On our way back home, and while sitting in an airport bar, SIMON for the first time broached the topic of modifying our fee agreement from a straight hourly contract to a contingency agreement. Even though paying SIMON'S hourly fees was a burden, I told him that I'd be open to discussing this further, but that our interests and risks needed to be aligned. Weeks then passed without SIMON mentioning the subject again.
- 13. Thereafter, I sent an email labeled "Contingency." The main purpose of that email was to make it clear to SIMON that we'd never had a structured conversion about modifying the existing fee agreement from an hourly agreement to a contingency agreement. I also told him that

AA0066b

- 14. SIMON scheduled an appointment for my wife and I to come to his office to discuss the LITIGATION. This was only two days after Viking and PLAINTIFFS had agreed to a \$6,000,000 settlement. Rather than discuss the LITIGATION, SIMON'S only agenda item was to pressure us into modifying the terms of the CONTRACT. He told us that he wanted to be paid far more than \$550.00 per hour and the \$486,453.09 he'd received from us for the preceding eighteen (18) months. The timing of SIMON'S request for our fee agreement to be modified was deeply troubling to us, too, for it came at the time when the risk of loss in the LITIGATION had been completely extinguished and the appearance of a large gain from a settlement offer had suddenly been recognized. SIMON put on a full court press for us to agree to his proposed modifications to our fee agreement. His tone and demeanor were also harsh and unacceptable. We really felt that we were being blackmailed by SIMON, who was basically saying "agree to this or else."
- 15. Following that meeting, SIMON would not let the Issue alone, and he was relentless to get us to agree to pay him more. Despite SIMON'S persistent efforts, we never agreed on any terms to alter, modify, or amend our fee agreement.
- amount of \$1,114,000.00, and costs in the amount of that \$80,000.00, that he wanted to be paid in light of a favorable settlement that was reached with the defendants in the LITIGATION. We were stunned to receive this letter. At that time, these additional "fees" were not based upon invoices submitted to us or detailed work performed. The proposed fees and costs were in addition to the \$486,453.09 that we had already paid to SIMON pursuant to the fee agreement, the invoices that SIMON had presented to us, the evidence that we understand SIMON produced to defendants in the LITIGATION, and the amounts set forth in the computation of damages that AA00666

SIMONEH0000354

SIMON was required to submit in the LITIGATION. We agree and want to reimburse SIMON for the costs he spent on our case. But, he'd never presented us with the invoices, a bill to keep and review, or the reasons.

- 17. A reason given by SIMON to modify the fee agreement was that he claims he under billed us on the four invoices previously sent and paid, and that he wanted to go through his invoices and create, or submit, additional billing entries. We were again stunned to learn of SIMON'S reasoning. According to SIMON, he under billed in the LITIGATION in an amount in excess of \$1,000,000.00. An additional reason given then by SIMON was that he felt his work now had greater value than the \$550.00 per hour that was agreed to and paid for. SIMON prepared a proposed settlement breakdown with his new numbers and presented it to us for our signatures. This, too, came with a high-pressure approach by SIMON. This new approach also came with threats to withdraw and to drop the case, all of this after he'd billed and received nearly \$500,000 from us. He said that "any judge" and "the bar" would give him the contingency agreement that he now wanted, that he was now demanding he get, and the fee that he said he was now entitled to receive.
- 18. Another reason why we were so surprised by SIMON'S demands is because of the nature of the claims that were presented in the LITIGATION. Some of the claims were for breach of contract and indemnity, and a part of the claim for indemnity against Defendant Lange was the fees and costs we were compelled to pay to SIMON to litigate and be made whole following the flooding event. Since SIMON hadn't presented these "new" damages to defendants in the LITIGATION in a timely fashion, we were savvy enough to know that they would not be able to be presented at trial. SIMON now claims that our damages against defendant Lange were not ripe until the claims against defendant Viking were resolved. How can that be? All of our claims against Viking and Lange were set to go to trial in February of this year.

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On September 27, 2017, I sat for a deposition. Lange's attorney asked specific 19. questions of me regarding the amount of damages that PLAINTIFFS had sustained, including the amount of attorneys fees and costs that had been paid to SIMON. Not only do I remember what transpired, I've since reviewed the transcript, as well. At page 271 of that deposition, a question was asked of me as to the amount of attorneys' fees that PLAINTIFFS had paid to SIMON in the LITIGATION prior to May of 2017. At lines 18-19, SIMON interjected: "They've all been disclosed to you." At lines 23-25, SIMON further stated: "The attorneys' fees and costs for both of these plaintiffs as a result of this claim have been disclosed to you long ago." Finally, at page 272, lines 2-3, SIMON further admitted concerning his fees and costs: "And they've been updated as of last week." At no point did SIMON inform Lange's attorney that he'd either be billing more hours that he hadn't yet written down, or that additional invoices for fees or costs would be forthcoming, or that he was waiting to see how much Viking paid to PLAINTIFFS before he could determine the amount of his fee. At that time, I felt I had reason to believe SIMON that he'd done everything necessary to protect PLAINTIFFS claims for damages in the LITIGATION.

- 20. Despite SIMON'S requests and demands on us for the payment of more in fees, we refused to alter or amend the terms of the fee agreement. When we refused to alter or amend the terms of the fee agreement, SIMON refused to agree to release the full amount of our settlement proceeds. Instead, he served two attorneys liens and reformulated his billings to add entries and time that he'd never previously produced to us and that never saw the light of day in the LITIGATION. The settlement proceeds are ours, not SIMON'S. To us, what SIMON did was nothing short of stealing what was ours.
- 21. When SIMON refused to release the full amount of the settlement proceeds to us without us paying him millions of dollars in the form of a bonus, we felt that the only reasonable alterative available to us was to file a complaint for damages against SIMON.

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- 22. Thereafter, the parties agreed to create a separate account, deposit the settlement proceeds, and release the undisputed settlement funds to us. I did not have a choice to agree to have the settlement funds deposited like they were, as SIMON flatly refused to give us what was ours. In short, we were forced to litigate with SIMON to get what is ours released to us.
- 23. In Motions filed in another matter, SIMON makes light of the facts that we haven't fired him, and that we are allowing him to continue working to wrap up the LITIGATION. We're not thrilled to have to keep him as an attorney. But, we don't want to pay more than we've already had to pay to get someone else up to speed. Plus, we've already paid nearly \$500,000 to SIMON, and his change of heart on his fee only came about when the claims in the LITIGATION were, for all intents and purposes, resolved. Since we've already paid him for this work to resolve the LITIGATION, can't he at least finish what he's been retained and paid for?
- 24. Please understand that we've paid SIMON in full every penny of every invoice that he's ever submitted to us. I even asked him to send me the invoice that he withdrew last fall. I feel that it's incredibly unfair and wrong that SIMON can now claim a lien for fees that no one ever agreed to pay or to receive, or that SIMON can claim a lien for fees that he'd either refused to bill, or failed to bill, but definitely never provided to us or produced to the defendants in the LITIGATION.
- 25. I also feel that it's remarkable and so wrong that an attorney can agree to receive an hourly rate of \$550 an hour, get paid \$550 an hour to the tune of nearly \$500,000 for a period of time in excess of eighteen months, then hold PLAINTIFFS settlement proceeds hostage unless we agree to pay him a bonus that ranges between \$692,000 to \$1.9 million dollars.
- 26. SIMON in his motion, and in open court, made claims that he was effectively fired from representation by citing Mr. Vannah's conversation telling SIMON to stop all contact with us. This assertion is beyond disingenuous as SIMON is very well aware the reason he was told to stop contacting us was a result of his despicable actions of December 4, 2017, when he made false AA00664

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accusations about us, insinuating we were a danger to children, to Ruben Herrera the Club Director at a non-profit for children we founded and funded. In an email string, SIMON chooses his words quite carefully and Mr. Herrera found the first email to contain words and phrases as if it was part of a legal action. When Mr. Herrera responded, reiterating the clubs rules on whom is responsible for making contact about absences (that had already been outlined at the mandatory start of season meeting a week earlier) to explain why Mr. Herrera did not return SIMON'S calls, SIMON sent the follow-up email, again carefully worded, with the clear accusation that SIMON'S daughter cannot come to gym because she must be protected from the Edgeworths. His insinuation was clear and severe enough that Mr. Herrera was forced into the uncomfortable position of confronting me about it. I read the email, and was forced to have a phone conversation followed up by a face-to-face meeting with Mr. Herrera where I was forced to tell Herrera everything about the lawsuit and SIMON'S attempt at trying to extort millions of dollars from me. I emphasized that SIMON'S accusation was without substance and there was nothing in my past to justify SIMON stating I was a danger to children. I also said I will fill in the paperwork for another background check by USA Volleyball even though I have no coaching or any contact with any of the athletes for the club. My involvement is limited to sitting on the board of the non-profit, providing a \$2.5 million facility for the non-profit to use and my two daughters play on teams there. Neither of them was even on the team SIMON'S daughter joined. Mr. Herrera states that he did not believe the accusation but since all of the children that benefit from the charity are minors, an accusation of this severity, from someone he assumed I was friends with and further from my own attorney could not be ignored. While I was embarrassed and furious that someone who was actively retained as my attorney and was billing me would attempt to damage my reputation at a charity my wife and I founded and have poured millions of dollars into, I politely sent SIMON an email on December 5, 2017, telling him that I had not received his voicemail he referenced in an email and directed SIMON to call John Greene if he AA00665

needed anything done on the case. Mr. Vannah informing SIMON to have no contact was a reiteration of this request I made. Mr. Simon is well aware of this, as the email, which he denied ever sending, was read to him by Mr. Vannah during the teleconference and his own attorney told him to not send anything like that again. Simon claimed he did not intend the meaning interpreted. I think it speaks volumes to Simon's character that after being caught trying to damage our reputation and trying to smear our names with accusations that are impossible to disprove—such as trying to un-ring a bell that has been rung—he has never written to Mr. Herrera to clarify that the Edgeworths are NOT a danger to children. In his latest court filing Simon further attempts to bill us hundreds of thousands of dollars for "representing" us during this period. In short, we never fired SIMON, though we asked him to communicate to us through an intermediary. Rather, we wanted and want him to finish the work that he started and billed us hundreds of thousands of dollars for, which is to resolve the claims against the parties in the LITIGATION.

 I ask this Court to deny SIMON'S Motion and give us the right to present our claims against SIMON before a jury.

FURTHER AFFIANT SAYETH NAUGHT.

BRIAN EDGEWORTH

Subscribed and Sworn to before me this 2 day of February 2018.

Notan Public in and for said County and State

JESSIE CHURCH
NOTARY PUBLIC
STATE OF NEVADA
Appt. No. 11-5015-1
My Appt. Expires Jan. 9. 202

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EXHIBIT 5

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AFFIDAVIT OF BRIAN EDGEWORTH

STATE OF NEVADA) ss. COUNTY OF CLARK)

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I, BRIAN EDGEWORTH, do hereby swear, under penalty of perjury, that the assertions of this Affidavit are true and correct:

- 1. I am over the age of twenty-one, and a resident of Clark County, Nevada.
- I have lived and breathed this matter since April of 2016 through the present date,
 and I have personal knowledge of the matters stated herein.
- On or about May 27, 2016, I, on behalf of PLAINTIFFS, retained SIMON to represent our interests following a flood that occurred on April 10, 2016, in a home under construction that was owned by PLAINTIFFS.
- 4. The damage from the flood caused in excess of \$500,000 of property damage to the home. It was initially hoped that SIMON drafting a few letters to the responsible parties could resolve the matter, but that wasn't meant to be. We were forced to litigate to get the defendants to do the right thing and pay the damages
- 5. When it became clear the litigation was likely, I had options on who to retain. However, I asked SIMON if he wanted to represent PLAINTIFFS. In his Motion, SIMON seems to liken our transaction as an act of charity performed by him for a friend = me. Hardly. Agreeing to pay and receive \$550 per hour is a business agreement, not an act of charity. Also, those "few letters" mentioned above were not done for free by SIMON, either. I paid over \$7,500 in hourly fees to SIMON for his services for these tasks alone.
- 6. At the outset of the attorney-client relationship, SIMON and I orally agreed that SIMON would be paid for his services by the hour and at an hourly rate of \$550 and that we'd reimburse him for his costs. No other form or method of compensation such as a contingency fee

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was ever brought up at that time, let alone ever agreed to.

- SIMON never reduced the terms of our fee agreement to writing. However, that 7. formality didn't matter to us, as we each recognized what the terms of the agreement were and performed them accordingly. For example, SIMON billed us at an hourly rate of \$550, his associate billed us at \$275 per hour, costs incurred were billed to us, and I paid SIMON all of the invoices in full in less than one week from the date they were received.
- For example, SIMON sent invoices to me dated December 16, 2016, May 3, 2017, 8. August 16, 2017, and September 25, 2017. The amount of fees and costs SIMON billed us in those invoices totaled \$486,453.09. There were hundreds of entries in these invoices. The hourly rate that SIMON billed us in all of his invoices was at \$550 per hour. I paid the invoices in full to SIMON. He also submitted an invoice to us on November 10, 2017, in the amount of approximately \$72,000. However, SIMON withdrew the invoice and failed to resubmit the invoice to us, despite an email request from me to do so. I don't know whether SIMON ever disclosed that "final" invoice to the defendants in the LITIGATION or whether he added those fees and costs to the mandated computation of damages. I do know, however, that when SIMON produced his "new" invoices to us (in a Motion) for the first time on or about January 24, 2018. for an additional \$692,120 in fees, his hourly rate for all of his work was billed out at our agreed to rate of \$550.
- From the beginning of his representation of us, SIMON was aware that I was 9. required to secure loans to pay SIMON'S fees and costs in the LITIGATION. SIMON was also aware that these loans accrued interest. It's not something for SIMON to gloat over or question my business sense about, as I was doing what I had to do to with the options available to me. On that note, SIMON knew that I could not get traditional loans to pay SIMON'S fees and costs.
 - Plus, SIMON didn't express an interest in taking what amounted to a property 10.

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damage claim with a value of \$500,000 on a contingency basis. Easy math shows that 40% of \$500,000 is \$200,000. SIMON billed over twice that in fees in the invoices that he disclosed in the LITIGATION. I believe that in my conversations and dealings with SIMON, he only wanted what amounts to a bonus after he'd received \$500,000 in fees and costs from me and after the risk of loss in the LITIGATION was gone.

- Regrettably, it was and has been my life for nearly two years. While I don't discount some of the good work SIMON performed, I was the one who dug through the thousands of documents and found the trail that led to the discovery that Viking had a bad history with these sprinklers, and that there was evidence of a cover up. I was the one who located the prior case involving Viking and these sprinklers, a find that led to more information from Viking executives, Zurich (Viking's insurer), and from fire marshals, etc. I was also the one who did the research and made the calls to the scores of people who'd had hundreds of problems with these sprinklers and who had knowledge that Viking had tried to cover this up for years. This was the work product that caused this case to grow into the one that it did.
- 12. Around August 9, 2017, SIMON and I traveled to San Diego to meet with an expert. This was around the time that the value of the case had blossomed from one of property damage of approximately \$500,000 to one of significant and additional value due to the conduct of one of the defendants. On our way back home, and while sitting in an airport bar, SIMON for the first time broached the topic of modifying our fee agreement from a straight hourly contract to a contingency agreement. Even though paying SIMON'S hourly fees was a burden, I told him that I'd be open to discussing this further, but that our interests and risks needed to be aligned. Weeks then passed without SIMON mentioning the subject again.
 - 13. Thereafter, I sent an email labeled "Contingency." The main purpose of that email

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 was to make it clear to SIMON that we'd never had a structured conversion about modifying the existing fee agreement from an hourly agreement to a contingency agreement. I also told him that if we couldn't reach an agreement to modify the terms of our fee agreement that I'd continue to borrow money to pay his hourly fees and the costs.

- 14. SIMON scheduled an appointment for my wife and I to come to his office to discuss the LITIGATION. This was only two days after Viking and PLAINTIFFS had agreed to a \$6,000,000 settlement. Rather than discuss the LITIGATION, SIMON'S only agenda item was to pressure us into modifying the terms of the CONTRACT. He told us that he wanted to be paid far more than \$550.00 per hour and the \$486,453.09 he'd received from us for the preceding eighteen (18) months. The timing of SIMON'S request for our fee agreement to be modified was deeply troubling to us, too, for it came at the time when the risk of loss in the LITIGATION had been completely extinguished and the appearance of a large gain from a settlement offer had suddenly been recognized. SIMON put on a full court press for us to agree to his proposed modifications to our fee agreement. His tone and demeanor were also harsh and unacceptable. We really felt that we were being blackmailed by SIMON, who was basically saying "agree to this or else."
- 15. Following that meeting, SIMON would not let the issue alone, and he was relentless to get us to agree to pay him more. Despite SIMON'S persistent efforts, we never agreed on any terms to alter, modify, or amend our fee agreement.
- 16. On November 27, 2017, SIMON sent a letter to us describing additional fees in the amount of \$1,114,000.00, and costs in the amount of that \$80,000.00, that he wanted to be paid in light of a favorable settlement that was reached with the defendants in the LITIGATION. We were stunned to receive this letter. At that time, these additional "fees" were not based upon invoices submitted to us or detailed work performed. The proposed fees and costs were in

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 addition to the \$486,453.09 that we had already paid to SIMON pursuant to the fee agreement, the invoices that SIMON had presented to us, the evidence that we understand SIMON produced to defendants in the LITIGATION, and the amounts set forth in the computation of damages that SIMON was required to submit in the LITIGATION. We agree and want to reimburse SIMON for the costs he spent on our case. But, he'd never presented us with the invoices, a bill to keep and review, or the reasons.

- 17. A reason given by SIMON to modify the fee agreement was that he claims he under billed us on the four invoices previously sent and paid, and that he wanted to go through his invoices and create, or submit, additional billing entries. We were again stunned to learn of SIMON'S reasoning. According to SIMON, he under billed in the LITIGATION in an amount in excess of \$1,000,000.00. An additional reason given then by SIMON was that he felt his work now had greater value than the \$550.00 per hour that was agreed to and paid for. SIMON prepared a proposed settlement breakdown with his new numbers and presented it to us for our signatures. This, too, came with a high-pressure approach by SIMON. This new approach also came with threats to withdraw and to drop the case, all of this after he'd billed and received nearly \$500,000 from us. He said that "any judge" and "the bar" would give him the contingency agreement that he now wanted, that he was now demanding he get, and the fee that he said he was now entitled to receive.
- 18. Another reason why we were so surprised by SIMON'S demands is because of the nature of the claims that were presented in the LITIGATION. Some of the claims were for breach of contract and indemnity, and a part of the claim for indemnity against Defendant Lange was the fees and costs we were compelled to pay to SIMON to litigate and be made whole following the flooding event. Since SIMON hadn't presented these "new" damages to defendants in the LITIGATION in a timely fashion, we were savvy enough to know that they would not be able to

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27 28 be presented at trial. SIMON now claims that our damages against defendant Lange were not ripe until the claims against defendant Viking were resolved. How can that be? All of our claims against Viking and Lange were set to go to trial in February of this year.

- On September 27, 2017, I sat for a deposition. Lange's attorney asked specific 19. questions of me regarding the amount of damages that PLAINTIFFS had sustained, including the amount of attorneys fees and costs that had been paid to SIMON. Not only do I remember what transpired, I've since reviewed the transcript, as well. At page 271 of that deposition, a question was asked of me as to the amount of attorneys' fees that PLAINTIFFS had paid to SIMON in the LITIGATION prior to May of 2017. At lines 18-19, SIMON interjected: "They've all been disclosed to you." At lines 23-25, SIMON further stated: "The attorneys' fees and costs for both of these plaintiffs as a result of this claim have been disclosed to you long ago." Finally, at page 272, lines 2-3, SIMON further admitted concerning his fees and costs: "And they've been updated as of last week." At no point did SIMON inform Lange's attorney that he'd either be billing more hours that he hadn't yet written down, or that additional invoices for fees or costs would be forthcoming, or that he was waiting to see how much Viking paid to PLAINTIFFS before he could determine the amount of his fee. At that time, I felt I had reason to believe SIMON that he'd done everything necessary to protect PLAINTIFFS claims for damages in the LITIGATION.
- 20. Despite SIMON'S requests and demands on us for the payment of more in fees, we refused to alter or amend the terms of the fee agreement. When we refused to alter or amend the terms of the fee agreement, SIMON refused to agree to release the full amount of our settlement proceeds. Instead, he served two attorneys liens and reformulated his billings to add entries and time that he'd never previously produced to us and that never saw the light of day in the LITIGATION. The settlement proceeds are ours, not SIMON'S. To us, what SIMON did was

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 nothing short of stealing what was ours.

- 21. When SIMON refused to release the full amount of the settlement proceeds to us without us paying him millions of dollars in the form of a bonus, we felt that the only reasonable alterative available to us was to file a complaint for damages against SIMON.
- 22. Thereafter, the parties agreed to create a separate account, deposit the settlement proceeds, and release the undisputed settlement funds to us. I did not have a choice to agree to have the settlement funds deposited like they were, as SIMON flatly refused to give us what was ours. In short, we were forced to litigate with SIMON to get what is ours released to us.
- 23. In Motions filed in another matter, SIMON makes light of the facts that we haven't fired him, and that we are allowing him to continue working to wrap up the LITIGATION. We're not thrilled to have to keep him as an attorney. But, we don't want to pay more than we've already had to pay to get someone else up to speed. Plus, we've already paid nearly \$500,000 to SIMON, and his change of heart on his fee only came about when the claims in the LITIGATION were, for all intents and purposes, resolved. Since we've already paid him for this work to resolve the LITIGATION, can't he at least finish what he's been retained and paid for?
- 24. Please understand that we've paid SIMON in full every penny of every invoice that he's ever submitted to us. I even asked him to send me the invoice that he withdrew last fall. I feel that it's incredibly unfair and wrong that SIMON can now claim a lien for fees that no one ever agreed to pay or to receive, or that SIMON can claim a lien for fees that he'd either refused to bill, or failed to bill, but definitely never provided to us or produced to the defendants in the LITIGATION.
- 25. I also feel that it's remarkable and so wrong that an attorney can agree to receive an hourly rate of \$550 an hour, get paid \$550 an hour to the tune of nearly \$500,000 for a period of time in excess of eighteen months, then hold PLAINTIFFS settlement proceeds hostage unless

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27 28 we agree to pay him a bonus that ranges between \$692,000 to \$1.9 million dollars.

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- We did not cause the Complaint or the Amended Complaint to be filed against 27. SIMON or his business entities to prevent him from participating in any public forum. We also didn't bring a lawsuit to prevent SIMON from being paid what we agreed that he should be paid under the CONTRACT.
 - I ask this Court to deny SIMON'S anti-SLAPP Motion and give us the right to 28.

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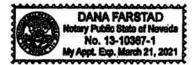
present our claims against SIMON before a jury.

FURTHER AFFIANT SAYETH NAUGHT.

BRIAN EDGEWORTH

Subscribed and Sworn to before me this 15 day of March 2018, by BRIAN ED AEWORTH.

Notary Public in and for said County and State



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SIMONEH0000369

Electronically Filed 6/13/2019 3:22 PM Steven D. Grierson CLERK OF THE COURT RTRAN 1 2 3 DISTRICT COURT 5 CLARK COUNTY, NEVADA 6 7 **EDGEWORTH FAMILY TRUST;** AMERICAN GRATING, LLC, CASE#: A-16-738444-C 8 DEPT. X Plaintiffs, 9 VS. 10 LANGE PLUMBING, LLC, ET AL., 11 Defendants. 12 CASE#: A-18-767242-C **EDGEWORTH FAMILY TRUST;** 13 AMERICAN GRATING, LLC, DEPT. X 14 Plaintiffs, 15 VS. 16 DANIEL S. SIMON, ET AL., 17 Defendants. 18 BEFORE THE HONORABLE TIERRA JONES, DISTRICT COURT JUDGE 19 MONDAY, AUGUST 27, 2018 20 **RECORDER'S TRANSCRIPT OF EVIDENTIARY HEARING - DAY 1** 21 APPEARANCES: 22 ROBERT D. VANNAH, ESQ. For the Plaintiff: JOHN B. GREENE, ESQ. 23 JAMES R. CHRISTENSEN, ESQ. For the Defendant: 24 PETER S. CHRISTIANSEN, ESQ.

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RECORDED BY: VICTORIA BOYD, COURT RECORDER

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know that?

A No.

Q Sir, you just told the Court Danny took the case as a favor.

Do you remember that?

- A Yeah, and a week later, he started billing me.
- Q And you -- a week later, he started billing you?

A Yeah. On June 10th, when it became clear that he had to file a lawsuit, because they weren't going to agree, he phoned me and told me he was going to incur a bunch of costs and that he would need to start billing me \$550 an hour, which was his board approved rate, and I would get it back when I won from the Lange parties and the 550 was based on his experience in litigation and everything else and was approved by judges.

- Q So now that conversation took place June the 10th. Is that what your testimony is?
 - A It always took place June the 10th.
- Q No. In all three of your affidavits, it took place at the outset of your retention, which was May the 27th. We've already determined that.
 - A The outset --
 - Q Sir -- sir --
 - A -- of the case.
 - Q -- did you put the --

MR. GREENE: May he answer the question, Your Honor? He just cuts him off.

MR. CHRISTIANSEN: It's leading, and it's permissible.

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THE COURT: Okay. Mr. Christiansen, I want to know what the answer to this question is, so, sir, answer the question.

THE WITNESS: Danny met with me at the 28th at Starbucks and took the case. He said --

THE COURT: 28th of May?

THE WITNESS: 28th of May 2016. I emailed him on the 27th of May 2016, to see if he could help me out with this thing, because everyone said it's a slam-dunk. They have to pay. They're all liable. There's a contract, everything else. They're just yanking you around. I reached out to him. He agreed to meet with me. We met at Starbucks. I gave him a summary of all the entities involved and who's who, et cetera. We talked about it.

He said that he would write a few letters, which is why when you asked me when was he retained, he sent letters to these other people who was Kinsale at the time, Viking, someone else, saying that I had retained him. That's what the letters said. They were like retention letters. Then they blew him off back and forth a little bit. Around, I believe it was the 9th of June, he said they aren't going to settle. They aren't going to do it. We need to file a lawsuit against them. This is going to start costing me some money.

And he gave me the whole pitch, and I agreed. I said I accept. That's fine. And on the Tuesday -- that's on a Friday. On the Tuesday, he filed a lawsuit on June 14th against these entities. It's as simple as that. That should clarify it.

Q Okay. Did I allow you to complete that answer?

AA00961

1	А	I believe so.	
2	a	Okay. So, it is true that on May the 27th or the 28th at	
3	Starbucks, Danny never told you his fee was 550 an hour?		
4	А	No.	
5	۵	No, he did or no he didn't?	
6	А	I'm sorry. I'm getting flipped with the way you asked the	
7	question.		
8	۵	Okay.	
9	A	No, he never told me that date that his fee of May 27th or	
10	28th, that his fee was 550 an hour.		
11	۵	Nor did he ever tell you his associate's fee was 275 an hour?	
12	А	Correct.	
13	α	And sir, you didn't get a bill from an associate until 14	
14	months after Mr. Simon was retained by you according to your		
15	affidavits. Is that fair?		
16	А	Likely. I'd need to review the bills to be positive, but likely.	
17	۵	Okay. You're a smart guy, right? Harvard MBA?	
18	А	I assume so.	
19	۵	Got lots of lawyers, right?	
20	А	What do you mean, lots of lawyers?	
21	α	You've hired for I'll give you a simple example. You	
22	hired a lawyer as an expert in this in the underlying case, correct?		
23	А	Under the advice of my lawyer, yes, I did.	
24	α	All right. You hire lawyers. I mean, you have businesses, I	
25	think in China, correct?		

1	А	Yes.	
2	Q	All right. You've dealt with lawyers in your life, correct?	
3	А	Yes, I have.	
4	α	In the underlying case, you hired a guy named Crane	
5	Pomeranta	z, former United States Attorney?	
6	A	Correct.	
7	Q	To opine about the conduct of one of the defendants, fair?	
8	A	I think the scope was broader, but correct, he was hired.	
9	Q	And can we agree that Mr. Simon never presented you an	
10	hourly retainer fee agreement?		
11	A	No, he never presented me one.	
12	α	And you know what those look like, right?	
13	А	Somewhat, yes. They look	
14	۵	I'll show you	
15	Α	different.	
16	Q	Exhibit 62 and that's your signature, Mr. Pomerantz'	
17	signature.	Crane works over at Sklar Williams. Dated September 6,	
18	2017. Fair?		
19	А	Fair.	
20	۵	It's an hourly retainer, where it talks about you having to	
21	advance costs, right?		
22	А	I don't think I advanced Crane costs. He bills me for them in	
23	arrears.		
24	Q	Monthly?	
25	Α	I don't think he billed monthly, either. He didn't send me the	
- 1		newernors and	

Electronically Filed 6/13/2019 3:38 PM Steven D. Grierson CLERK OF THE COURT **RTRAN** 1 2 3 4 DISTRICT COURT 5 CLARK COUNTY, NEVADA 6 7 **EDGEWORTH FAMILY TRUST;** AMERICAN GRATING, LLC, CASE#: A-16-738444-C 8 DEPT. X Plaintiffs, 9 VS. 10 LANGE PLUMBING, LLC, ET AL., 11 Defendants. 12 CASE#: A-18-767242-C **EDGEWORTH FAMILY TRUST;** 13 AMERICAN GRATING, LLC, DEPT. X 14 Plaintiffs, 15 VS. 16 DANIEL S. SIMON, ET AL., 17 Defendants. 18 BEFORE THE HONORABLE TIERRA JONES, DISTRICT COURT JUDGE 19 TUESDAY, AUGUST 28, 2018 20 **RECORDER'S TRANSCRIPT OF EVIDENTIARY HEARING - DAY 2** 21 APPEARANCES: 22 ROBERT D. VANNAH, ESQ. For the Plaintiff: JOHN B. GREENE, ESQ. 23 JAMES R. CHRISTENSEN, ESQ. For the Defendant: 24 PETER. S. CHRISTIANSEN, ESQ. 25 RECORDED BY: VICTORIA BOYD, COURT RECORDER

AA01085

MR. CHRISTIANSEN: Thank you, Your Honor.

DIRECT EXAMINATION CONTINUED

BY MR. CHRISTIANSEN:

Q Mr. Edgeworth, I appreciate you're back on the stand today. I tried to sort of whittle down some of the issues. So, if we can try to move through it, rapidly. Do you remember -- and get at least my examination be complete before the lunch hour.

Do you remember yesterday discussing with me the term used in your affidavits about -- the term was the outset?

- A Yeah. The beginning of the --
- Q Right. And yesterday you had some challenges with understanding that the outset meant the very beginning, right? You thought it meant June 10th, as opposed to the 27th or 28th of May, right? Now that was your story yesterday on the stand, is that you didn't learn of Mr. Simon's fee at the outset, you learned of it June the 10th?
 - A Correct.
- Q Correct, okay. And, sir, when did -- can we agree that that version of events, so June the 10th, being the date in which you learned of Mr. Simon's fee of 550 an hour, that that is not contained anywhere, that date, June the 10th, in any of the three affidavits you signed, or the complaint you filed in this case, or I'm sorry, Mr. Vannah's office filed on your behalf?
 - A I believe so.
 - Q That's an accurate statement, correct?
 - A I believe it is.

	1		
1	٥	You never told that story in any affidavit, that you were told	
2	on 6/10, Danny Simon's right, correct?		
3	А	Correct.	
4	Q	In fact, yesterday, after being shown that email and	
5	confronted	with the bills, for the very first time you conceded that you	
6	didn't ever	n know what his associates' were for 14 or 15 months, correct?	
7	А	Correct.	
8	Ω	All right. And June the 10th, in your exhibits I requested for,	
9	I think this is exhibit let me ask Mr. Greene.		
10		[Counsel confer]	
11	BY MR. CHRISTIANSEN:		
12	α	This is teeny tiny writing Mr. Edgeworth, so I'm going to	
13	your Exhib	oit 9, and I'm just going to put a page, is like a side-by-side	
14	compariso	n of bills, that looks like somebody must have done in	
15	anticipation for this hearing; is that fair?		
16	А	Yes.	
17	Q	You did this?	
18	А	Yes.	
19	Q	And you compared the bills?	
20	А	Correct.	
21	Q	Okay. And did you find a bill on 6/10, for Danny Simon	
22	talking to	on the phone for this new version of when you learned of his	
23	fee? Did h	e bill you for that phone call?	
24	А	He didn't put dates on his early bills.	
25	ا ا	So that's a no?	

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1		MR. CHRISTIANSEN: Yeah. You know
2		THE COURT: that were in the chair yesterday.
3		MR. CHRISTIANSEN: all the things that were over there.
4		THE COURT: Okay.
5	BY MR. CH	RISTIANSEN:
6	α	And I've forgotten which one you like to look on, Mr.
7	Edgeworth	. On the screen in front of you can you see the email I'm
8	talking abo	ut?
9	А	Yes, I can.
10	۵	And again, these emails go backwards. It looks like you are
11	asking Mr.	Simon, on June the 10th, questions about United
12	Restoration	ns, and other expenses you're having to incur?
13	Α	Yes, that's correct.
14	a	All right. And he responds to you on June the 10th. Not sure
15	on fireplace	e issue, we can talk about it, I'm out of town until Monday?
16	Α	Correct.
17	Q	So he's answering you this is a Friday, June the 10th, 2016
18	is a Friday.	So, he's answering you from out of town, in response to his
19	friend, who	at this time he's doing a favor for?
20	Α	Correct.
21	α	All right. And, yesterday, do you remember talking about, it
22	might have	been my term, I can't remember who used it first, for things
23	being in flu	x between you and Mr. Simon early on?
24	Α	What do you mean by that?
25	Q	Well, at first he was going to represent you as a favor, you

1	told me that?	
2	Α	Correct.
3	Q	And then later he was going to charge you?
4	А	Correct. Just before the filing of the lawsuit.
5	Q	Okay. And I think yesterday I said and so at least at that
6	timeframe	, things were in flux, and I think you agreed with me?
7	A	Up until the Friday call, I'd agree, but then
8	α	No argument
9	A	on Monday the lawsuit
10	a	I'm saying that's what you said.
11	A	was sent to me, to ask to read it.
12	α	And so, then clearly things would have been set in stone
13	about how you two were going to operate, from that point going	
14	forward?	
15	А	Yes.
16	α	All right. So, when September the 17th of 2017, Exhibit 80,
17	Bate Stamp 173, maybe, is sent from you to Mr. Simon. This is, I don't	
18	know, 15, 17 months after he's been your lawyer, let me think? Sixteen	
19	months, sorry, my math's not great. Is it fair to say that this email	
20	reflects that you don't even know who's paying the experts; are you	
21	going to pay them, or is he going to pay them?	
22	А	No, I'm offering to pay upfront.
23	a	No. No, you didn't. Are you paying these guys, or was I
24	supposed to pay Vollmer [phonetic]. That's the I read that, right?	
25	A	Yeah. He had forward on a bunch of Vollmer bills, and I

1	wanted to know, should I take care of this?		
2	a	Right. So, it wasn't set in stone, you didn't know. So that's	
3	all I'm poir	nting out, you didn't know	
4	А	Yeah.	
5	a	correct?	
6	А	Okay. Correct.	
7	a	And that's consistent with Exhibit 80, Bate Stamp 2148,	
8	which is just a few days later. Hey, should I pay this, or you?		
9	Α	Correct.	
10	a	So it's still not set in stone	
11	Α	Well, that one there was	
12	a	September 17?	
13	A	That one I had signed a retainer agreement, so I assumed	
14	that bills would come to me.		
15	a	You were asking, were you not, should I pay this or you?	
16	А	Correct, of course.	
17	a	So, it had not been set in stone. You're asking, you're not	
18	telling him I'm paying it, right?		
19	А	Correct.	
20	a	All right. And yesterday there was some discussions about	
21	after your being advised by Vannah & Vannah, communications relative		
22	to Mr. Simon and Mr. Vannah; do you remember those discussions?		
23	Α	Vaguely.	
24	a	And one of them	
25		MR. CHRISTIANSEN: This is Exhibit 53, Mr. Greene.	

James R. Christensen Esq. 601 S. 6th Street Las Vegas, NV 89101

Ph: (702)272-0406 Fax: (702)272-0415 E-mail: jim@jchristensenlaw.com

Via Email

December 8, 2022

Rosa Solis-Rainey, Esq. Morris Law Group 801 S. Rancho Drive Suite B4 Las Vegas, NV 89106 rsr@morrislawgroup.com

Re: Edgeworth v. Viking and related matters

Dear Ms. Solis-Rainey:

My office has served but not filed a Rule 11 motion regarding the contempt motion recently filed by your office. The contempt motion has been denied by the Court; however, Mr. Simon had to expend fees to respond. The fees incurred were:

11.9.22	Review motion for OSC/Legal research re: contempt	1.0
11.11 – 11.14.22	Work on contempt opposition, appendix and declaration	20.0
11.14.22	Review reply filed in support of motion for sanctions	.40

11.15.22 Prepare for and attend hearing

1.8

11.29.22 Review minutes order re: contempt; prepare order .30

Total: 23.5 hours @ \$400 per hour = \$9,400.00

Please reimburse Mr. Simon for the above fees. If the fees are reimbursed, then the Rule 11 motion will not be filed. Please indicate if you will reimburse the fees incurred by Wednesday, December 14, 2022.

Thank you for your immediate attention to this issue.

Sincerely,

JAMES R. CHRISTENSEN, P.C.

1st James R. Christensen

JAMES R. CHRISTENSEN

cc: Client(s)

MORRIS LAW GROUP

ATTORNEYS AT LAW

801 S. RANCHO DR., STE. B4
LAS VEGAS, NV 89106
TELEPHONE: 702/474-9402
FACSIMILE: 702/474-9422
WEBSITE: WWW.MORRISLAWGROUP.COM

December 9, 2022

VIA EMAIL James R. Christensen Esq. 601 S. 6th Street Las Vegas, NV 89101

Re: Edgeworth adv. Simon - Rule 11 Motion, Client File, and Fund

Distribution

Dear Mr. Christensen:

I am in receipt of your letter dated December 8, 2022 stating that you will accept \$9,400 not to file the Rule 11 Motion you served on our firm on November 18, 2022. The fact the Court denied the motion for an OSC is not evidence that our Motion did not reflect a reasonable investigation which would support your Rule 11 motion. Your threatened motion does not show any evidence that the Contempt Motion was baseless or brought without reasonable inquiry. See Bergmann v. Boyce, 109 Nev. 670, 676, 856 P.2d 560, 564 (1993) (A frivolous action is one that is "both baseless and made without a reasonable and competent inquiry."); see also Rivero v. Rivero, 125 Nev. 410, 441, 216 P.3d 213, 234 (2009), overruled on other grounds by Romano v. Romano, 138 Nev. Adv. Op. 1, 501 P.3d 980 (2022) (recognizing that while "a district court has discretion to award attorney fees as a sanction, there must be evidence supporting the district court's finding that the claim or defense was unreasonable or brought to harass..") (emphasis added). Neither standard is applicable here.

Your threatened motion is based on your mistaken interpretation of poorly stated argument in our Reply. On page 5 of our reply in support of the Contempt Motion – under the heading "B. EXPERT EMAIL AND REPORTS" – we raised the argument as to why documents in the Bates

ROSA SOLIS-RAINEY DIRECT DIAL: 702/759-8321 EMAIL: RSR@MORRISLAWGROUP.COM James Christensen Page 2

numbered examples you provided on page 24 of your opposition were withheld. We acknowledged that although we did not have time to trace back the numbers provided on page 24 to the production given the time constraints. However, accepting the accuracy of the Bates-numbers you identified [but that I had not yet verified] for the retainer agreements, we questioned why those would have been withheld under the protective order as there is nothing confidential about them.

Simon's opposition was filed on the eve of the hearing, which I'm not faulting you for. I am simply stating the fact. I spent countless hours reviewing the three productions Simon had made by that point, and I had not seen any retainer agreements. I started to trace the Bates numbers you referenced on page 24 when I realized they appeared to go beyond the range you had produced (which I acknowledge you have since explained was a typo). Given the late hour, I realized tracing the examples would take too long, and doing so was irrelevant to the point of the argument in the paragraph as to why retainer agreements were withheld. The imperfect language was intended to convey *my inability to fully review the examples presented in the opposition on the eve of the hearing.* It was not an *acknowledgement that Simon's production* had not been reviewed. We have spent considerable time reviewing the various productions of the file segments Simon has provided, as I believe is evidenced in some of our prior exchanges that are of record.

In the interest of full disclosure, I do want to disclose a human error that I discovered *after* the hearing that helped me understand why I did not recall the four retainer agreements described in your opposition. After the hearing, I again tried to trace your examples, and realized that they were not on the Microsoft Teams One Drive used for remote review of large files. I then searched for them in the original hard-drive Simon Law delivered on October 11 and realized that for unknown reasons, the content of folders several layers in was not uploaded. My "mistake" was not noticing that omission sooner. It was not due to a lack of reasonable or competent review. On November 16, 2022, I went through the One Drive production folder by folder to upload missing content and ensure this problem does not reoccur.



James Christensen Page 3

If you wish to go forward with filing your motion, that is entirely up to you. We will respond accordingly and explain the foregoing to the Court. We will also show how even your latest production confirms that we had in fact not received the complete file by October 11, 2022. The confirmation the recently-produced documents provide add support to our position that obtaining Simon's complete file is necessary.

On another but related subject, I have reviewed your two letters dated December 6, 2022, one regarding the supplemental production, and the other regarding release of the funds in our Trust Account. With respect to the funds, as you are well aware, our firm specifically asked the Court last year to allow us to disburse funds that were undisputed, including the \$284K+ to Simon and the \$1.5M+ to the Edgeworths. *You opposed* that motion and the Court denied it. Though we disagree with that decision, we respect it, and therefore cannot release any funds unless there is mutual agreement as the Court said was necessary under the "bilateral agreement" argument you fronted and she accepted. Our client remains willing to disburse the undisputed portion to Simon (\$284K+) provided he agrees to release the undisputed \$1.5M+ to them. This would leave only the \$200K that reasonably remains in dispute in the Trust account for future distribution when we finally get a final order. If that is acceptable to you, please let me know and we can have the checks cut and delivered.

With respect to the supplemental production you provided on December 6, 2022. First of all, thank you for producing it. I trust you've also reviewed it and see that it confirms that the exchanges and drafts concerning the Viking settlement that we have requested for years were always part of Mr. Simon's file. The production also demonstrates the manner in which we've maintained the email portion of the file should



James Christensen Page 4

have been produced, and I appreciate Mr. Simon printing this portion of the file with the corresponding attachments.

If you have any questions, please do not hesitate to reach out.

Sincerely,

Rosa Solis-Rainey

RSR:cjs

James R. Christensen Esq. 601 S. 6th Street Las Vegas, NV 89101 702)272-0406 Fay: (702)272-041

Ph: (702)272-0406 Fax: (702)272-0415 E-mail: jim@jchristensenlaw.com

February 27, 2023

Via E-Mail

Rosa Solis-Rainey, Esq. Morris Law Group 801 S. Rancho Drive Suite B4 Las Vegas, NV 89106 rsr@morrislawgroup.com

Re: Edgeworth v. Viking and related matters

Dear Ms. Solis-Rainey:

Thank you for your letter of February 17, 2023.

1. Regarding the funds:

My client rejects the spin and rhetoric of your letter. For example, Simon's proposal is obviously new and made well after the original agreement with Vannah. Your reference to the earlier agreement is meaningless in the context of the Simon proposal.

\$284,982.50 has been due Simon for some time. By retaining the funds in contravention of Simon's legal entitlement, a conversion has taken place. Simon has incurred and continues to incur damages. *Release* the \$284,982.50 to Simon without condition immediately.

We agree that the \$200,000.00 due Simon for *quantum meruit* is still legally disputed. However, as a practical matter, Simon's proposal makes sense. Nonetheless, as determined by the Nevada Supreme Court, without an agreement, the \$200,000.00 can be retained in trust.

The Nevada Supreme Court determined that it was proper for the \$1.5M remainder to remain in trust until final resolution of the lien. The ruling of the high court on the Edgeworths' writ for early release of funds made it clear that retention of the funds was appropriate. The \$1.5M is still disputed and Simon is entitled to Writ relief upon the final order from Judge Jones. Your use of the term "undisputed" to refer to the \$1.5M is not accurate and ignores the Supreme Court's ruling and Simon's continuing ability to seek a higher quantum meruit award. Nonetheless, my client is confident in the ability to collect any sums found to be due from the Edgeworths. Accordingly, the remainder in trust (approximately \$1.5M) may be released without any admission or condition.

2. Regarding the ongoing document requests:

For the enumerated items on the December 21 letter:

- 1. The cost print out is just that. It was a snap shot of the costs listed on the case expense summary at the time it was made. If your client did not retain the copy, then it is no longer available.
- 2. The back-up for the correct amount of costs was provided in the lien adjudication hearing. (As you are aware, the amount of costs claimed was corrected during the lien adjudication.) You have the information.
- 3. As reflected on LODS 14786, the mediator proposal was sent to Brian Edgeworth on November 11, 2017, at 10:05 a.m.
- 4&5. As reflected on LODS 24686 & 687, both invoices were sent directly to Brian Edgeworth.

- 6V. Because he had been fired, Simon did not retain a fully executed Viking settlement agreement. An agreement lacking Scott Martorano's signature can be found at LODS 38134-38140.
- 6L. Because he had been fired, Simon did not retain a fully executed Lange settlement agreement. An agreement lacking Lange's signature can be found at LODS 38107-38122.

I looked but did not find an email from you or your office dated November 16.

I reviewed your October letter. I noted the letter was sent before your motion for sanctions was filed and denied, and before your letter of December 9, 2022. In the course of events, I thought it had become clear that your office had not reviewed the materials already provided by Simon. Your seeming concession of that point on December 9 was why the Simon motion for sanctions was not filed.

I looked at the first 2 emails listed on the October letter, LODS 14716 & 14717. Both are emails from Simon to Brian Edgeworth. *Thus, on their face the emails establish that you already have the emails and the attachments.* Further, the referenced and attached Parker letter is also separately found at LODS 464-465. I stopped my review at that point.

Simon is happy to help, if there is a legitimate question about a missing item. Please double check your future inquiries.

Sincerely,

JAMES R. CHRISTENSEN, P.C.

Is/ James R. Christensen

JAMES R. CHRISTENSEN

cc: Client(s)

Daniel Simon

rom: Daniel Simon

Sent: Saturday, November 11, 2017 10:05 AM

To: Brian Edgeworth

Subject: Fwd: Edgeworth v Viking and Lange Plumbint **Attachments:** mediator proposal 11-10-17.pdf; ATT00001.htm

Begin forwarded message:

From: "Floyd A. Hale" < fhale@floydhale.com > Date: November 10, 2017 at 3:39:45 PM PST

To: <<u>dan@danielsimonlaw.com</u>>, <<u>janet.pancoast@zurichna.com</u>>, <<u>mcconnell@mmrs-</u>

law.com>, <robinson@mmrs-law.com>

Subject: Edgeworth v Viking and Lange Plumbint

Counsel: attached is my, time-limited, mediator proposal. Floyd

Hale

ELECTRONICALLY SERVED 3/28/2023 7:33 PM

Electronically Filed 03/28/2023 4:15 PM

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Hon. Tierra Jones DISTRICT COURT JUDGE DEPARTMENT TEN LAS VEGAS, NEVADA 89155

DISTRICT COURT **CLARK COUNTY, NEVADA**

Plaintiffs.

LANGE PLUMBING, LLC; THE VIKING CORPORATION, a Michigan Corporation; SUPPLY NETWORK, INC., dba VIKING SUPPLYNET, a Michigan Corporation; and

DOES 1 through 5; and, ROE entities 6 through 10;

EDGEWORTH FAMILY TRUST; and

AMERICAN GRATING, LLC,

VS.

VS.

Defendants.

EDGEWORTH FAMILY TRUST; and AMERICAN GRATING, LLC,

Plaintiffs,

DANIEL S. SIMON; THE LAW OFFICE OF DANIEL S. SIMON, a Professional Corporation d/b/a SIMON LAW; DOES 1 through 10; and, ROE entities 1 through 10;

Defendants.

CASE NO.: A-18-767242-C

DEPT NO.: X

Consolidated with

CASE NO.: A-16-738444-C

DEPT NO.: X

FIFTH AMENDED DECISION AND ORDER ON MOTION TO ADJUDICATE LIEN

FIFTH AMENDED DECISION AND ORDER ON MOTION TO ADJUDICATE LIEN

This case came on for an evidentiary hearing August 27-30, 2018 and concluded on September 18, 2018, in the Eighth Judicial District Court, Clark County, Nevada, the Honorable Tierra Jones presiding. Defendants and movant, Daniel Simon and Law Office of Daniel S. Simon d/b/a Simon Law ("Defendants" or "Law Office" or "Simon" or "Mr. Simon") having appeared in

Case Number: A-16-738444-C

person and by and through their attorneys of record, Peter S. Christiansen, Esq. and James Christensen, Esq. and Plaintiff Edgeworth Family Trust and American Grating, ("Plaintiff" or "Edgeworths") having appeared through Brian and Angela Edgeworth, and by and through their attorneys of record, the law firm of Vannah and Vannah, Chtd. Robert Vannah, Esq. and John Greene, Esq. The Court having considered the evidence, arguments of counsel and being fully advised of the matters herein, the **COURT FINDS**:

FINDINGS OF FACT

- 1. The Court finds that the Law Office of Daniel S. Simon represented the Plaintiffs, Edgeworth Family Trust and American Grating in the case entitled Edgeworth Family Trust and American Grating v. Viking, et al., case number A-16-738444-C. The representation commenced on May 27, 2016 when Brian Edgeworth and Daniel Simon Esq. met at Starbucks. This representation originally began as a favor between friends and there was no discussion of fees, at this point. Mr. Simon and his wife were close family friends with Brian and Angela Edgeworth.
 - 2. The case involved a complex products liability issue.
- 3. On April 10, 2016, a house the Edgeworths were building as a speculation home suffered a flood. The house was still under construction and the flood caused a delay. The Edgeworths did not carry loss insurance if a flood occurred and the plumbing company and manufacturer refused to pay for the property damage. A fire sprinkler installed by the plumber, and within the plumber's scope of work, caused the flood; however, the plumber asserted the fire sprinkler was defective and refused to repair or to pay for repairs. The manufacturer of the sprinkler, Viking, et al., also denied any wrongdoing.
- 4. In May of 2016, Mr. Simon agreed to help his friend with the flood claim and to send a few letters. The parties initially hoped that Simon drafting a few letters to the responsible parties could resolve the matter. Simon wrote the letters to the responsible parties, but the matter did not resolve. Since the matter was not resolved, a lawsuit had to be filed.
 - 5. On June 14, 2016, a complaint was filed in the case of Edgeworth Family Trust; and

American Grating LLC vs. Lange Plumbing, LLC; the Viking Corporation; Supply Network Inc., dba Viking Supplynet, in case number A-18-738444-C. The cost of repairs was approximately \$500,000. One of the elements of the Edgeworth's damages against Lange Plumbing LLC ("Lange") in the litigation was for reimbursement of the fees and costs that were paid by the Edgeworths.

6. On August 9, 2017, Mr. Simon and Brian Edgeworth traveled to San Diego to meet with an expert. As they were in the airport waiting for a return flight, they discussed the case, and had some discussion about payments and financials. No express fee agreement was reached during the meeting. On August 22, 2017, Brian Edgeworth sent an email to Simon entitled "Contingency." It reads as follows:

We never really had a structured discussion about how this might be done. I am more than happy to keep paying hourly but if we are going for punitive we should probably explore a hybrid of hourly on the claim and then some other structure that incents both of us to win an go after the appeal that these

scumbags will file etc.

Obviously that could not have been done earlier since who would have thought this case would meet the hurdle of punitive at the start.

I could also swing hourly for the whole case (unless I am off what this is going to cost). I would likely borrow another \$450K from Margaret in 250 and 200 increments and then either I could use one of the house sales for cash or if things get really bad, I still have a couple million in bitcoin I could sell. I doubt we will get Kinsale to settle for enough to really finance this since I would have to pay the first \$750,000 or so back to Colin and Margaret and why would Kinsale settle for \$1MM when their exposure is only \$1MM?

(Def. Exhibit 27).

- 7. During the litigation, Simon sent four (4) invoices to the Edgeworths. The first invoice was sent on December 2, 2016, seven (7) months after the original meeting at Starbucks. This invoice indicated that it was for attorney's fees and costs through November 11, 2016. (Def. Exhibit 8). The total of this invoice was \$42,564.95 and was billed at a "reduced" rate of \$550 per hour. Id. The invoice was paid by the Edgeworths on December 16, 2016.
- 8. On April 7, 2017 a second invoice was sent to the Edgeworths for attorney's fees and costs through April 4, 2017 for a total of \$46,620.69, and was billed at a "reduced" rate of \$550 per

hour. (Def. Exhibit 9). This invoice was paid by the Edgeworths on May 3, 2017. There was no indication on the first two invoices if the services were those of Mr. Simon or his associates; but the bills indicated an hourly rate of \$550.00 per hour.

- 9. A third invoice was sent to the Edgeworths on July 28, 2017 for attorney's fees and costs through July 28, 2017 totaling of \$142,080.20. (Def. Exhibit 10). This bill identified services of Daniel Simon Esq. for a "reduced" rate of \$550 per hour totaling \$104,021.20; and services of Ashley Ferrel Esq. for a "reduced" rate of \$275 per hour totaling \$37,959.00. <u>Id</u>. This invoice was paid by the Edgeworths on August 16, 2017.
- 10. The fourth invoice was sent to the Edgeworths on September 19, 2017 in an amount of \$255,186.25 for attorney's fees and costs; with \$191,317.50 being calculated at a "reduced" rate of \$550 per hour for Daniel Simon Esq., \$60,981.25 being calculated at a "reduced" rate of \$275 per hour for Ashley Ferrel Esq., and \$2,887.50 being calculated at a "reduced" rate of \$275 per hour for Benjamin Miller Esq. (Def. Exhibit 11). This invoice was paid by the Edgeworths on September 25, 2017.
- 11. The amount of attorney's fees in the four (4) invoices was \$367,606.25, and \$118,846.84 in costs; for a total of \$486,453.09. These monies were paid to Daniel Simon Esq. and never returned to the Edgeworths. The Edgeworths secured very high interest loans to pay fees and costs to Simon. They made Simon aware of this fact.
- 12. Between June 2016 and December 2017, there was a tremendous amount of work done in the litigation of this case. There were several motions and oppositions filed, several depositions taken, and several hearings held in the case.
- 13. On the evening of November 15, 2017, the Edgeworth's received the first settlement offer for their claims against the Viking Corporation ("Viking"). However, the claims were not settled until on or about December 1, 2017.
 - 14. Also on November 15, 2017, Brian Edgeworth sent an email to Simon asking for the

¹ \$265,677.50 in attorney's fees for the services of Daniel Simon; \$99,041.25 for the services of Ashley Ferrel; and \$2,887.50 for the services of Benjamin Miller.

open invoice. The email stated: "I know I have an open invoice that you were going to give me at mediation a couple weeks ago and then did not leave with me. Could someone in your office send Peter (copied here) any invoices that are unpaid please?" (Def. Exhibit 38).

- 15. On November 17, 2017, Simon scheduled an appointment for the Edgeworths to come to his office to discuss the litigation.
- 16. On November 27, 2017, Simon sent a letter with an attached retainer agreement, stating that the fee for legal services would be \$1,500,000 for services rendered to date. (Plaintiff's Exhibit 4).
- 17. On November 29, 2017, the Edgeworths met with the Law Office of Vannah & Vannah and signed a retainer agreement. (Def. Exhibit 90). On this date, they ceased all communications with Mr. Simon.
- 18. On the morning of November 30, 2017, Simon received a letter advising him that the Edgeworths had retained the Vannah Law Firm to assist in the litigation with the Viking entities, et.al. The letter read as follows:

"Please let this letter serve to advise you that I've retained Robert D. Vannah, Esq. and John B. Greene, Esq., of Vannah & Vannah to assist in the litigation with the Viking entities, et.al. I'm instructing you to cooperate with them in every regard concerning the litigation and any settlement. I'm also instructing you to give them complete access to the file and allow them to review whatever documents they request to review. Finally, I direct you to allow them to participate without limitation in any proceeding concerning our case, whether it be at depositions, court hearings, discussions, etc."

(Def. Exhibit 43).

- 19. On the same morning, Simon received, through the Vannah Law Firm, the Edgeworth's consent to settle their claims against Lange Plumbing LLC for \$25,000.
- 20. Also on this date, the Law Office of Danny Simon filed an attorney's lien for the reasonable value of its services pursuant to NRS 18.015. (Def. Exhibit 3). On January 2, 2018, the Law Office filed an amended attorney's lien for the sum of \$2,345,450, less payments made in the sum of \$367,606.25, for a net lien in the sum of \$1,977,843.80. This lien includes court costs and

out-of-pocket costs advanced by the Law Office of Daniel S. Simon in the sum of \$76,535.93.

- 21. Mr. Edgeworth alleges that the fee agreement with Simon was only for an hourly express agreement of \$550 an hour; and that the agreement for \$550 an hour was made at the outset of the case. Mr. Simon alleges that he worked on the case always believing he would receive the reasonable value of his services when the case concluded. There is a dispute over the reasonable fee due to the Law Office of Danny Simon.
 - 22. The parties agree that an express written contract was never formed.
- 23. On December 7, 2017, the Edgeworths signed Consent to Settle their claims against Lange Plumbing LLC for \$100,000.
- 24. On January 4, 2018, the Edgeworth Family Trust filed a lawsuit against Simon in Edgeworth Family Trust; American Grating LLC vs. Daniel S. Simon, the Law Office of Daniel S. Simon, a Professional Corporation, case number A-18-767242-C.
- 25. On January 24, 2018, the Law Office of Danny Simon filed a Motion to Adjudicate Lien with an attached invoice for legal services rendered. The amount of the invoice was \$692,120.00. The Court set an evidentiary hearing to adjudicate the lien.
- 26. On November 19, 2018, the Court entered a Decision and Order on Motion to Adjudicate Lien.
 - 27. On December 7, 2018, the Edgeworths filed a Notice of Appeal.
- 28. On February 8, 2019, the Court entered a Decision and Order Granting in Part and Denying in Part, Simon's Motion for Attorney's Fees and Costs.
- 29. On February 15, 2019, the Edgeworths filed a second Notice of Appeal and Simon filed a cross appeal, and Simon filed a writ petition on October 17, 2019.
- 30. On December 30, 2020, the Supreme Court issued an order affirming this Court's findings in most respects.
 - 31. On January 15, 2021, the Edgeworths filed a Petition for Rehearing.
- 32. On March 16, 2021, this Court issued a Second Amended Decision and Order on Motion to Adjudicate Lien.

- 33. On March 18, 2021, the Nevada Supreme Court denied the Motion for Rehearing.
- 34. On March 30, 2021, the Edgeworths filed a Motion for Reconsideration Regarding Court's Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs and Second Amended Decision and order on Motion to Adjudicate Lien.
- 35. On April 13, 2021, the Nevada Supreme Court issued a Remittitur ordering that the judgment of the district court was AFFIRMED in part and VACATED in part AND REMANDING the matter for proceedings consistent with the order.
- 36. Also on April 13, 2021, Daniel Simon filed an Opposition to Motion to Reconsider and Request for Sanctions; Countermotion to Adjudicate Lien on Remand.
- 37. On April 15, 2021, the Court issued a Minute Order denying the Defendant's Motion for Reconsideration Regarding Court's Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs and Second Amended Decision and Order on Motion to Adjudicate Lien. The Court also denied the Request for Sanctions. The Court granted the Countermotion to Adjudicate Lien on Remand.
- 38. On April 28, 2021, the Court filed a Third Amended Decision and Order on Motion to Adjudicate Lien, in accordance with the Supreme Court's Remand Order from April 13, 2021 and in response to the Court's order of April 15, 2021,
- 39. On May 3, 2021, the Edgeworths filed a Renewed Motion for Reconsideration of Third-Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs; and Motion for Reconsideration of Third Amended Decision and Order on Motion to Adjudicate Lien.
- 40. On May 13, 2021, the Edgeworths filed a Motion for Order Releasing Client funds and Requiring Production of Complete Client File.
- 41. Also on May 13, 2021, Daniel Simon filed an Opposition to the Second Motion to Reconsider; Countermotion to Adjudicate Lien on Remand.
- 42. On May 20, 2021, Daniel Simon filed an Opposition to Edgeworth's Motion for Order Releasing Client Funds and Requiring Production of File.

- 43. Also on May 20, 2021, the Edgeworths filed a Reply ISO Plaintiff's Renewed Motion for Reconsideration of Amended Decision and Order Granting in Part Simon's Motion for Attorney's Fees and Costs, and Motion for Reconsideration of Third Amended Decision and Order on Motion to Adjudicate Lien.
- 44. On May 21, 2021, the Edgeworths filed a Reply in Support of Motion for Order Releasing Client Funds and Requiring the Production of Complete Client File.
- 45. On May 24, 2021, the Court issued a Second Amended Decision and Order Granting in Part and Denying in Part, Simon's Motion for Attorney's Fees and Costs.
- 46. On May 27, 2021, the Court held a hearing on the Motion to Reconsider and Countermotion to Adjudicate Lien on Remand.
- 47. Following the hearing, on June 3, 2021, the Court issued a minute order denying Plaintiff's Motion for Reconsideration of Third Amended Decision and Order on Motion to Adjudicate Lien. The Court granted in part, and denied in part, Plaintiff's Renewed Motion for Reconsideration of Third Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs. The court also denied the Edgeworth's Motion for Order Releasing Client Funds and Requiring Production of Complete File.
- 48. On June 17, 2021, the Court issued a Decision and Order Denying Plaintiff's Renewed Motion for Reconsideration of Third-Amended Decision and Order on Motion to Adjudicate Lien and Denying Simon's Countermotion to Adjudicate Lien on Remand.
- 49. On July 1, 2021, the Edgeworths filed a Motion for Reconsideration of Order on Motion for Order Releasing Client Funds and Requiring the Production of Complete File and Motion to Stay Execution of Judgments Pending Appeal.
 - 50. On July 15, 2021, Daniel Simon filed an Opposition to Third Motion to Reconsider.
- 51. On July 17, 2021, the Edgeworths filed a Reply in Support of Edgeworth's Motion for Reconsideration of Order on Motion for Order Releasing Client Funds and Requiring the Production of Complete Client File and Motion to Stay Execution of Judgments Pending Appeal.
 - 52. On July 29, 2021, the Court issued a minute order denying Edgeworth's Motion for

Reconsideration of Order on Motion for Order Releasing Client Funds and Requiring Production of Complete Client File and Motion to Stay Execution.

- 53. On September 16, 2022, the Supreme Court Issued an Order Vacating Judgment and Remanding the case to this Court for proceedings consistent with the order.
- 54. On September 27, 2022, the Court issued its Fourth Amended Decision and Order on Motion to Adjudicate Lien.
- 55. On October 16, 2022, the Edgeworths filed a Verified Application to Retax Costs on Appeal and a Motion to Exonerate Cost Bond.
 - 56. On October 10, 2022, Daniel Simon filed a Motion to Retax Costs.
- 57. On October 18, 2022, Daniel Simon filed a Notice of Non Opposition to the Edgeworth's Motion to Exonerate Cost Bond.
- 58. On October 19, 2022, Daniel Simon filed an Opposition to Edgeworth's Verified Application to Tax Costs on Appeal.
- 59. On October 28, 2022, the Edgeworths filed an Opposition to Simon's Motion to Retax Costs on Appeal.
- 60. On October 31, 2022, the Nevada Supreme Court issued an Order Denyingthe Edgeworth's request for Rehearing.
 - 61. On November 1, 2022, Daniel Simon filed a Reply to the Motion to Retax Costs.
- 62. On November 4, 2022, the Edgeworths filed a Motion for Order to Show Cause Why Daniel Simon and the Law Firm of Daniel S. Simon Should Not Be Held in Contempt and Ex Parte Application to Consider Same on OST.
- 63. On November 8, 2022, the Court held a hearing on Daniel Simon's Motion to Retax and the matter was taken under advisement.
- 64. On November 14, 2022, Daniel Simon filed an Opposition to Edgeworth's Motion for Order to Show Cause on OST.
- 65. Also on November 14, 2022, the Edgeworth's filed a Reply ISO Motion for Order to Show Cause Why Daniel Simon and the Law Firm of Daniel S. Simon Should Not Be Held In

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Contempt.

- On November 16, 2022, the Nevada Supreme Court filed an Order Denying Daniel 66. Simon's Petition for Writ of Prohibition or Mandamus.
- 67. On November 28, 2022 the Nevada Supreme Court issued a Remittitur regarding its ruling from September 16, 2022.
- 68. On November 29, 2022, the Court issued a minute order denying in part and granting in part, the Edgeworth's Verified Application to Tax Costs on Appeal and Simon's Motion to Retax Costs. The Court also granted the Edgeworth's Motion to Exonerate Cost Bond and denied the Edgeworth's Motion for Order to Show Cause Why Daniel Simon and the Law Firm of Daniel S. Simon Should Not Be Held in Contempt.
- 69. On December 20, 2022, the Nevada Supreme Court issued an Order Denying Daniel Simon's request for Rehearing and the Remittitur issued on January 17, 2023.
- 70. On February 9, 2023, Daniel Simon filed a Motion for Adjudication Following Remand.
- 71. On February 23, 2023, the Edgeworths filed a Response to Motion for Adjudication Following Remand.
- 72. On March 14, 2023, Daniel Simon filed a Reply in Support of Motion for Adjudication Following Remand.
- On March 21, 2023, the Court held a hearing on the Motion for Adjudication 73. Following Remand.
- 74. The Court finds that this Court lacked jurisdiction to issue the Fourth Amended Decision and Order on Motion to Adjudicate Lien on September 27, 2022 as the Supreme Court Remittitur had not issued.
- As such, the Motion for Adjudication Following Remand is GRANTED IN PART, as 75. the Court finds that there was ample foundation for the quantum meruit award of \$200,000.00. As such, this Order follows:

CONCLUSION OF LAW

The Law Office Appropriately Asserted A Charging Lien Which Must Be Adjudicated By The

Court

An attorney may obtain payment for work on a case by use of an attorney lien. Here, the Law Office of Daniel Simon may use a charging lien to obtain payment for work on case A-16-738444-C under NRS 18.015.

NRS 18.015(1)(a) states:

- 1. An attorney at law shall have a lien:
- (a) Upon any claim, demand or cause of action, including any claim for unliquidated damages, which has been placed in the attorney's hands by a client for suit or collection, or upon which a suit or other action has been instituted.

Nev. Rev. Stat. 18.015.

The Court finds that the lien filed by the Law Office of Daniel Simon, in case A-16-738444-C, complies with NRS 18.015(1)(a). The Law Office perfected the charging lien pursuant to NRS 18.015(3), by serving the Edgeworths as set forth in the statute. The Law Office charging lien was perfected before settlement funds generated from A-16-738444-C of \$6,100,000.00 were deposited, thus the charging lien attached to the settlement funds. Nev. Rev. Stat. 18.015(4)(a); Golightly & Vannah, PLLC v. TJ Allen LLC, 373 P.3d 103, at 105 (Nev. 2016). The Law Office's charging lien is enforceable in form.

The Court has personal jurisdiction over the Law Office and the Plaintiffs in A-16-738444-C. Argentina Consolidated Mining Co., v. Jolley, Urga, Wirth, Woodbury & Standish, 216 P.3d 779 at 782-83 (Nev. 2009). The Court has subject matter jurisdiction over adjudication of the Law Office's charging lien. Argentina, 216 P.3d at 783. The Law Office filed a motion requesting adjudication under NRS 18.015, thus the Court must adjudicate the lien.

Fee Agreement

It is undisputed that no express written fee agreement was formed. The Court finds that there

was no express oral fee agreement formed between the parties. An express oral agreement is formed when all important terms are agreed upon. See, Loma Linda University v. Eckenweiler, 469 P.2d 54 (Nev. 1970) (no oral contract was formed, despite negotiation, when important terms were not agreed upon and when the parties contemplated a written agreement). The Court finds that the payment terms are essential to the formation of an express oral contract to provide legal services on an hourly basis.

Here, the testimony from the evidentiary hearing does not indicate, with any degree of certainty, that there was an express oral fee agreement formed on or about June of 2016. Despite Brian Edgeworth's affidavits and testimony; the emails between himself and Danny Simon, regarding punitive damages and a possible contingency fee, indicate that no express oral fee agreement was formed at the meeting on June 10, 2016. Specifically in Brian Edgeworth's August 22, 2017 email, titled "Contingency," he writes:

"We never really had a structured discussion about how this might be done. I am more than happy to keep paying hourly but if we are going for punitive we should probably explore a hybrid of hourly on the claim and then some other structure that incents both of us to win an go after the appeal that these scumbags will file etc. Obviously that could not have been done earlier since who would have thought this case would meet the hurdle of punitive at the start. I could also swing hourly for the whole case (unless I am off what this is going to cost). I would likely borrow another \$450K from Margaret in 250 and 200 increments and then either I could use one of the house sales for cash or if things get really bad, I still have a couple million in bitcoin I could sell. I doubt we will get Kinsale to settle for enough to really finance this since I would have to pay the first \$750,000 or so back to Colin and Margaret and why would Kinsale settle for \$1MM when their exposure is only \$1MM?"

(Def. Exhibit 27).

It is undisputed that when the flood issue arose, all parties were under the impression that Simon would be helping out the Edgeworths, as a favor.

The Court finds that an implied fee agreement was formed between the parties on December 2, 2016, when Simon sent the first invoice to the Edgeworths, billing his services at \$550 per hour,

and the Edgeworths paid the invoice. On July 28, 2017 an addition to the implied contract was created with a fee of \$275 per hour for Simon's associates. Simon testified that he never told the Edgeworths not to pay the bills, though he testified that from the outset he only wanted to "trigger coverage". When Simon repeatedly billed the Edgeworths at \$550 per hour for his services, and \$275 an hour for the services of his associates; and the Edgeworths paid those invoices, an implied fee agreement was formed between the parties. The implied fee agreement was for \$550 per hour for the services of Daniel Simon Esq. and \$275 per hour for the services of his associates.

Constructive Discharge

Constructive discharge of an attorney may occur under several circumstances, such as:

- Refusal to communicate with an attorney creates constructive discharge. <u>Rosenberg v. Calderon Automation</u>, 1986 Ohio App. LEXIS 5460 (Jan. 31, 1986).
- Refusal to pay an attorney creates constructive discharge. *See e.g.*, Christian v. All Persons Claiming Any Right, 962 F. Supp. 676 (U.S. Dist. V.I. 1997).
- Suing an attorney creates constructive discharge. See <u>Tao v. Probate Court for the Northeast Dist</u>. #26, 2015 Conn. Super. LEXIS 3146, *13-14, (Dec. 14, 2015). See also <u>Maples v. Thomas</u>, 565 U.S. 266 (2012); Harris v. State, 2017 Nev. LEXIS 111; and <u>Guerrero v. State</u>, 2017 Nev. Unpubl. LEXIS 472.
- Taking actions that preventing effective representation creates constructive discharge. McNair v. Commonwealth, 37 Va. App. 687, 697-98 (Va. 2002).

Here, the Court finds that the Edgeworths constructively discharged Simon as their lawyer on November 29, 2017. The Edgeworths assert that because Simon has not been expressly terminated, has not withdrawn, and is still technically their attorney of record; there cannot be a termination. The Court disagrees.

On November 29, 2017, the Edgeworths met with the Law Firm of Vannah and Vannah and signed a retainer agreement. The retainer agreement was for representation on the Viking settlement agreement and the Lange claims. (Def. Exhibit 90). This is the exact litigation that Simon was representing the Edgeworths on. This fee agreement also allowed Vannah and Vannah to do all things without a compromise. <u>Id</u>. The retainer agreement specifically states:

Client retains Attorneys to represent him as his Attorneys regarding Edgeworth Family Trust and AMERICAN GRATING V. ALL VIKING ENTITIES and all damages including, but not limited to, all claims in this matter and empowers them to do all things to effect a compromise in said matter, or to institute such legal action as may be advisable in their judgment, and agrees to pay them for their services, on the following conditions:

- a) ...
- b) ...
- c) Client agrees that his attorneys will work to consummate a settlement of \$6,000,000 from the Viking entities and any settlement amount agreed to be paid by the Lange entity. Client also agrees that attorneys will work to reach an agreement amongst the parties to resolve all claims in the Lange and Viking litigation.

<u>Id</u>.

This agreement was in place at the time of the settlement of the Viking and Lange claims. Mr. Simon had already begun negotiating the terms of the settlement agreement with Viking during the week of November 27, 2017 prior to Mr. Vannah's involvement. These negotiated terms were put into a final release signed by the Edgeworths and Mr. Vannah's office on December 1, 2017. (Def. Exhibit 5). Mr. Simon's name is not contained in the release; Mr. Vannah's firm is expressly identified as the firm that solely advised the clients about the settlement. The actual language in the settlement agreement, for the Viking claims, states:

PLAINTIFFS represent that their independent counsel, Robert Vannah, Esq. and John Greene, Esq., of the law firm Vannah & Vannah has explained the effect of this AGREEMENT and their release of any and all claims, known or unknown and, based upon that explanation and their independent judgment by the reading of this Agreement, PLAINTIFFS understand and acknowledge the legal significance and the consequences of the claims being released by this Agreement. PLAINTIFFS further represent that they understand and acknowledge the legal significance and consequences of a release of unknown claims against the SETTLING PARTIES set forth in, or arising from, the INCIDENT and hereby assume full responsibility for any injuries, damages, losses or liabilities that hereafter may occur with respect to the matters released by this Agreement.

Id.

Also, Simon was not present for the signing of these settlement documents and never explained any

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27 28 of the terms to the Edgeworths. He sent the settlement documents to the Law Office of Vannah and Vannah and received them back with the signatures of the Edgeworths.

Further, the Edgeworths did not personally speak with Simon after November 25, 2017. Though there were email communications between the Edgeworths and Simon, they did not verbally speak to him and were not seeking legal advice from him. In an email dated December 5, 2017, Simon is requesting Brian Edgeworth return a call to him about the case, and Brian Edgeworth responds to the email saying, "please give John Greene at Vannah and Vannah a call if you need anything done on the case. I am sure they can handle it." (Def. Exhibit 80). At this time, the claim against Lange Plumbing had not been settled. The evidence indicates that Simon was actively working on this claim, but he had no communication with the Edgeworths and was not advising them on the claim against Lange Plumbing. Specifically, Brian Edgeworth testified that Robert Vannah Esq. told them what Simon said about the Lange claims and it was established that the Law Firm of Vannah and Vannah provided advice to the Edgeworths regarding the Lange claim. Simon and the Law Firm of Vannah and Vannah gave different advice on the Lange claim, and the Edgeworths followed the advice of the Law Firm of Vannah and Vannah to settle the Lange claim. The Law Firm of Vannah and Vannah drafted the consent to settle for the claims against Lange Plumbing (Def. Exhibit 47). This consent to settle was inconsistent with the advice of Simon. Mr. Simon never signed off on any of the releases for the Lange settlement.

Further demonstrating a constructive discharge of Simon is the email from Robert Vannah Esq. to James Christensen Esq. dated December 26, 2017, which states: "They have lost all faith and trust in Mr. Simon. Therefore, they will not sign the checks to be deposited into his trust account. Quite frankly, they are fearful that he will steal the money." (Def. Exhibit 48). Then on January 4, 2018, the Edgeworth's filed a lawsuit against Simon in Edgeworth Family Trust; American Grating, LLC vs. Daniel S. Simon; the Law Office of Daniel S. Simon, a Professional Corporation d/b/a Simon Law, case number A-18-767242-C. Then, on January 9, 2018, Robert Vannah Esq. sent an email to James Christensen Esq. stating, "I guess he could move to withdraw. However, that doesn't seem in his best interests." (Def. Exhibit 53).

The Court recognizes that Simon still has not withdrawn as counsel of record on A-16-738444-C, the Law Firm of Vannah and Vannah has never substituted in as counsel of record, the Edgeworths have never explicitly told Simon that he was fired, Simon sent the November 27, 2018 letter indicating that the Edgeworth's could consult with other attorneys on the fee agreement (that was attached to the letter), and that Simon continued to work on the case after the November 29, 2017 date. The court further recognizes that it is always a client's decision of whether or not to accept a settlement offer. However the issue is constructive discharge and nothing about the fact that Mr. Simon has never officially withdrawn from the case indicates that he was not constructively discharged. His November 27, 2017 letter invited the Edgeworth's to consult with other attorneys on the fee agreement, not the claims against Viking or Lange. His clients were not communicating with him, making it impossible to advise them on pending legal issues, such as the settlements with Lange and Viking. It is clear that there was a breakdown in attorney-client relationship preventing Simon from effectively representing the clients. The Court finds that Danny Simon was constructively discharged by the Edgeworths on November 29, 2017.

Adjudication of the Lien and Determination of the Law Office Fee

NRS 18.015 states:

- 1. An attorney at law shall have a lien:
 - (a) Upon any claim, demand or cause of action, including any claim for unliquidated damages, which has been placed in the attorney's hands by a client for suit or collection, or upon which a suit or other action has been instituted.
 - (b) In any civil action, upon any file or other property properly left in the possession of the attorney by a client.
 - 2. A lien pursuant to subsection 1 is for the amount of any fee which has been agreed upon by the attorney and client. In the absence of an agreement, the lien is for a reasonable fee for the services which the attorney has rendered for the client.
 - 3. An attorney perfects a lien described in subsection 1 by serving notice in writing, in person or by certified mail, return receipt requested, upon his or her client and, if applicable, upon the party against whom the client has a cause of action, claiming the lien and stating the amount of the lien.
 - 4. A lien pursuant to:

- (a) Paragraph (a) of subsection 1 attaches to any verdict, judgment or decree entered and to any money or property which is recovered on account of the suit or other action; and
- (b) Paragraph (b) of subsection 1 attaches to any file or other property properly left in the possession of the attorney by his or her client, including, without limitation, copies of the attorney's file if the original documents received from the client have been returned to the client, and authorizes the attorney to retain any such file or property until such time as an adjudication is made pursuant to subsection 6, from the time of service of the notices required by this section.
- 5. A lien pursuant to paragraph (b) of subsection 1 must not be construed as inconsistent with the attorney's professional responsibilities to the client.
- 6. On motion filed by an attorney having a lien under this section, the attorney's client or any party who has been served with notice of the lien, the court shall, after 5 days' notice to all interested parties, adjudicate the rights of the attorney, client or other parties and enforce the lien.
- 7. Collection of attorney's fees by a lien under this section may be utilized with, after or independently of any other method of collection.

Nev. Rev. Stat. 18.015.

NRS 18.015(2) matches Nevada contract law. If there is an express contract, then the contract terms are applied. Here, there was no express contract for the fee amount, however there was an implied contract when Simon began to bill the Edgeworths for fees in the amount of \$550 per hour for his services, and \$275 per hour for the services of his associates. This contract was in effect until November 29, 2017, when he was constructively discharged from representing the Edgeworths. After he was constructively discharged, under NRS 18.015(2) and Nevada contract law, Simon is due a reasonable fee- that is, quantum meruit.

Implied Contract

On December 2, 2016, an implied contract for fees was created. The implied fee was \$550 an hour for the services of Mr. Simon. On July 28, 2017 an addition to the implied contract was created with a fee of \$275 per hour for the services of Simon's associates. This implied contract was created when invoices were sent to the Edgeworths, and they paid the invoices.

The invoices that were sent to the Edgeworths indicate that they were for costs and attorney's

fees, and these invoices were paid by the Edgeworths. Though the invoice says that the fees were reduced, there is no evidence that establishes that there was any discussion with the Edgeworths as to how much of a reduction was being taken, and that the invoices did not need to be paid. There is no indication that the Edgeworths knew about the amount of the reduction and acknowledged that the full amount would be due at a later date. Simon testified that Brian Edgeworth chose to pay the bills to give credibility to his actual damages, above his property damage loss. However, as the lawyer/counselor, Simon did not prevent Brian Edgeworth from paying the bill or in any way refund the money, or memorialize this or any understanding in writing.

Simon produced evidence of the claims for damages for his fees and costs pursuant to NRCP 16.1 disclosures and computation of damages; and these amounts include the four invoices that were paid in full and there was never any indication given that anything less than all the fees had been produced. During the deposition of Brian Edgeworth it was suggested, by Simon, that all of the fees had been disclosed. Further, Simon argues that the delay in the billing coincides with the timing of the NRCP 16.1 disclosures, however the billing does not distinguish or in any way indicate that the sole purpose was for the Lange Plumbing LLC claim. Since there is no contract, the Court must look to the actions of the parties to demonstrate the parties' understanding. Here, the actions of the parties are that Simon sent invoices to the Edgeworths, they paid the invoices, and Simon Law Office retained the payments, indicating an implied contract was formed between the parties. The Court find that the Law Office of Daniel Simon should be paid under the implied contract until the date they were constructively discharged, November 29, 2017.

Amount of Fees Owed Under Implied Contract

The Edgeworths were billed, and paid for services through September 19, 2017. There is some testimony that an invoice was requested for services after that date, but there is no evidence that any invoice was paid by the Edgeworths. Since the Court has found that an implied contract for fees was formed, the Court must now determine what amount of fees and costs are owed from September 19, 2017 to the constructive discharge date of November 29, 2017. In doing so, the

Court must consider the testimony from the witnesses at the evidentiary hearing, the submitted billings, the attached lien, and all other evidence provided regarding the services provided during this time.

At the evidentiary hearing, Ashley Ferrel Esq. testified that some of the items in the billing that was prepared with the lien "super bill," are not necessarily accurate as the Law Office went back and attempted to create a bill for work that had been done over a year before. She testified that they added in .3 hours for each Wiznet filing that was reviewed and emailed and .15 hours for every email that was read and responded to. She testified that the dates were not exact, they just used the dates for which the documents were filed, and not necessarily the dates in which the work was performed. Further, there are billed items included in the "super bill" that was not previously billed to the Edgeworths, though the items are alleged to have occurred prior to or during the invoice billing period previously submitted to the Edgeworths. The testimony at the evidentiary hearing indicated that there were no phone calls included in the billings that were submitted to the Edgeworths.

This attempt to recreate billing and supplement/increase previously billed work makes it unclear to the Court as to the accuracy of this "recreated" billing, since so much time had elapsed between the actual work and the billing. The court reviewed the billings of the "super bill" in comparison to the previous bills and determined that it was necessary to discount the items that had not been previously billed for; such as text messages, reviews with the court reporter, and reviewing, downloading, and saving documents because the Court is uncertain of the accuracy of the "super bill."

Simon argues that he has no billing software in his office and that he has never billed a client on an hourly basis, but his actions in this case are contrary. Also, Simon argues that the Edgeworths, in this case, were billed hourly because the Lange contract had a provision for attorney's fees; however, as the Court previously found, when the Edgeworths paid the invoices it was not made clear to them that the billings were only for the Lange contract and that they did not need to be paid. Also, there was no indication on the invoices that the work was only for the Lange claims, and not

the Viking claims. Ms. Ferrel testified that the billings were only for substantial items, without emails or calls, understanding that those items may be billed separately; but again the evidence does not demonstrate that this information was relayed to the Edgeworths as the bills were being paid. This argument does not persuade the court of the accuracy of the "super bill".

The amount of attorney's fees and costs for the period beginning in June of 2016 to December 2, 2016 is \$42,564.95. This amount is based upon the invoice from December 2, 2016 which appears to indicate that it began with the initial meeting with the client, leading the court to determine that this is the beginning of the relationship. This invoice also states it is for attorney's fees and costs through November 11, 2016, but the last hourly charge is December 2, 2016. This amount has already been paid by the Edgeworths on December 16, 2016.

The amount of the attorney's fees and costs for the period beginning on December 5, 2016 to April 4, 2017 is \$46,620.69. This amount is based upon the invoice from April 7, 2017. This amount has already been paid by the Edgeworths on May 3, 2017.

The amount of attorney's fees for the period of April 5, 2017 to July 28, 2017, for the services of Daniel Simon Esq. is \$72,077.50. The amount of attorney's fees for this period for Ashley Ferrel Esq. is \$38,060.00. The amount of costs outstanding for this period is \$31,943.70. This amount totals \$142,081.20 and is based upon the invoice from July 28, 2017. This amount has been paid by the Edgeworths on August 16, 2017.³

The amount of attorney's fees for the period of July 31, 2017 to September 19, 2017, for the services of Daniel Simon Esq. is \$119,762.50. The amount of attorney's fees for this period for Ashley Ferrel Esq. is \$60,981.25. The amount of attorney's fees for this period for Benjamin Miller Esq. is \$2,887.50. The amount of costs outstanding for this period is \$71,555.00. This amount totals \$255,186.25 and is based upon the invoice from September 19, 2017. This amount has been paid by the Edgeworths on September 25, 2017.

27 There are no billing amounts from December 2 to December 4, 2016.

³ There are no billings from July 28 to July 30, 2017.

From September 19, 2017 to November 29, 2017, the Court must determine the amount of attorney fees owed to the Law Office of Daniel Simon.⁴ For the services of Daniel Simon Esq., the total amount of hours billed are 340.05. At a rate of \$550 per hour, the total attorney's fees owed to the Law Office for the work of Daniel Simon Esq. is \$187,027.50. For the services of Ashley Ferrel Esq., the total amount of hours billed are 337.15. At a rate of \$275 per hour, the total attorney's fees owed to the Law Office for the work of Ashley Ferrel Esq. from September 19, 2017 to November 29, 2017 is \$92,716.25.⁵ For the services of Benjamin Miller Esq., the total amount of hours billed are 19.05. At a rate of \$275 per hour, the total attorney's fees owed to the Law Office for the work of Benjamin Miller Esq. from September 19, 2017 to November 29, 2017 is \$5.238.75.⁶

The Court notes that though there was never a fee agreement made with Ashley Ferrel Esq. or Benjamin Miller Esq., however, their fees were included on the last two invoices that were paid by the Edgeworths, so the implied fee agreement applies to their work as well.

The Court finds that the total amount owed to the Law Office of Daniel Simon for the period of September 19, 2018 to November 29, 2017 is \$284,982.50.

Costs Owed

The Court finds that the Law Office of Daniel Simon is not owed any monies for outstanding costs of the litigation in Edgeworth Family Trust; and American Grating, LLC vs. Lange Plumbing, LLC; The Viking Corporation; Supply Network, Inc. dba Viking Supplynet in case number A-16-738444-C. The attorney lien asserted by Simon, in January of 2018, originally sought reimbursement for advances costs of \$71,594.93. The amount sought for advanced costs was later changed to \$68,844.93. In March of 2018, the Edgeworths paid the outstanding advanced costs, so the Court finds that there no outstanding costs remaining owed to the Law Office of Daniel Simon.

There are no billings for October 8th, October 28-29, and November 5th.

There is no billing for the October 7-8, October 22, October 28-29, November 4, November 11-12, November 18-19,

November 21, and November 23-26.

 $^{^{\}rm 6}~$ There is no billing from September 19, 2017 to November 5, 2017.

Quantum Meruit

When a lawyer is discharged by the client, the lawyer is no longer compensated under the discharged/breached/repudiated contract, but is paid based on quantum meruit. See e.g. Golightly v. Gassner, 281 P.3d 1176 (Nev. 2009) (unreported) (discharged contingency attorney paid by quantum meruit rather than by contingency fee pursuant to agreement with client); citing, Gordon v. Stewart, 324 P.3d 234 (1958) (attorney paid in quantum meruit after client breach of agreement); and, Cooke v. Gove, 114 P.2d 87 (Nev. 1941) (fees awarded in quantum meruit when there was no contingency agreement). Here, Simon was constructively discharged by the Edgeworths on November 29, 2017. The constructive discharge terminated the implied contract for fees. William Kemp Esq. testified as an expert witness and stated that if there is no contract, then the proper award is quantum meruit. The Court finds that the Law Office of Daniel Simon is owed attorney's fees under quantum meruit from November 29, 2017, after the constructive discharge, to the conclusion of the Law Office's work on this case.

In determining the amount of fees to be awarded under quantum meruit, the Court has wide discretion on the method of calculation of attorney fee, to be "tempered only by reason and fairness". Albios v. Horizon Communities, Inc., 132 P.3d 1022 (Nev. 2006). The law only requires that the court calculate a reasonable fee. Shuette v. Beazer Homes Holding Corp., 124 P.3d 530 (Nev. 2005). Whatever method of calculation is used by the Court, the amount of the attorney fee must be reasonable under the Brunzell factors. Id. The Court should enter written findings of the reasonableness of the fee under the Brunzell factors. Argentena Consolidated Mining Co., v. Jolley, Urga, Wirth, Woodbury Standish, 216 P.3d 779, at fn2 (Nev. 2009). Brunzell provides that "[w]hile hourly time schedules are helpful in establishing the value of counsel services, other factors may be equally significant. Brunzell v. Golden Gate National Bank, 455 P.2d 31 (Nev. 1969).

The <u>Brunzell</u> factors are: (1) the qualities of the advocate; (2) the character of the work to be done; (3) the work actually performed; and (4) the result obtained. <u>Id</u>. However, in this case the Court notes that the majority of the work in this case was complete before the date of the constructive discharge, and the Court is applying the <u>Brunzell</u> factors for the period commencing

after the constructive discharge.

In considering the Brunzell factors, the Court looks at all of the evidence presented in the case, the testimony at the evidentiary hearing, and the litigation involved in the case. In this case, the evidence presented indicates that, after the constructive discharge, Simon received consent from the Edgeworths, through the Vannah Law Firm, to settle their claims against Lange Plumbing LLC for \$25,000. Simon continued to work with the attorneys for Lange Plumbing LLC to settle the claims for more than \$25,000, and ultimately ended up settling the claims for \$100,000. The record indicates that on December 5, 2017, Simon attempted an email to contact Brian Edgeworth regarding settling of the Lange case, as he was continuing to have discussions with Lange's counsel, regarding settling of the claims. However, Simon was told to contact Vannah's office as the Edgeworths were refusing his attempts to communicate. He then, reached out to Vannah's office and continued to work with Vannah's office to settle the Viking and the Lange claims. On December 7, 2017, Sion sent a letter advising Mr. Vannah regarding the Lange claim. Simon had advised the Edgeworths on settling of the Lange claim, but they ignored his advice and followed the advice of the Vannah & Vannah. Upon settlement of all the claims, the Edgeworths made the unusual request to open a new trust account with Mr. Vannah as the signer to deposit the Viking settlement proceeds. Mr. Simon complied with the request. Further, there were continued representations from the Edgeworths and the Vannah Law Firm that Simon had not been terminated from representation of the Edgeworths, and no motion to withdraw was filed in this case.

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1. Quality of the Advocate

Brunzell expands on the "qualities of the advocate" factor and mentions such items as training, skill and education of the advocate. Mr. Simon has been an active Nevada trial attorney for over two decades. He has several 7-figure trial verdicts and settlements to his credit. Craig Drummond Esq. testified that he considers Mr. Simon a top 1% trial lawyer and he associates Mr. Simon in on cases that are complex and of significant value. Michael Nunez Esq. testified that Mr. Simon's work on this case was extremely impressive. William Kemp Esq. testified that Mr. Simon's

work product and results are exceptional.

2. The Character of the Work to be Done

The character of the work done in this case is complex. This case was a very complex products liability case, from the beginning. After the constructive discharge of Simon, the complications in the case continued. The continued aggressive representation of Mr. Simon, in prosecuting the case was a substantial factor in achieving the exceptional results. Even after the constructive termination, Simon continued to work on the case. At one point, Simon said that he was not going to abandon the case, and he didn't abandon the case. The lack of communication with the Edgeworths made continuation of the case difficult, but Simon continued to work on the case and ended up reaching a resolution beneficial to the Edgeworths.

3. The Work Actually Performed

Mr. Simon was aggressive in litigating this case. Since Mr. Edgeworth is not a lawyer, it is impossible that it was his work alone that led to the settlement of the Viking and Lange claims, for a substantial sum, in the instant case. The Lange claims were settled for four times the original offer, because Simon continued to work on the case. He continued to make efforts to communicate with the Edgeworths and even followed their requests to communicate with Vannah's office. He also agreed to their request of opening a trust account, though in an unusual fashion. All of the work by the Law Office of Daniel Simon led to the ultimate result in this case, and a substantial result for the Edgeworths.

4. The Result Obtained

The result was impressive. This began as a \$500,000 insurance claim and ended up settling for over \$6,000,000. Mr. Simon was also able to recover an additional \$100,000 from Lange Plumbing LLC. Mr. Vannah indicated to Simon that the Edgeworths were ready so sign and settle the Lange Claim for \$25,000 but Simon kept working on the case and making changes to the

settlement agreement. This ultimately led to a larger settlement for the Edgeworths. Recognition is due to Mr. Simon for placing the Edgeworths in a great position to recover a greater amount from Lange. Mr. Kemp testified that this was the most important factor and that the result was incredible. Mr. Kemp also testified that he has never heard of a \$6 million settlement with a \$500,000 damage case. Further, in the Consent to Settle, on the Lange claims, the Edgeworth's acknowledge that they were made more than whole with the settlement with the Viking entities.

In determining the amount of attorney's fees owed to the Law Firm of Daniel Simon, the Court also considers the factors set forth in Nevada Rules of Professional Conduct – Rule 1.5(a) which states:

- (a) A lawyer shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses. The factors to be considered in determining the reasonableness of a fee include the following:
- (1) The time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;
- (2) The likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;
- (3) The fee customarily charged in the locality for similar legal services;
 - (4) The amount involved and the results obtained;
- (5) The time limitations imposed by the client or by the circumstances;
- (6) The nature and length of the professional relationship with the client;
- (7) The experience, reputation, and ability of the lawyer or lawyers performing the services; and
 - (8) Whether the fee is fixed or contingent.

NRCP 1.5. However, the Court must also consider the remainder of Rule 1.5 which goes on to state:

- (b) The scope of the representation and the basis or rate of the fee and expenses for which the client will be responsible shall be communicated to the client, preferably in writing, before or within a reasonable time after commencing the representation, except when the lawyer will charge a regularly represented client on the same basis or rate. Any changes in the basis or rate of the fee or expenses shall also be communicated to the client.
- (c) A fee may be contingent on the outcome of the matter for which the service is rendered, except in a matter in which a contingent fee is prohibited

by paragraph (d) or other law. A contingent fee agreement shall be in writing, signed by the client, and shall state, in boldface type that is at least as large as the largest type used in the contingent fee agreement:

- (1) The method by which the fee is to be determined, including the percentage or percentages that shall accrue to the lawyer in the event of settlement, trial or appeal;
- (2) Whether litigation and other expenses are to be deducted from the recovery, and whether such expenses are to be deducted before or after the contingent fee is calculated;
 - (3) Whether the client is liable for expenses regardless of outcome;
- (4) That, in the event of a loss, the client may be liable for the opposing party's attorney fees, and will be liable for the opposing party's costs as required by law; and
- (5) That a suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process. Upon conclusion of a contingent fee matter, the lawyer shall provide the client with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination.

NRCP 1.5.

The Court finds that under the <u>Brunzell</u> factors, Mr. Simon was an exceptional advocate for the Edgeworths, the character of the work was complex, the work actually performed was extremely significant, and the work yielded a phenomenal result for the Edgeworths. All of the <u>Brunzell</u> factors justify a reasonable fee under NRPC 1.5.

However, the Court must also consider the fact that the evidence suggests that the basis or rate of the fee and expenses for which the client will be responsible were never communicated to the client, within a reasonable time after commencing the representation. Further, this is not a contingent fee case, and the Court is not awarding a contingency fee.

Instead, the Court must determine the amount of a reasonable fee. In determining this amount of a reasonable fee, the Court must consider the work that the Law Office continued to provide on the Edgeworth's case, even after the constructive discharge. The record is clear that the Edgeworths were ready to sign and settle the Lange claim for \$25,000 but Simon kept working on the case and making changes to the settlement agreement. This resulted in the Edgeworth's recovering an additional \$75,000 from Lange plumbing. Further, the Law Office of Daniel Simon

continued to work on the Viking settlement until it was finalized in December of 2017, and the checks were issued on December 18, 2017. Mr. Simon continued to personally work with Mr. Vannah to attempt to get the checks endorsed by the Edgeworths, and this lasted into the 2018 year. The record is clear that the efforts exerted by the Law Office of Daniel Simon and Mr. Simon himself were continuing, even after the constructive discharge. Though the previous agreement between Simon and the Edgeworths was for \$550 per hour, the Court must take into consideration that the Edgeworths' fee agreement with Vannah & Vannah was for \$925 per hour.

In considering the reasonable value of these services, under quantum meruit, the Court is considering the previous \$550 per hour fee from the implied fee agreement, the fee for the Vannah & Vannah Law Firm, the <u>Brunzell</u> factors, and additional work performed after the constructive discharge. As such, the COURT FINDS that the Law Office of Daniel Simon is entitled to a reasonable fee in the amount of \$200,000, from November 29, 2017 to the conclusion of this case.

CONCLUSION

The Court finds that the Law Office of Daniel Simon properly filed and perfected the charging lien pursuant to NRS 18.015(3) and the Court must adjudicate the lien. The Court further finds that there was an implied agreement for a fee of \$550 per hour between Mr. Simon and the Edgeworths once Simon started billing Edgeworth for this amount, and the bills were paid. The Court further finds that on November 29, 2017, the Edgeworth's constructively discharged Mr. Simon as their attorney, when they ceased following his advice and refused to communicate with him about their litigation. The Court further finds that Mr. Simon was compensated at the implied agreement rate of \$550 per hour for his services, and \$275 per hour for his associates; up and until the last billing of September 19, 2017. For the period from September 19, 2017 to November 29, 2017, the Court finds that Mr. Simon is entitled to his implied agreement fee of \$550 an hour, and \$275 an hour for his associates, for a total amount of \$284,982.50. For the period after November 29, 2017, the Court finds that the Law Office of Daniel Simon properly perfected their lien and is entitled to a reasonable fee for the services the office rendered for the Edgeworths, after being

constructively discharged, under quantum meruit, in an amount of \$200,000. The Court further finds that the Law Office of Daniel Simon is entitled to costs in the amount of \$71,594.93.

ORDER

It is hereby ordered, adjudged, and decreed, that the Motion to Adjudicate the Attorneys Lien of the Law Office of Daniel S. Simon was previously granted. The Court further finds that it lacked jurisdiction to issue the Fourth Amended Decision and Order on Motion to Adjudicate Lien on September 27, 2022, since the Supreme Court Remittitur had not issued. The Court further finds that the Motion for Adjudication Following Remand is granted in part, as the Court finds that there was ample foundation for the quantum meruit award of \$200,000.00. As such, the reasonable fee due to the Law Office of Daniel Simon is \$556,577.43, which includes outstanding costs.

Dated this 28th day of March, 2023

IT IS SO ORDERED.

DISTRICT COURT JUDGE

D39 E59 9E22 C62D Tierra Jones District Court Judge

1 **CSERV** 2 DISTRICT COURT 3 CLARK COUNTY, NEVADA 4 5 Edgeworth Family Trust, CASE NO: A-16-738444-C 6 Plaintiff(s) DEPT. NO. Department 10 7 vs. 8 Lange Plumbing, L.L.C., 9 Defendant(s) 10 11 **AUTOMATED CERTIFICATE OF SERVICE** 12 This automated certificate of service was generated by the Eighth Judicial District 13 Court. The foregoing Order was served via the court's electronic eFile system to all recipients registered for e-Service on the above entitled case as listed below: 14 Service Date: 3/28/2023 15 16 Peter Christiansen pete@christiansenlaw.com 17 Whitney Barrett wbarrett@christiansenlaw.com 18 Daniel Simon. lawyers@simonlawlv.com 19 Rhonda Onorato. ronorato@rlattorneys.com 20 Kendelee Leascher Works kworks@christiansenlaw.com 21 R. Todd Terry tterry@christiansenlaw.com 22 Keely Perdue keely@christiansenlaw.com 23 24 Jonathan Crain jcrain@christiansenlaw.com 25 Mariella Dumbrique mdumbrique@blacklobello.law 26 Chandi Melton chandi@christiansenlaw.com 27

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22	Claudia Morrill	cam@morrislawgroup.com
23		
24	If indicated below, a copy of the above mentioned filings were also served by mail via United States Postal Service, postage prepaid, to the parties listed below at their last known addresses on 3/29/2023	
25		
26	Theodore Parker 2460 Professional CT STE 200	
27		Las Vegas, NV, 89128

Electronically Filed 4/24/2023 11:18 AM Steven D. Grierson CLERK OF THE COURT

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Eighth Judicial District Court

District of Nevada

EDGEWORTH FAMILY TRUST, and AMERICAN GRATING, LLC Plaintiffs,

VS.

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LANGE PLUMBING, LLC; THE VIKING CORPORATION, a Michigan corporation; SUPPLY NETWORK, INC., dba VIKING SUPPLY NET, a Michigan Corporation; and DOES 1 through 5 and ROE entities 6 through 10;

Defendants.

Case No. A-16-738444-C Dept No. 10

NOTICE OF ENTRY OF FIFTH AMENDED DECISION AND ORDER ON MOTION TO ADJUDICATE LIEN

Date of Hearing: N/A Time of Hearing: N/A

-1-

Case Number: A-16-738444-C

PLEASE TAKE NOTICE that a Fifth Amended Decision and Order on Motion to Adjudicate Lien was entered on the docket on the 28th day of March, 2023. A true and correct file-stamped copy of the decision and order is attached hereto.

DATED this 24th day of April 2023.

IslJames R. Christensen
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CERTIFICATE OF SERVICE

I CERTIFY SERVICE of NOTICE OF ENTRY OF FIFTH AMENDED DECISION AND ORDER ON MOTION TO ADJUDICATE LIEN was made by electronic service (via Odyssey) this <u>24th</u> day of April, 2023, to all parties currently shown on the Court's E-Service List.

_________________________________an employee of James R. Christensen

ELECTRONICALLY SERVED 3/28/2023 7:33 PM

Electronically Filed 03/28/2023 4:15 PM

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Hon. Tierra Jones
DISTRICT COURT JUDGE

DEPARTMENT TEN
LAS VEGAS, NEVADA 89155

DISTRICT COURT
CLARK COUNTY, NEVADA

EDGEWORTH FAMILY TRUST; and AMERICAN GRATING, LLC,

Plaintiffs,

VS.

LANGE PLUMBING, LLC; THE VIKING CORPORATION, a Michigan Corporation; SUPPLY NETWORK, INC., dba VIKING SUPPLYNET, a Michigan Corporation; and DOES 1 through 5; and, ROE entities 6 through 10;

Defendants.

EDGEWORTH FAMILY TRUST; and AMERICAN GRATING, LLC,

Plaintiffs,

VS.

DANIEL S. SIMON; THE LAW OFFICE OF DANIEL S. SIMON, a Professional Corporation d/b/a SIMON LAW; DOES 1 through 10; and, ROE entities 1 through 10;

Defendants.

, ,

CASE NO.: A-18-767242-C

DEPT NO.: X

Consolidated with

CASE NO.: A-16-738444-C

DEPT NO.: X

FIFTH AMENDED DECISION AND ORDER ON MOTION TO ADJUDICATE LIEN

FIFTH AMENDED DECISION AND ORDER ON MOTION TO ADJUDICATE LIEN

This case came on for an evidentiary hearing August 27-30, 2018 and concluded on September 18, 2018, in the Eighth Judicial District Court, Clark County, Nevada, the Honorable Tierra Jones presiding. Defendants and movant, Daniel Simon and Law Office of Daniel S. Simon d/b/a Simon Law ("Defendants" or "Law Office" or "Simon" or "Mr. Simon") having appeared in

Case Number: A-16-738444-C

person and by and through their attorneys of record, Peter S. Christiansen, Esq. and James Christensen, Esq. and Plaintiff Edgeworth Family Trust and American Grating, ("Plaintiff" or "Edgeworths") having appeared through Brian and Angela Edgeworth, and by and through their attorneys of record, the law firm of Vannah and Vannah, Chtd. Robert Vannah, Esq. and John Greene, Esq. The Court having considered the evidence, arguments of counsel and being fully advised of the matters herein, the **COURT FINDS**:

FINDINGS OF FACT

- 1. The Court finds that the Law Office of Daniel S. Simon represented the Plaintiffs, Edgeworth Family Trust and American Grating in the case entitled Edgeworth Family Trust and American Grating v. Viking, et al., case number A-16-738444-C. The representation commenced on May 27, 2016 when Brian Edgeworth and Daniel Simon Esq. met at Starbucks. This representation originally began as a favor between friends and there was no discussion of fees, at this point. Mr. Simon and his wife were close family friends with Brian and Angela Edgeworth.
 - 2. The case involved a complex products liability issue.
- 3. On April 10, 2016, a house the Edgeworths were building as a speculation home suffered a flood. The house was still under construction and the flood caused a delay. The Edgeworths did not carry loss insurance if a flood occurred and the plumbing company and manufacturer refused to pay for the property damage. A fire sprinkler installed by the plumber, and within the plumber's scope of work, caused the flood; however, the plumber asserted the fire sprinkler was defective and refused to repair or to pay for repairs. The manufacturer of the sprinkler, Viking, et al., also denied any wrongdoing.
- 4. In May of 2016, Mr. Simon agreed to help his friend with the flood claim and to send a few letters. The parties initially hoped that Simon drafting a few letters to the responsible parties could resolve the matter. Simon wrote the letters to the responsible parties, but the matter did not resolve. Since the matter was not resolved, a lawsuit had to be filed.
 - 5. On June 14, 2016, a complaint was filed in the case of Edgeworth Family Trust; and

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American Grating LLC vs. Lange Plumbing, LLC; the Viking Corporation; Supply Network Inc., dba Viking Supplynet, in case number A-18-738444-C. The cost of repairs was approximately \$500,000. One of the elements of the Edgeworth's damages against Lange Plumbing LLC ("Lange") in the litigation was for reimbursement of the fees and costs that were paid by the Edgeworths.

6. On August 9, 2017, Mr. Simon and Brian Edgeworth traveled to San Diego to meet with an expert. As they were in the airport waiting for a return flight, they discussed the case, and had some discussion about payments and financials. No express fee agreement was reached during the meeting. On August 22, 2017, Brian Edgeworth sent an email to Simon entitled "Contingency." It reads as follows:

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We never really had a structured discussion about how this might be done. I am more than happy to keep paying hourly but if we are going for punitive we should probably explore a hybrid of hourly on the claim and then some other structure that incents both of us to win an go after the appeal that these scumbags will file etc.

Obviously that could not have been done earlier since who would have thought this case would meet the hurdle of punitive at the start.

I could also swing hourly for the whole case (unless I am off what this is going to cost). I would likely borrow another \$450K from Margaret in 250 and 200 increments and then either I could use one of the house sales for cash or if things get really bad, I still have a couple million in bitcoin I could sell. I doubt we will get Kinsale to settle for enough to really finance this since I

would have to pay the first \$750,000 or so back to Colin and Margaret and why would Kinsale settle for \$1MM when their exposure is only \$1MM?

(Def. Exhibit 27).

- 7. During the litigation, Simon sent four (4) invoices to the Edgeworths. The first invoice was sent on December 2, 2016, seven (7) months after the original meeting at Starbucks. This invoice indicated that it was for attorney's fees and costs through November 11, 2016. (Def. Exhibit 8). The total of this invoice was \$42,564.95 and was billed at a "reduced" rate of \$550 per hour. <u>Id</u>. The invoice was paid by the Edgeworths on December 16, 2016.
- 8. On April 7, 2017 a second invoice was sent to the Edgeworths for attorney's fees and costs through April 4, 2017 for a total of \$46,620.69, and was billed at a "reduced" rate of \$550 per

hour. (Def. Exhibit 9). This invoice was paid by the Edgeworths on May 3, 2017. There was no indication on the first two invoices if the services were those of Mr. Simon or his associates; but the bills indicated an hourly rate of \$550.00 per hour.

- 9. A third invoice was sent to the Edgeworths on July 28, 2017 for attorney's fees and costs through July 28, 2017 totaling of \$142,080.20. (Def. Exhibit 10). This bill identified services of Daniel Simon Esq. for a "reduced" rate of \$550 per hour totaling \$104,021.20; and services of Ashley Ferrel Esq. for a "reduced" rate of \$275 per hour totaling \$37,959.00. Id. This invoice was paid by the Edgeworths on August 16, 2017.
- 10. The fourth invoice was sent to the Edgeworths on September 19, 2017 in an amount of \$255,186.25 for attorney's fees and costs; with \$191,317.50 being calculated at a "reduced" rate of \$550 per hour for Daniel Simon Esq., \$60,981.25 being calculated at a "reduced" rate of \$275 per hour for Ashley Ferrel Esq., and \$2,887.50 being calculated at a "reduced" rate of \$275 per hour for Benjamin Miller Esq. (Def. Exhibit 11). This invoice was paid by the Edgeworths on September 25, 2017.
- 11. The amount of attorney's fees in the four (4) invoices was \$367,606.25, and \$118,846.84 in costs; for a total of \$486,453.09. These monies were paid to Daniel Simon Esq. and never returned to the Edgeworths. The Edgeworths secured very high interest loans to pay fees and costs to Simon. They made Simon aware of this fact.
- 12. Between June 2016 and December 2017, there was a tremendous amount of work done in the litigation of this case. There were several motions and oppositions filed, several depositions taken, and several hearings held in the case.
- 13. On the evening of November 15, 2017, the Edgeworth's received the first settlement offer for their claims against the Viking Corporation ("Viking"). However, the claims were not settled until on or about December 1, 2017.
 - 14. Also on November 15, 2017, Brian Edgeworth sent an email to Simon asking for the

¹ \$265,677.50 in attorney's fees for the services of Daniel Simon; \$99,041.25 for the services of Ashley Ferrel; and \$2,887.50 for the services of Benjamin Miller.

open invoice. The email stated: "I know I have an open invoice that you were going to give me at mediation a couple weeks ago and then did not leave with me. Could someone in your office send Peter (copied here) any invoices that are unpaid please?" (Def. Exhibit 38).

- 15. On November 17, 2017, Simon scheduled an appointment for the Edgeworths to come to his office to discuss the litigation.
- 16. On November 27, 2017, Simon sent a letter with an attached retainer agreement, stating that the fee for legal services would be \$1,500,000 for services rendered to date. (Plaintiff's Exhibit 4).
- 17. On November 29, 2017, the Edgeworths met with the Law Office of Vannah & Vannah and signed a retainer agreement. (Def. Exhibit 90). On this date, they ceased all communications with Mr. Simon.
- 18. On the morning of November 30, 2017, Simon received a letter advising him that the Edgeworths had retained the Vannah Law Firm to assist in the litigation with the Viking entities, et.al. The letter read as follows:

"Please let this letter serve to advise you that I've retained Robert D. Vannah, Esq. and John B. Greene, Esq., of Vannah & Vannah to assist in the litigation with the Viking entities, et.al. I'm instructing you to cooperate with them in every regard concerning the litigation and any settlement. I'm also instructing you to give them complete access to the file and allow them to review whatever documents they request to review. Finally, I direct you to allow them to participate without limitation in any proceeding concerning our case, whether it be at depositions, court hearings, discussions, etc."

(Def. Exhibit 43).

- 19. On the same morning, Simon received, through the Vannah Law Firm, the Edgeworth's consent to settle their claims against Lange Plumbing LLC for \$25,000.
- 20. Also on this date, the Law Office of Danny Simon filed an attorney's lien for the reasonable value of its services pursuant to NRS 18.015. (Def. Exhibit 3). On January 2, 2018, the Law Office filed an amended attorney's lien for the sum of \$2,345,450, less payments made in the sum of \$367,606.25, for a net lien in the sum of \$1,977,843.80. This lien includes court costs and

out-of-pocket costs advanced by the Law Office of Daniel S. Simon in the sum of \$76,535.93.

- 21. Mr. Edgeworth alleges that the fee agreement with Simon was only for an hourly express agreement of \$550 an hour; and that the agreement for \$550 an hour was made at the outset of the case. Mr. Simon alleges that he worked on the case always believing he would receive the reasonable value of his services when the case concluded. There is a dispute over the reasonable fee due to the Law Office of Danny Simon.
 - 22. The parties agree that an express written contract was never formed.
- 23. On December 7, 2017, the Edgeworths signed Consent to Settle their claims against Lange Plumbing LLC for \$100,000.
- 24. On January 4, 2018, the Edgeworth Family Trust filed a lawsuit against Simon in Edgeworth Family Trust; American Grating LLC vs. Daniel S. Simon, the Law Office of Daniel S. Simon, a Professional Corporation, case number A-18-767242-C.
- 25. On January 24, 2018, the Law Office of Danny Simon filed a Motion to Adjudicate Lien with an attached invoice for legal services rendered. The amount of the invoice was \$692,120.00. The Court set an evidentiary hearing to adjudicate the lien.
- 26. On November 19, 2018, the Court entered a Decision and Order on Motion to Adjudicate Lien.
 - 27. On December 7, 2018, the Edgeworths filed a Notice of Appeal.
- 28. On February 8, 2019, the Court entered a Decision and Order Granting in Part and Denying in Part, Simon's Motion for Attorney's Fees and Costs.
- 29. On February 15, 2019, the Edgeworths filed a second Notice of Appeal and Simon filed a cross appeal, and Simon filed a writ petition on October 17, 2019.
- 30. On December 30, 2020, the Supreme Court issued an order affirming this Court's findings in most respects.
 - 31. On January 15, 2021, the Edgeworths filed a Petition for Rehearing.
- 32. On March 16, 2021, this Court issued a Second Amended Decision and Order on Motion to Adjudicate Lien.

- 33. On March 18, 2021, the Nevada Supreme Court denied the Motion for Rehearing.
- 34. On March 30, 2021, the Edgeworths filed a Motion for Reconsideration Regarding Court's Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs and Second Amended Decision and order on Motion to Adjudicate Lien.
- 35. On April 13, 2021, the Nevada Supreme Court issued a Remittitur ordering that the judgment of the district court was AFFIRMED in part and VACATED in part AND REMANDING the matter for proceedings consistent with the order.
- 36. Also on April 13, 2021, Daniel Simon filed an Opposition to Motion to Reconsider and Request for Sanctions; Countermotion to Adjudicate Lien on Remand.
- 37. On April 15, 2021, the Court issued a Minute Order denying the Defendant's Motion for Reconsideration Regarding Court's Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs and Second Amended Decision and Order on Motion to Adjudicate Lien. The Court also denied the Request for Sanctions. The Court granted the Countermotion to Adjudicate Lien on Remand.
- 38. On April 28, 2021, the Court filed a Third Amended Decision and Order on Motion to Adjudicate Lien, in accordance with the Supreme Court's Remand Order from April 13, 2021 and in response to the Court's order of April 15, 2021,
- 39. On May 3, 2021, the Edgeworths filed a Renewed Motion for Reconsideration of Third-Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs; and Motion for Reconsideration of Third Amended Decision and Order on Motion to Adjudicate Lien.
- 40. On May 13, 2021, the Edgeworths filed a Motion for Order Releasing Client funds and Requiring Production of Complete Client File.
- 41. Also on May 13, 2021, Daniel Simon filed an Opposition to the Second Motion to Reconsider; Countermotion to Adjudicate Lien on Remand.
- 42. On May 20, 2021, Daniel Simon filed an Opposition to Edgeworth's Motion for Order Releasing Client Funds and Requiring Production of File.

- 43. Also on May 20, 2021, the Edgeworths filed a Reply ISO Plaintiff's Renewed Motion for Reconsideration of Amended Decision and Order Granting in Part Simon's Motion for Attorney's Fees and Costs, and Motion for Reconsideration of Third Amended Decision and Order on Motion to Adjudicate Lien.
- 44. On May 21, 2021, the Edgeworths filed a Reply in Support of Motion for Order Releasing Client Funds and Requiring the Production of Complete Client File.
- 45. On May 24, 2021, the Court issued a Second Amended Decision and Order Granting in Part and Denying in Part, Simon's Motion for Attorney's Fees and Costs.
- 46. On May 27, 2021, the Court held a hearing on the Motion to Reconsider and Countermotion to Adjudicate Lien on Remand.
- 47. Following the hearing, on June 3, 2021, the Court issued a minute order denying Plaintiff's Motion for Reconsideration of Third Amended Decision and Order on Motion to Adjudicate Lien. The Court granted in part, and denied in part, Plaintiff's Renewed Motion for Reconsideration of Third Amended Decision and Order Granting in Part and Denying in Part Simon's Motion for Attorney's Fees and Costs. The court also denied the Edgeworth's Motion for Order Releasing Client Funds and Requiring Production of Complete File.
- 48. On June 17, 2021, the Court issued a Decision and Order Denying Plaintiff's Renewed Motion for Reconsideration of Third-Amended Decision and Order on Motion to Adjudicate Lien and Denying Simon's Countermotion to Adjudicate Lien on Remand.
- 49. On July 1, 2021, the Edgeworths filed a Motion for Reconsideration of Order on Motion for Order Releasing Client Funds and Requiring the Production of Complete File and Motion to Stay Execution of Judgments Pending Appeal.
 - 50. On July 15, 2021, Daniel Simon filed an Opposition to Third Motion to Reconsider.
- 51. On July 17, 2021, the Edgeworths filed a Reply in Support of Edgeworth's Motion for Reconsideration of Order on Motion for Order Releasing Client Funds and Requiring the Production of Complete Client File and Motion to Stay Execution of Judgments Pending Appeal.
 - 52. On July 29, 2021, the Court issued a minute order denying Edgeworth's Motion for

Reconsideration of Order on Motion for Order Releasing Client Funds and Requiring Production of Complete Client File and Motion to Stay Execution.

- 53. On September 16, 2022, the Supreme Court Issued an Order Vacating Judgment and Remanding the case to this Court for proceedings consistent with the order.
- 54. On September 27, 2022, the Court issued its Fourth Amended Decision and Order on Motion to Adjudicate Lien.
- 55. On October 16, 2022, the Edgeworths filed a Verified Application to Retax Costs on Appeal and a Motion to Exonerate Cost Bond.
 - 56. On October 10, 2022, Daniel Simon filed a Motion to Retax Costs.
- 57. On October 18, 2022, Daniel Simon filed a Notice of Non Opposition to the Edgeworth's Motion to Exonerate Cost Bond.
- 58. On October 19, 2022, Daniel Simon filed an Opposition to Edgeworth's Verified Application to Tax Costs on Appeal.
- 59. On October 28, 2022, the Edgeworths filed an Opposition to Simon's Motion to Retax Costs on Appeal.
- 60. On October 31, 2022, the Nevada Supreme Court issued an Order Denyingthe Edgeworth's request for Rehearing.
 - 61. On November 1, 2022, Daniel Simon filed a Reply to the Motion to Retax Costs.
- 62. On November 4, 2022, the Edgeworths filed a Motion for Order to Show Cause Why Daniel Simon and the Law Firm of Daniel S. Simon Should Not Be Held in Contempt and Ex Parte Application to Consider Same on OST.
- 63. On November 8, 2022, the Court held a hearing on Daniel Simon's Motion to Retax and the matter was taken under advisement.
- 64. On November 14, 2022, Daniel Simon filed an Opposition to Edgeworth's Motion for Order to Show Cause on OST.
- 65. Also on November 14, 2022, the Edgeworth's filed a Reply ISO Motion for Order to Show Cause Why Daniel Simon and the Law Firm of Daniel S. Simon Should Not Be Held In

Contempt.

- 66. On November 16, 2022, the Nevada Supreme Court filed an Order Denying Daniel Simon's Petition for Writ of Prohibition or Mandamus.
- 67. On November 28, 2022 the Nevada Supreme Court issued a Remittitur regarding its ruling from September 16, 2022.
- 68. On November 29, 2022, the Court issued a minute order denying in part and granting in part, the Edgeworth's Verified Application to Tax Costs on Appeal and Simon's Motion to Retax Costs. The Court also granted the Edgeworth's Motion to Exonerate Cost Bond and denied the Edgeworth's Motion for Order to Show Cause Why Daniel Simon and the Law Firm of Daniel S. Simon Should Not Be Held in Contempt.
- 69. On December 20, 2022, the Nevada Supreme Court issued an Order Denying Daniel Simon's request for Rehearing and the Remittitur issued on January 17, 2023.
- 70. On February 9, 2023, Daniel Simon filed a Motion for Adjudication Following Remand.
- 71. On February 23, 2023, the Edgeworths filed a Response to Motion for Adjudication Following Remand.
- 72. On March 14, 2023, Daniel Simon filed a Reply in Support of Motion for Adjudication Following Remand.
- 73. On March 21, 2023, the Court held a hearing on the Motion for Adjudication Following Remand.
- 74. The Court finds that this Court lacked jurisdiction to issue the Fourth Amended Decision and Order on Motion to Adjudicate Lien on September 27, 2022 as the Supreme Court Remittitur had not issued.
- 75. As such, the Motion for Adjudication Following Remand is GRANTED IN PART, as the Court finds that there was ample foundation for the quantum meruit award of \$200,000.00. As such, this Order follows:

CONCLUSION OF LAW

The Law Office Appropriately Asserted A Charging Lien Which Must Be Adjudicated By The

Court

An attorney may obtain payment for work on a case by use of an attorney lien. Here, the Law Office of Daniel Simon may use a charging lien to obtain payment for work on case A-16-738444-C under NRS 18.015.

NRS 18.015(1)(a) states:

- 1. An attorney at law shall have a lien:
- (a) Upon any claim, demand or cause of action, including any claim for unliquidated damages, which has been placed in the attorney's hands by a client for suit or collection, or upon which a suit or other action has been instituted.

Nev. Rev. Stat. 18.015.

The Court finds that the lien filed by the Law Office of Daniel Simon, in case A-16-738444-C, complies with NRS 18.015(1)(a). The Law Office perfected the charging lien pursuant to NRS 18.015(3), by serving the Edgeworths as set forth in the statute. The Law Office charging lien was perfected before settlement funds generated from A-16-738444-C of \$6,100,000.00 were deposited, thus the charging lien attached to the settlement funds. Nev. Rev. Stat. 18.015(4)(a); Golightly & Vannah, PLLC v. TJ Allen LLC. 373 P.3d 103, at 105 (Nev. 2016). The Law Office's charging lien is enforceable in form.

The Court has personal jurisdiction over the Law Office and the Plaintiffs in A-16-738444-C. Argentina Consolidated Mining Co., v. Jolley, Urga, Wirth, Woodbury & Standish, 216 P.3d 779 at 782-83 (Nev. 2009). The Court has subject matter jurisdiction over adjudication of the Law Office's charging lien. Argentina, 216 P.3d at 783. The Law Office filed a motion requesting adjudication under NRS 18.015, thus the Court must adjudicate the lien.

Fee Agreement

It is undisputed that no express written fee agreement was formed. The Court finds that there

was no express oral fee agreement formed between the parties. An express oral agreement is formed when all important terms are agreed upon. See, Loma Linda University v. Eckenweiler, 469 P.2d 54 (Nev. 1970) (no oral contract was formed, despite negotiation, when important terms were not agreed upon and when the parties contemplated a written agreement). The Court finds that the payment terms are essential to the formation of an express oral contract to provide legal services on an hourly basis.

Here, the testimony from the evidentiary hearing does not indicate, with any degree of certainty, that there was an express oral fee agreement formed on or about June of 2016. Despite Brian Edgeworth's affidavits and testimony; the emails between himself and Danny Simon, regarding punitive damages and a possible contingency fee, indicate that no express oral fee agreement was formed at the meeting on June 10, 2016. Specifically in Brian Edgeworth's August 22, 2017 email, titled "Contingency," he writes:

"We never really had a structured discussion about how this might be done. I am more than happy to keep paying hourly but if we are going for punitive we should probably explore a hybrid of hourly on the claim and then some other structure that incents both of us to win an go after the appeal that these scumbags will file etc. Obviously that could not have been done earlier since who would have thought this case would meet the hurdle of punitive at the start. I could also swing hourly for the whole case (unless I am off what this is going to cost). I would likely borrow another \$450K from Margaret in 250 and 200 increments and then either I could use one of the house sales for cash or if things get really bad, I still have a couple million in bitcoin I could sell. I doubt we will get Kinsale to settle for enough to really finance this since I would have to pay the first \$750,000 or so back to Colin and Margaret and

why would Kinsale settle for \$1MM when their exposure is only \$1MM?"

(Def. Exhibit 27).

It is undisputed that when the flood issue arose, all parties were under the impression that Simon would be helping out the Edgeworths, as a favor.

The Court finds that an implied fee agreement was formed between the parties on December 2, 2016, when Simon sent the first invoice to the Edgeworths, billing his services at \$550 per hour,

and the Edgeworths paid the invoice. On July 28, 2017 an addition to the implied contract was created with a fee of \$275 per hour for Simon's associates. Simon testified that he never told the Edgeworths not to pay the bills, though he testified that from the outset he only wanted to "trigger coverage". When Simon repeatedly billed the Edgeworths at \$550 per hour for his services, and \$275 an hour for the services of his associates; and the Edgeworths paid those invoices, an implied fee agreement was formed between the parties. The implied fee agreement was for \$550 per hour for the services of Daniel Simon Esq. and \$275 per hour for the services of his associates.

Constructive Discharge

Constructive discharge of an attorney may occur under several circumstances, such as:

- Refusal to communicate with an attorney creates constructive discharge. Rosenberg v. Calderon Automation, 1986 Ohio App. LEXIS 5460 (Jan. 31, 1986).
- Refusal to pay an attorney creates constructive discharge. *See e.g.*, Christian v. All Persons Claiming Any Right, 962 F. Supp. 676 (U.S. Dist. V.I. 1997).
- Suing an attorney creates constructive discharge. See <u>Tao v. Probate Court for the Northeast Dist</u>. #26, 2015 Conn. Super. LEXIS 3146, *13-14, (Dec. 14, 2015). See also <u>Maples v. Thomas</u>, 565 U.S. 266 (2012); Harris v. State, 2017 Nev. LEXIS 111; and <u>Guerrero v. State</u>, 2017 Nev. Unpubl. LEXIS 472.
- Taking actions that preventing effective representation creates constructive discharge. McNair v. Commonwealth, 37 Va. App. 687, 697-98 (Va. 2002).

Here, the Court finds that the Edgeworths constructively discharged Simon as their lawyer on November 29, 2017. The Edgeworths assert that because Simon has not been expressly terminated, has not withdrawn, and is still technically their attorney of record; there cannot be a termination. The Court disagrees.

On November 29, 2017, the Edgeworths met with the Law Firm of Vannah and Vannah and signed a retainer agreement. The retainer agreement was for representation on the Viking settlement agreement and the Lange claims. (Def. Exhibit 90). This is the exact litigation that Simon was representing the Edgeworths on. This fee agreement also allowed Vannah and Vannah to do all things without a compromise. <u>Id</u>. The retainer agreement specifically states:

Id.

Client retains Attorneys to represent him as his Attorneys regarding Edgeworth Family Trust and AMERICAN GRATING V. ALL VIKING ENTITIES and all damages including, but not limited to, all claims in this matter and empowers them to do all things to effect a compromise in said matter, or to institute such legal action as may be advisable in their judgment, and agrees to pay them for their services, on the following conditions:

- a) ...
- b) ...
- c) Client agrees that his attorneys will work to consummate a settlement of \$6,000,000 from the Viking entities and any settlement amount agreed to be paid by the Lange entity. Client also agrees that attorneys will work to reach an agreement amongst the parties to resolve all claims in the Lange and Viking litigation.

<u>Id</u>.

This agreement was in place at the time of the settlement of the Viking and Lange claims. Mr.

Simon had already begun negotiating the terms of the settlement agreement with Viking during the week of November 27, 2017 prior to Mr. Vannah's involvement. These negotiated terms were put into a final release signed by the Edgeworths and Mr. Vannah's office on December 1, 2017. (Def. Exhibit 5). Mr. Simon's name is not contained in the release; Mr. Vannah's firm is expressly identified as the firm that solely advised the clients about the settlement. The actual language in the settlement agreement, for the Viking claims, states:

PLAINTIFFS represent that their independent counsel, Robert Vannah, Esq. and John Greene, Esq., of the law firm Vannah & Vannah has explained the effect of this AGREEMENT and their release of any and all claims, known or unknown and, based upon that explanation and their independent judgment by the reading of this Agreement, PLAINTIFFS understand and acknowledge the legal significance and the consequences of the claims being released by this Agreement. PLAINTIFFS further represent that they understand and acknowledge the legal significance and consequences of a release of unknown claims against the SETTLING PARTIES set forth in, or arising from, the INCIDENT and hereby assume full responsibility for any injuries, damages, losses or liabilities that hereafter may occur with respect to the matters released by this Agreement.

Also, Simon was not present for the signing of these settlement documents and never explained any

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of the terms to the Edgeworths. He sent the settlement documents to the Law Office of Vannah and Vannah and received them back with the signatures of the Edgeworths.

Further, the Edgeworths did not personally speak with Simon after November 25, 2017. Though there were email communications between the Edgeworths and Simon, they did not verbally speak to him and were not seeking legal advice from him. In an email dated December 5, 2017, Simon is requesting Brian Edgeworth return a call to him about the case, and Brian Edgeworth responds to the email saying, "please give John Greene at Vannah and Vannah a call if you need anything done on the case. I am sure they can handle it." (Def. Exhibit 80). At this time, the claim against Lange Plumbing had not been settled. The evidence indicates that Simon was actively working on this claim, but he had no communication with the Edgeworths and was not advising them on the claim against Lange Plumbing. Specifically, Brian Edgeworth testified that Robert Vannah Esq. told them what Simon said about the Lange claims and it was established that the Law Firm of Vannah and Vannah provided advice to the Edgeworths regarding the Lange claim. Simon and the Law Firm of Vannah and Vannah gave different advice on the Lange claim, and the Edgeworths followed the advice of the Law Firm of Vannah and Vannah to settle the Lange claim. The Law Firm of Vannah and Vannah drafted the consent to settle for the claims against Lange Plumbing (Def. Exhibit 47). This consent to settle was inconsistent with the advice of Simon. Mr. Simon never signed off on any of the releases for the Lange settlement.

Further demonstrating a constructive discharge of Simon is the email from Robert Vannah Esq. to James Christensen Esq. dated December 26, 2017, which states: "They have lost all faith and trust in Mr. Simon. Therefore, they will not sign the checks to be deposited into his trust account. Quite frankly, they are fearful that he will steal the money." (Def. Exhibit 48). Then on January 4, 2018, the Edgeworth's filed a lawsuit against Simon in Edgeworth Family Trust; American Grating, LLC vs. Daniel S. Simon; the Law Office of Daniel S. Simon, a Professional Corporation d/b/a Simon Law, case number A-18-767242-C. Then, on January 9, 2018, Robert Vannah Esq. sent an email to James Christensen Esq. stating, "I guess he could move to withdraw. However, that doesn't seem in his best interests." (Def. Exhibit 53).

The Court recognizes that Simon still has not withdrawn as counsel of record on A-16-738444-C, the Law Firm of Vannah and Vannah has never substituted in as counsel of record, the Edgeworths have never explicitly told Simon that he was fired, Simon sent the November 27, 2018 letter indicating that the Edgeworth's could consult with other attorneys on the fee agreement (that was attached to the letter), and that Simon continued to work on the case after the November 29, 2017 date. The court further recognizes that it is always a client's decision of whether or not to accept a settlement offer. However the issue is constructive discharge and nothing about the fact that Mr. Simon has never officially withdrawn from the case indicates that he was not constructively discharged. His November 27, 2017 letter invited the Edgeworth's to consult with other attorneys on the fee agreement, not the claims against Viking or Lange. His clients were not communicating with him, making it impossible to advise them on pending legal issues, such as the settlements with Lange and Viking. It is clear that there was a breakdown in attorney-client relationship preventing Simon from effectively representing the clients. The Court finds that Danny Simon was constructively discharged by the Edgeworths on November 29, 2017.

Adjudication of the Lien and Determination of the Law Office Fee

NRS 18.015 states:

- 1. An attorney at law shall have a lien:
 - (a) Upon any claim, demand or cause of action, including any claim for unliquidated damages, which has been placed in the attorney's hands by a client for suit or collection, or upon which a suit or other action has been instituted.
 - (b) In any civil action, upon any file or other property properly left in the possession of the attorney by a client.
 - 2. A lien pursuant to subsection 1 is for the amount of any fee which has been agreed upon by the attorney and client. In the absence of an agreement, the lien is for a reasonable fee for the services which the attorney has rendered for the client.
 - 3. An attorney perfects a lien described in subsection 1 by serving notice in writing, in person or by certified mail, return receipt requested, upon his or her client and, if applicable, upon the party against whom the client has a cause of action, claiming the lien and stating the amount of the lien.
 - 4. A lien pursuant to:

- (a) Paragraph (a) of subsection 1 attaches to any verdict, judgment or decree entered and to any money or property which is recovered on account of the suit or other action; and
- (b) Paragraph (b) of subsection 1 attaches to any file or other property properly left in the possession of the attorney by his or her client, including, without limitation, copies of the attorney's file if the original documents received from the client have been returned to the client, and authorizes the attorney to retain any such file or property until such time as an adjudication is made pursuant to subsection 6, from the time of service of the notices required by this section.
- 5. A lien pursuant to paragraph (b) of subsection 1 must not be construed as inconsistent with the attorney's professional responsibilities to the client.
- 6. On motion filed by an attorney having a lien under this section, the attorney's client or any party who has been served with notice of the lien, the court shall, after 5 days' notice to all interested parties, adjudicate the rights of the attorney, client or other parties and enforce the lien.
- 7. Collection of attorney's fees by a lien under this section may be utilized with, after or independently of any other method of collection.

Nev. Rev. Stat. 18.015.

NRS 18.015(2) matches Nevada contract law. If there is an express contract, then the contract terms are applied. Here, there was no express contract for the fee amount, however there was an implied contract when Simon began to bill the Edgeworths for fees in the amount of \$550 per hour for his services, and \$275 per hour for the services of his associates. This contract was in effect until November 29, 2017, when he was constructively discharged from representing the Edgeworths. After he was constructively discharged, under NRS 18.015(2) and Nevada contract law, Simon is due a reasonable fee- that is, quantum meruit.

Implied Contract

On December 2, 2016, an implied contract for fees was created. The implied fee was \$550 an hour for the services of Mr. Simon. On July 28, 2017 an addition to the implied contract was created with a fee of \$275 per hour for the services of Simon's associates. This implied contract was created when invoices were sent to the Edgeworths, and they paid the invoices.

The invoices that were sent to the Edgeworths indicate that they were for costs and attorney's

fees, and these invoices were paid by the Edgeworths. Though the invoice says that the fees were reduced, there is no evidence that establishes that there was any discussion with the Edgeworths as to how much of a reduction was being taken, and that the invoices did not need to be paid. There is no indication that the Edgeworths knew about the amount of the reduction and acknowledged that the full amount would be due at a later date. Simon testified that Brian Edgeworth chose to pay the bills to give credibility to his actual damages, above his property damage loss. However, as the lawyer/counselor, Simon did not prevent Brian Edgeworth from paying the bill or in any way refund the money, or memorialize this or any understanding in writing.

Simon produced evidence of the claims for damages for his fees and costs pursuant to NRCP 16.1 disclosures and computation of damages; and these amounts include the four invoices that were paid in full and there was never any indication given that anything less than all the fees had been produced. During the deposition of Brian Edgeworth it was suggested, by Simon, that all of the fees had been disclosed. Further, Simon argues that the delay in the billing coincides with the timing of the NRCP 16.1 disclosures, however the billing does not distinguish or in any way indicate that the sole purpose was for the Lange Plumbing LLC claim. Since there is no contract, the Court must look to the actions of the parties to demonstrate the parties' understanding. Here, the actions of the parties are that Simon sent invoices to the Edgeworths, they paid the invoices, and Simon Law Office retained the payments, indicating an implied contract was formed between the parties. The Court find that the Law Office of Daniel Simon should be paid under the implied contract until the date they were constructively discharged, November 29, 2017.

Amount of Fees Owed Under Implied Contract

The Edgeworths were billed, and paid for services through September 19, 2017. There is some testimony that an invoice was requested for services after that date, but there is no evidence that any invoice was paid by the Edgeworths. Since the Court has found that an implied contract for fees was formed, the Court must now determine what amount of fees and costs are owed from September 19, 2017 to the constructive discharge date of November 29, 2017. In doing so, the

Court must consider the testimony from the witnesses at the evidentiary hearing, the submitted billings, the attached lien, and all other evidence provided regarding the services provided during this time.

At the evidentiary hearing, Ashley Ferrel Esq. testified that some of the items in the billing that was prepared with the lien "super bill," are not necessarily accurate as the Law Office went back and attempted to create a bill for work that had been done over a year before. She testified that they added in .3 hours for each Wiznet filing that was reviewed and emailed and .15 hours for every email that was read and responded to. She testified that the dates were not exact, they just used the dates for which the documents were filed, and not necessarily the dates in which the work was performed. Further, there are billed items included in the "super bill" that was not previously billed to the Edgeworths, though the items are alleged to have occurred prior to or during the invoice billing period previously submitted to the Edgeworths. The testimony at the evidentiary hearing indicated that there were no phone calls included in the billings that were submitted to the Edgeworths.

This attempt to recreate billing and supplement/increase previously billed work makes it unclear to the Court as to the accuracy of this "recreated" billing, since so much time had elapsed between the actual work and the billing. The court reviewed the billings of the "super bill" in comparison to the previous bills and determined that it was necessary to discount the items that had not been previously billed for; such as text messages, reviews with the court reporter, and reviewing, downloading, and saving documents because the Court is uncertain of the accuracy of the "super bill."

Simon argues that he has no billing software in his office and that he has never billed a client on an hourly basis, but his actions in this case are contrary. Also, Simon argues that the Edgeworths, in this case, were billed hourly because the Lange contract had a provision for attorney's fees; however, as the Court previously found, when the Edgeworths paid the invoices it was not made clear to them that the billings were only for the Lange contract and that they did not need to be paid. Also, there was no indication on the invoices that the work was only for the Lange claims, and not

the Viking claims. Ms. Ferrel testified that the billings were only for substantial items, without emails or calls, understanding that those items may be billed separately; but again the evidence does not demonstrate that this information was relayed to the Edgeworths as the bills were being paid. This argument does not persuade the court of the accuracy of the "super bill".

The amount of attorney's fees and costs for the period beginning in June of 2016 to December 2, 2016 is \$42,564.95. This amount is based upon the invoice from December 2, 2016 which appears to indicate that it began with the initial meeting with the client, leading the court to determine that this is the beginning of the relationship. This invoice also states it is for attorney's fees and costs through November 11, 2016, but the last hourly charge is December 2, 2016. This amount has already been paid by the Edgeworths on December 16, 2016.

The amount of the attorney's fees and costs for the period beginning on December 5, 2016 to April 4, 2017 is \$46,620.69. This amount is based upon the invoice from April 7, 2017. This amount has already been paid by the Edgeworths on May 3, 2017.

The amount of attorney's fees for the period of April 5, 2017 to July 28, 2017, for the services of Daniel Simon Esq. is \$72,077.50. The amount of attorney's fees for this period for Ashley Ferrel Esq. is \$38,060.00. The amount of costs outstanding for this period is \$31,943.70. This amount totals \$142,081.20 and is based upon the invoice from July 28, 2017. This amount has been paid by the Edgeworths on August 16, 2017.³

The amount of attorney's fees for the period of July 31, 2017 to September 19, 2017, for the services of Daniel Simon Esq. is \$119,762.50. The amount of attorney's fees for this period for Ashley Ferrel Esq. is \$60,981.25. The amount of attorney's fees for this period for Benjamin Miller Esq. is \$2,887.50. The amount of costs outstanding for this period is \$71,555.00. This amount totals \$255,186.25 and is based upon the invoice from September 19, 2017. This amount has been paid by the Edgeworths on September 25, 2017.

²There are no billing amounts from December 2 to December 4, 2016.

³ There are no billings from July 28 to July 30, 2017.

attorney fees owed to the Law Office of Daniel Simon.⁴ For the services of Daniel Simon Esq., the total amount of hours billed are 340.05. At a rate of \$550 per hour, the total attorney's fees owed to the Law Office for the work of Daniel Simon Esq. is \$187,027.50. For the services of Ashley Ferrel Esq., the total amount of hours billed are 337.15. At a rate of \$275 per hour, the total attorney's fees owed to the Law Office for the work of Ashley Ferrel Esq. from September 19, 2017 to November 29, 2017 is \$92,716.25.⁵ For the services of Benjamin Miller Esq., the total amount of hours billed are 19.05. At a rate of \$275 per hour, the total attorney's fees owed to the Law Office for the work of Benjamin Miller Esq. from September 19, 2017 to November 29, 2017 is \$5,238.75.⁶

From September 19, 2017 to November 29, 2017, the Court must determine the amount of

The Court notes that though there was never a fee agreement made with Ashley Ferrel Esq. or Benjamin Miller Esq., however, their fees were included on the last two invoices that were paid by the Edgeworths, so the implied fee agreement applies to their work as well.

The Court finds that the total amount owed to the Law Office of Daniel Simon for the period of September 19, 2018 to November 29, 2017 is \$284,982.50.

Costs Owed

The Court finds that the Law Office of Daniel Simon is not owed any monies for outstanding costs of the litigation in Edgeworth Family Trust; and American Grating, LLC vs. Lange Plumbing, LLC; The Viking Corporation; Supply Network, Inc. dba Viking Supplynet in case number A-16-738444-C. The attorney lien asserted by Simon, in January of 2018, originally sought reimbursement for advances costs of \$71,594.93. The amount sought for advanced costs was later changed to \$68,844.93. In March of 2018, the Edgeworths paid the outstanding advanced costs, so the Court finds that there no outstanding costs remaining owed to the Law Office of Daniel Simon.

 $^{^4}$ There are no billings for October 8^{th} , October 28-29, and November 5^{th} .

⁵ There is no billing for the October 7-8, October 22, October 28-29, November 4, November 11-12, November 18-19, November 21, and November 23-26.

⁶ There is no billing from September 19, 2017 to November 5, 2017.

Quantum Meruit

When a lawyer is discharged by the client, the lawyer is no longer compensated under the discharged/breached/repudiated contract, but is paid based on quantum meruit. See e.g. Golightly v. Gassner, 281 P.3d 1176 (Nev. 2009) (unreported) (discharged contingency attorney paid by quantum meruit rather than by contingency fee pursuant to agreement with client); citing, Gordon v. Stewart, 324 P.3d 234 (1958) (attorney paid in quantum meruit after client breach of agreement); and, Cooke v. Gove, 114 P.2d 87 (Nev. 1941) (fees awarded in quantum meruit when there was no contingency agreement). Here, Simon was constructively discharged by the Edgeworths on November 29, 2017. The constructive discharge terminated the implied contract for fees. William Kemp Esq. testified as an expert witness and stated that if there is no contract, then the proper award is quantum meruit. The Court finds that the Law Office of Daniel Simon is owed attorney's fees under quantum meruit from November 29, 2017, after the constructive discharge, to the conclusion of the Law Office's work on this case.

In determining the amount of fees to be awarded under quantum meruit, the Court has wide discretion on the method of calculation of attorney fee, to be "tempered only by reason and fairness". Albios v. Horizon Communities, Inc., 132 P.3d 1022 (Nev. 2006). The law only requires that the court calculate a reasonable fee. Shuette v. Beazer Homes Holding Corp., 124 P.3d 530 (Nev. 2005). Whatever method of calculation is used by the Court, the amount of the attorney fee must be reasonable under the Brunzell factors. Id. The Court should enter written findings of the reasonableness of the fee under the Brunzell factors. Argentena Consolidated Mining Co., v. Jolley, Urga, Wirth, Woodbury Standish, 216 P.3d 779, at fn2 (Nev. 2009). Brunzell provides that "[w]hile hourly time schedules are helpful in establishing the value of counsel services, other factors may be equally significant. Brunzell v. Golden Gate National Bank, 455 P.2d 31 (Nev. 1969).

The <u>Brunzell</u> factors are: (1) the qualities of the advocate; (2) the character of the work to be done; (3) the work actually performed; and (4) the result obtained. <u>Id</u>. However, in this case the Court notes that the majority of the work in this case was complete before the date of the constructive discharge, and the Court is applying the <u>Brunzell</u> factors for the period commencing

after the constructive discharge.

In considering the Brunzell factors, the Court looks at all of the evidence presented in the case, the testimony at the evidentiary hearing, and the litigation involved in the case. In this case, the evidence presented indicates that, after the constructive discharge, Simon received consent from the Edgeworths, through the Vannah Law Firm, to settle their claims against Lange Plumbing LLC for \$25,000. Simon continued to work with the attorneys for Lange Plumbing LLC to settle the claims for more than \$25,000, and ultimately ended up settling the claims for \$100,000. The record indicates that on December 5, 2017, Simon attempted an email to contact Brian Edgeworth regarding settling of the Lange case, as he was continuing to have discussions with Lange's counsel, regarding settling of the claims. However, Simon was told to contact Vannah's office as the Edgeworths were refusing his attempts to communicate. He then, reached out to Vannah's office and continued to work with Vannah's office to settle the Viking and the Lange claims. On December 7, 2017, Sion sent a letter advising Mr. Vannah regarding the Lange claim. Simon had advised the Edgeworths on settling of the Lange claim, but they ignored his advice and followed the advice of the Vannah & Vannah. Upon settlement of all the claims, the Edgeworths made the unusual request to open a new trust account with Mr. Vannah as the signer to deposit the Viking settlement proceeds. Mr. Simon complied with the request. Further, there were continued representations from the Edgeworths and the Vannah Law Firm that Simon had not been terminated from representation of the Edgeworths, and no motion to withdraw was filed in this case.

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1. Quality of the Advocate

Brunzell expands on the "qualities of the advocate" factor and mentions such items as training, skill and education of the advocate. Mr. Simon has been an active Nevada trial attorney for over two decades. He has several 7-figure trial verdicts and settlements to his credit. Craig Drummond Esq. testified that he considers Mr. Simon a top 1% trial lawyer and he associates Mr. Simon in on cases that are complex and of significant value. Michael Nunez Esq. testified that Mr. Simon's work on this case was extremely impressive. William Kemp Esq. testified that Mr. Simon's

23 4. <u>The Result Obtained</u>
24 The result was impre

The result was impressive. This began as a \$500,000 insurance claim and ended up settling for over \$6,000,000. Mr. Simon was also able to recover an additional \$100,000 from Lange Plumbing LLC. Mr. Vannah indicated to Simon that the Edgeworths were ready so sign and settle the Lange Claim for \$25,000 but Simon kept working on the case and making changes to the

work product and results are exceptional.

2. The Character of the Work to be Done

The character of the work done in this case is complex. This case was a very complex products liability case, from the beginning. After the constructive discharge of Simon, the complications in the case continued. The continued aggressive representation of Mr. Simon, in prosecuting the case was a substantial factor in achieving the exceptional results. Even after the constructive termination, Simon continued to work on the case. At one point, Simon said that he was not going to abandon the case, and he didn't abandon the case. The lack of communication with the Edgeworths made continuation of the case difficult, but Simon continued to work on the case and ended up reaching a resolution beneficial to the Edgeworths.

3. The Work Actually Performed

Mr. Simon was aggressive in litigating this case. Since Mr. Edgeworth is not a lawyer, it is impossible that it was his work alone that led to the settlement of the Viking and Lange claims, for a substantial sum, in the instant case. The Lange claims were settled for four times the original offer, because Simon continued to work on the case. He continued to make efforts to communicate with the Edgeworths and even followed their requests to communicate with Vannah's office. He also agreed to their request of opening a trust account, though in an unusual fashion. All of the work by the Law Office of Daniel Simon led to the ultimate result in this case, and a substantial result for the Edgeworths.

settlement agreement. This ultimately led to a larger settlement for the Edgeworths. Recognition is due to Mr. Simon for placing the Edgeworths in a great position to recover a greater amount from Lange. Mr. Kemp testified that this was the most important factor and that the result was incredible. Mr. Kemp also testified that he has never heard of a \$6 million settlement with a \$500,000 damage case. Further, in the Consent to Settle, on the Lange claims, the Edgeworth's acknowledge that they were made more than whole with the settlement with the Viking entities.

In determining the amount of attorney's fees owed to the Law Firm of Daniel Simon, the Court also considers the factors set forth in Nevada Rules of Professional Conduct – Rule 1.5(a) which states:

- (a) A lawyer shall not make an agreement for, charge, or collect an unreasonable fee or an unreasonable amount for expenses. The factors to be considered in determining the reasonableness of a fee include the following:
- (1) The time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly;
- (2) The likelihood, if apparent to the client, that the acceptance of the particular employment will preclude other employment by the lawyer;
- (3) The fee customarily charged in the locality for similar legal services;
 - (4) The amount involved and the results obtained;
- (5) The time limitations imposed by the client or by the circumstances;
- (6) The nature and length of the professional relationship with the client:
- (7) The experience, reputation, and ability of the lawyer or lawyers performing the services; and
 - (8) Whether the fee is fixed or contingent.

NRCP 1.5. However, the Court must also consider the remainder of Rule 1.5 which goes on to state:

- (b) The scope of the representation and the basis or rate of the fee and expenses for which the client will be responsible shall be communicated to the client, preferably in writing, before or within a reasonable time after commencing the representation, except when the lawyer will charge a regularly represented client on the same basis or rate. Any changes in the basis or rate of the fee or expenses shall also be communicated to the client.
- (c) A fee may be contingent on the outcome of the matter for which the service is rendered, except in a matter in which a contingent fee is prohibited

by paragraph (d) or other law. A contingent fee agreement shall be in writing, signed by the client, and shall state, in boldface type that is at least as large as the largest type used in the contingent fee agreement:

- (1) The method by which the fee is to be determined, including the percentage or percentages that shall accrue to the lawyer in the event of settlement, trial or appeal;
- (2) Whether litigation and other expenses are to be deducted from the recovery, and whether such expenses are to be deducted before or after the contingent fee is calculated;
 - (3) Whether the client is liable for expenses regardless of outcome;
- (4) That, in the event of a loss, the client may be liable for the opposing party's attorney fees, and will be liable for the opposing party's costs as required by law; and
- (5) That a suit brought solely to harass or to coerce a settlement may result in liability for malicious prosecution or abuse of process. Upon conclusion of a contingent fee matter, the lawyer shall provide the client with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination.

NRCP 1.5.

The Court finds that under the <u>Brunzell</u> factors, Mr. Simon was an exceptional advocate for the Edgeworths, the character of the work was complex, the work actually performed was extremely significant, and the work yielded a phenomenal result for the Edgeworths. All of the <u>Brunzell</u> factors justify a reasonable fee under NRPC 1.5.

However, the Court must also consider the fact that the evidence suggests that the basis or rate of the fee and expenses for which the client will be responsible were never communicated to the client, within a reasonable time after commencing the representation. Further, this is not a contingent fee case, and the Court is not awarding a contingency fee.

Instead, the Court must determine the amount of a reasonable fee. In determining this amount of a reasonable fee, the Court must consider the work that the Law Office continued to provide on the Edgeworth's case, even after the constructive discharge. The record is clear that the Edgeworths were ready to sign and settle the Lange claim for \$25,000 but Simon kept working on the case and making changes to the settlement agreement. This resulted in the Edgeworth's recovering an additional \$75,000 from Lange plumbing. Further, the Law Office of Daniel Simon

continued to work on the Viking settlement until it was finalized in December of 2017, and the checks were issued on December 18, 2017. Mr. Simon continued to personally work with Mr. Vannah to attempt to get the checks endorsed by the Edgeworths, and this lasted into the 2018 year. The record is clear that the efforts exerted by the Law Office of Daniel Simon and Mr. Simon himself were continuing, even after the constructive discharge. Though the previous agreement between Simon and the Edgeworths was for \$550 per hour, the Court must take into consideration that the Edgeworths' fee agreement with Vannah & Vannah was for \$925 per hour.

In considering the reasonable value of these services, under quantum meruit, the Court is considering the previous \$550 per hour fee from the implied fee agreement, the fee for the Vannah & Vannah Law Firm, the <u>Brunzell</u> factors, and additional work performed after the constructive discharge. As such, the COURT FINDS that the Law Office of Daniel Simon is entitled to a reasonable fee in the amount of \$200,000, from November 29, 2017 to the conclusion of this case.

CONCLUSION

The Court finds that the Law Office of Daniel Simon properly filed and perfected the charging lien pursuant to NRS 18.015(3) and the Court must adjudicate the lien. The Court further finds that there was an implied agreement for a fee of \$550 per hour between Mr. Simon and the Edgeworths once Simon started billing Edgeworth for this amount, and the bills were paid. The Court further finds that on November 29, 2017, the Edgeworth's constructively discharged Mr. Simon as their attorney, when they ceased following his advice and refused to communicate with him about their litigation. The Court further finds that Mr. Simon was compensated at the implied agreement rate of \$550 per hour for his services, and \$275 per hour for his associates; up and until the last billing of September 19, 2017. For the period from September 19, 2017 to November 29, 2017, the Court finds that Mr. Simon is entitled to his implied agreement fee of \$550 an hour, and \$275 an hour for his associates, for a total amount of \$284,982.50. For the period after November 29, 2017, the Court finds that the Law Office of Daniel Simon properly perfected their lien and is entitled to a reasonable fee for the services the office rendered for the Edgeworths, after being

constructively discharged, under quantum meruit, in an amount of \$200,000. The Court further finds that the Law Office of Daniel Simon is entitled to costs in the amount of \$71,594.93.

ORDER

It is hereby ordered, adjudged, and decreed, that the Motion to Adjudicate the Attorneys Lien of the Law Office of Daniel S. Simon was previously granted. The Court further finds that it lacked jurisdiction to issue the Fourth Amended Decision and Order on Motion to Adjudicate Lien on September 27, 2022, since the Supreme Court Remittitur had not issued. The Court further finds that the Motion for Adjudication Following Remand is granted in part, as the Court finds that there was ample foundation for the quantum meruit award of \$200,000.00. As such, the reasonable fee due to the Law Office of Daniel Simon is \$556,577.43, which includes outstanding costs.

IT IS SO ORDERED.

DISTRICT COURT JUDGE

Dated this 28th day of March, 2023

D39 E59 9E22 C62D Tierra Jones District Court Judge

1 **CSERV** 2 DISTRICT COURT 3 CLARK COUNTY, NEVADA 4 5 Edgeworth Family Trust, CASE NO: A-16-738444-C 6 Plaintiff(s) DEPT. NO. Department 10 7 vs. 8 Lange Plumbing, L.L.C., 9 Defendant(s) 10 11 **AUTOMATED CERTIFICATE OF SERVICE** 12 This automated certificate of service was generated by the Eighth Judicial District 13 Court. The foregoing Order was served via the court's electronic eFile system to all recipients registered for e-Service on the above entitled case as listed below: 14 Service Date: 3/28/2023 15 16 Peter Christiansen pete@christiansenlaw.com 17 Whitney Barrett wbarrett@christiansenlaw.com 18 Daniel Simon. lawyers@simonlawlv.com 19 Rhonda Onorato. ronorato@rlattorneys.com 20 Kendelee Leascher Works kworks@christiansenlaw.com 21 R. Todd Terry tterry@christiansenlaw.com 22 23 Keely Perdue keely@christiansenlaw.com 24 Jonathan Crain jcrain@christiansenlaw.com 25 Mariella Dumbrique mdumbrique@blacklobello.law 26 Chandi Melton chandi@christiansenlaw.com 27 28

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24	If indicated below, a copy of the above mentioned filings were also served by mail via United States Postal Service, postage prepaid, to the parties listed below at their last known addresses on 3/29/2023	
25		
26		2460 Professional CT STE 200 Las Vegas, NV, 89128
27		200, 101, 02120
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CERTIFICATE OF SERVICE

Pursuant to Nev. R. App. P. 25, I certify that I am an employee of MORRIS LAW GROUP; that, in accordance therewith, I caused a copy of the APPENDIX IN SUPPORT OF EDGEWORTHS' PETITION FOR A WRIT OF MANDAMUS TO COMPEL THE DISTRICT COURT TO ENTER A QUANTUM MERUIT ORDER AS TWICE PREVIOUSLY ORDERED BY THIS COURT BUT DISREGARDED BY THE DISTRICT COURT (VOL I

- V), to be electronically filed and served by the following method(s):

☑ Supreme Court's EFlex Electronic Filing System

Judge Tierra Jones (Hard Copy Hand-Delivered to Chambers)
Eighth Judicial District Court of
Clark County, Nevada
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Attorneys for Daniel S. Simon and the Law Firm of Daniel S. Simon Real Parties in Interest

DATED this 27th day of April, 2023.

By: /s/ CATHY SIMICICH