

1 DORSEY & WHITNEY LLP
2 2325 E Camelback Road, Suite 300
3 Phoenix, AZ 85016
4 Telephone: (602) 735-2702
5 Facsimile: (602) 508-6099

6 Isaac M. Gabriel (#021780)
7 gabriel.isaac@dorsey.com
8 Gregory B. Collins (#023158)
9 Collins.greg@dorsey.com

10 *Attorneys for Plaintiff*

11 **SUPERIOR COURT OF THE STATE OF ARIZONA**
12 **COUNTY OF MARICOPA**

13 MENVAS 22 LLC, an Arizona limited
14 liability company,

15 Plaintiff,

16 v.

17 STATE OF ARIZONA, a governmental entity;
18 ARIZONA DEPARTMENT OF HEALTH
19 SERVICES, an Arizona administrative
20 agency; JENNIE CUNICO, in her official
21 capacity as acting director of Arizona
22 Department of Health Services; JUICY JOINT
23 I LLC, an Arizona limited liability company;
24 HELPING HANDZ, LLC, a Wyoming limited
25 liability company; INVESTING IN THE
26 FUTURE, LLC, a Wyoming limited liability
company; MICHAEL HALOW, an individual;
DOES I-X, presently unknown persons,
agencies, entities, partnerships, associations,
limited liability companies, and/or
corporations.,

Defendant.

NO. CV2023-013140

VERIFIED COMPLAINT

(Declaratory Judgment)

(Comercial Court Assignment Requested)

(Tier 2)

1 Plaintiff Menvas22 LLC (“Menvas22”) pleads as follows:

2 **NATURE OF ACTION**

3 1. In November 2020, the Smart and Safe Arizona Act (“SSAA”) (also known as
4 Proposition 207) was passed by Arizona voters, legalizing adult use of marijuana, and, in relevant
5 part, directing the creation of a Social Equity Ownership Program (“SEOP”) “to promote the
6 ownership and operation of marijuana establishments and marijuana testing facilities by
7 individuals from communities disproportionately impacted by the enforcement of previous
8 marijuana laws.” A.R.S. § 36-2854(A)(9). On June 1, 2021, AZDHS adopted rules regarding the
9 eligibility of SEOP applicants. Among the rules that AZDHS enacted, AZDHS required principal
10 officers or board members that owned 51% of the company: (1) have an income that fell below
11 a certain threshold; (2) have been adversely affected by the enforcement of previous marijuana
12 laws; and (3) have not “entered into any pre-arranged, tentative, or final agreement or promise to
13 sell or otherwise limit the[ir] ownership interest.” Ariz.Admin. Code (“A.A.C.”) § 9-18-303(B).
14 In addition, rules promulgated by AZDHS provided that no principal officer or board member
15 (“POBM”) was permitted on more than the two applications and no POBM could have an
16 excluded felony offense. *See* A.R.S. § 36-5820(12); 9 A.A.C. §§ 18-205(C), 303(A)(6).

17 2. In April 2022, Defendant Juicy Joint I, LLC (“Juicy Joint”) was awarded one of
18 the 26 SEOP marijuana dispensary licenses. Juicy Joint met the requirements for an SEOP license
19 because Anavel Vasquez (“Vasquez”) owned 51% of Juicy Joint. In Juicy Joint’s application,
20 Ms. Vasquez affirmed: (1) that her income fell below the required thresholds; (2) she had been
21 adversely affected by the enforcement of prior marijuana laws; and (3) she had not “entered into
22 any pre-arranged, tentative, or final agreement or promise to sell or otherwise limit the[ir]
23 ownership interest.”

24 3. As the majority member of Juicy Joint, as explained fully below, once the license
25 was issued, Vasquez had the authority to transfer the LLC’s ownership interest in the license.
26 She could **not** transfer her interest before the license issued because, otherwise, Juicy Joint would
not have met the requirements for the issuance of the SEOP license, which, again required that

1 any 51% owner have not “entered into any pre-arranged, tentative, or final agreement or promise
2 to sell or otherwise limit the[ir] ownership interest.”

3 4. In August 2023, roughly four months after Juicy Joint was awarded an SEOP
4 license, Vasquez, along with Forty Six Ventures LLC, formed Plaintiff Menvas22, LLC
5 (“Menvas22”). Vasquez, as the 51% owner and member-manger of Juicy Joint, caused Juicy
6 Joint to transfer its interest in the SEOP license to Menvas22. Menvas22 applied for the transfer
7 through AZDHS, and the transfer was approved and administered by AZDHS on or about
8 November 8, 2022.

9 5. But, on or about July 14, 2023, Menvas22 discovered that AZDHS had transferred
10 its license back to Juicy Joint. Menvas22 has learned, largely in response to information gleamed
11 through FOIA requests, that AZDHS took this action after it received an unconfirmed arbitration
12 award, entered in a confidential arbitration which Menvas22 was not a party to, that was
13 forwarded to AZDHS by parties purporting to act on behalf of Juicy Joint: two of Juicy Joint’s
14 members Helping Handz, LLC and Investing in the Future, LLC.

15 6. This action requests that the Court enter a Declaratory Judgment after “a speedy
16 hearing”, as is appropriate under Ariz.R.Civ.P. 57, directing AZDHS to transfer the license back
17 to Menvas22. As explained fully below, Menvas22 is the rightful owner of the license. To hold
18 otherwise would require this Court to condone the many violations of Arizona law that result
19 from Juicy Joint holding the license including: (1) the fact that Juicy Joint has a POBM with
20 more than two licenses; (2) the fact that that same POBM was an undisclosed POBM on more
21 than two licenses applications that were submitted to AZDHS; and (3) the fact that Juicy Joint
22 has a POBM with an excluded felony. Furthermore, recognizing that Juicy Joint owns the license
23 requires the Court, and AZDHS, to honor an agreement that, if it were reached, was in violation
24 of A.A.C. § 9-18-303(B), which barred Vasquez from “enter[ing] into any pre-arranged,
25 tentative, or final agreement or promise to sell or otherwise limit the[ir] ownership interest” in
26

1 the SEOP license.¹ And finally, a declaratory judgment is also appropriate here because, no
2 matter the outcome of a confidential unconfirmed arbitration, Menvas22 was not a party to that
3 arbitration; Menvas’ procedural and substantive due process rights were violated by AZDHS
4 when it wrongly transferred the license.

5 **PARTIES, JURISDICTION AND VENUE**

6 7. Menvas22 is a limited liability company organized under Arizona law and is
7 authorized to conduct business in the State of Arizona.

8 8. Defendant, State of Arizona, is a sovereign state of the United States of America.

9 9. Defendant Arizona Department of Health Services (“AZDHS”) is, and was at all
10 relevant times, an Arizona administrative agency with its principal place of business in Maricopa
11 County, Arizona. AZDHS is responsible for implementing and administering the Arizona
12 Medical Marijuana Act (“AMMA”) and the Smart and Safe Arizona Act (“SSAA”).

13 10. Defendant, Jenni Cunico (“Cunico”), is sued in her official capacity as director of
14 AZDHS and is believed to be a resident of Maricopa County, Arizona. Defendant Cunico is
15 responsible for implementing and administering the AMMA and the SSAA. *See* A.R.S. §§ 36-
16 2801 *et seq.* Defendant Cunico was at all relevant times acting in her official capacity. Defendants
17 State of Arizona, Hobbs, AZDHS, and Cunico are hereinafter referred to collectively as the “State
18 Defendants.”

19 11. Defendant Juicy Joint I LLC (“Juicy Joint”) is a limited liability company
20 organized under Arizona law and is authorized to conduct business in the State of Arizona.

21
22
23

¹ As explained below, any argument that Vasquez reached an agreement with the other
24 members of Juicy Joint prior to the license being issued to enter into an operating agreement that
25 limited her interest in Juicy Joint requires the Court to believe that Vasquez committed a class 5
26 felony under A.R.S. § 13-231 “Fraudulent Schemes and Practices” in applying for the license.
Additionally, to the extent that such an agreement was reached, as Juicy Joint apparently argued
in arbitration, this means that her fellow members aided and abetted and solicited her criminal
conduct. Obviously, this didn’t happen here; otherwise, Defendant Michael Halow solicited
approximately 140 violations of A.R.S. § 13-231, since Mr. Halow submitted 140 of the 1,600
applications for SEOP licenses working with qualified SEOP individuals like Vasquez.

1 Defendant Juicy Joint is named pursuant to A.R.S. § 12-1841 as a person who may have a claim
2 or interest which would be affected by a declaration.

3 12. Defendant Helping Handz, LLC (“HHL”) is a limited liability company organized
4 under Wyoming law and is registered to do business as a foreign entity in the State of Arizona.
5 HHL is a member of Juicy Joint. HHL is named pursuant to A.R.S. § 12-1841 as a person who
6 may have a claim or interest which would be affected by a declaration.

7 13. Defendant Investing in the Future, LLC (“IFL”) is a limited liability company
8 organized under Wyoming law and is registered to business as a foreign entity in the State of
9 Arizona. IFL is a member of Juicy Joint. IFL is named pursuant to A.R.S. § 12-1841 as a person
10 who may have a claim or interest which would be affected by a declaration.

11 14. Defendant Michael Halow (“Halow”) is an Arizona resident.

12 15. Defendants Does I-X are names of fictitious persons, agencies, entities,
13 partnerships, associations, limited liability companies, and/or corporations, which Plaintiff will
14 request leave of the Court to insert the true and correct names if and when they are learned.

15 16. This litigation involves a dispute relating to the rights to a Marijuana Establishment
16 License issued by AZDHS pursuant to its authority under the SSAA.

17 17. Defendants caused events to occur in Arizona that form the basis of Menvas22’s
18 claims.

19 18. Jurisdiction and venue are proper in this court.

20 19. This case qualifies for Tier 2 designation due to the non-monetary relief sought.

21 20. Commercial Court Assignment is appropriate because there are businesses on both
22 sides of this dispute.

23 21. This action seeks a declaratory judgment entered after a “speedy hearing” as
24 required by Ariz.R.Civ.P. 57.

1 **GENERAL ALLEGATIONS**

2 **AZDHS Allocates Twenty-Six Social Equity Marijuana Establishment Licenses**

3 22. In November 2020, the SSAA (also known as Proposition 207), was passed by
4 Arizona voters, legalizing adult use of marijuana, and, in relevant part, directing the creation of
5 a Social Equity Ownership Program (“SEOP”) “to promote the ownership and operation of
6 marijuana establishments and marijuana testing facilities by individuals from communities
7 disproportionately impacted by the enforcement of previous marijuana laws.” A.R.S. § 36-
8 2854(A)(9).

9 23. Pursuant to A.R.S. § 36-2854(A)(1)(f), AZDHS is responsible for the regulation
10 and enforcement of the SEOP.

11 24. On June 1, 2021, AZDHS adopted rules regarding eligibility of SEOP applicants
12 and the application process.

13 25. Among the rules that AZDHS enacted, AZDHS required principal officers or board
14 members that owned 51% of the company: (1) have an income that fell below a certain threshold;
15 (2) have been adversely affected by the enforcement of previous marijuana laws; and (3) have
16 not “entered into any pre-arranged, tentative, or final agreement or promise to sell or otherwise
17 limit the[ir] ownership interest.” Ariz.Admin. Code (“A.A.C.”) § 9-18-303(B).

18 26. In addition, rules promulgated by AZDHS provided that no principal officer or
19 board member (“POBM”) was permitted on more than the two applications and no POBM could
20 have an excluded felony offense. *See* A.R.S. § 36-5820(12); 9 A.A.C. §§ 18-205(C), 303(A)(6).

21 27. A POBM, under Title 9, Chapter 18 of the Arizona Administrative Code, includes
22 the principal officers of an entity manager or member. A.A.C. R9-18-301(A).

23 28. AZDHS received over 1,600 applications for social equity marijuana licensees. It
24 selected the 26 social equity marijuana establishment licenses to be awarded by lottery.

1 **Halow Recruits Vasquez, Along With 139 Other Individuals That Qualify For SEOP**

2 **Licenses To Apply**

3 29. Halow is not an eligible social equity applicant. As such, Halow was not an
4 intended beneficiary of the SEOP.

5 30. As records that Plaintiff obtained through a FOIA request to AZDHS reveal, while
6 a resident of Texas, Halow was convicted of Aggravated Assault, which is a Class 2 felony in
7 Texas, on or about June 17, 2005. While Halow’s conviction was discharged with a “deferred
8 adjudication” for a violent felony offense, the state of Texas “considers a person ‘convicted’ if
9 there has been an adjudication of guilt or an order of deferred adjudication entered against that
10 person.” *See Texas Department of Public Safety v. McLendon*, 35 S.W. 3D 632 (Tex. 2000).
11 Accordingly, Halow’s aggravated assault conviction bars him from holding an ownership interest
12 in any dispensary. In addition, Halow has been charged with several forcible sexual offenses and
13 multiple other crimes, including a charge in Arizona for aggravated assault causing temporary
14 disfigurement in 2015.²

15 31. Upon information and belief, Halow also failed to meet the other requirements
16 necessary to serve as the 51% owner of a company that submitted an application for a SEOP
17 license.

18 32. Halow, however, eviscerated the purpose of the SEOP through a scheme to partner
19 with eligible social equity applicants and then oust them as managers.

20 33. Halow recruited numerous eligible individuals to serve as 51% managing member
21 on the marijuana establishment applications.

22 34. Halow formed HHL, which serves as the member of more than a hundred Arizona
23 limited liability companies. HHL was formed to partner with the recruits that Halow located and
24 apply for marijuana establishment licenses under the SEOP.

25 _____
26 ² The AZDHS records received from Plaintiff’s FOIA request reveal that, at least as of July
12, 2023, AZDHS was still determining how to proceed with respect to Mr. Halow’s role as a
POBM.

1 35. Halow had the numerous eligible individuals that he recruited sign term sheets
2 between HHL and the individuals. HHL did not countersign these agreements, thereby allowing
3 only Halow enforcement rights.

4 36. Upon information and belief, the terms sheets contained an unenforceable
5 agreement to agree, providing that: (i) the eligible individuals would sign whatever operating
6 agreement Halow provided to them if a license is awarded to that limited liability company, with
7 such terms determined by Halow with no input from the eligible individual, and (ii) the eligible
8 individuals would sign away all management rights to a “management company” selected by
9 Halow (presumably another entity Halow was to be affiliated with).

10 37. To the extent these types of agreements to agree were enforceable, then the
11 agreements were a direct violation of Arizona law, which, again required that any 51% owner
12 have not “entered into any pre-arranged, tentative, or final agreement or promise to sell or
13 otherwise limit the[ir] ownership interest.”

14 38. In connection with their applications for an SEOP license, each and every one of
15 the individuals that Halow recruited had to attest that they had not signed an agreement “to limit
16 the[ir] ownership interest.” To the extent that was untrue, and the terms sheets that Halow had
17 them sign were enforceable, each and every one of those individuals committed a class 5 felony
18 under A.R.S. § 13-231 “Fraudulent Schemes and Practices” in applying for the license.
19 Furthermore, again to the extent the Term Sheets were enforceable, Halow certainly aided and
20 abetted and/or solicited the violation of A.R.S. § 13-231.

21 39. Ultimately, approximately one hundred and forty applications were submitted in
22 which Halow was a POBM.

23 40. One of the applications that Halow shepherded was submitted by Juicy Joint.

24 41. Like the approximately 140 other LLCs that Halow incorporated, Juicy Joint was
25 formed by HHL and one of Halow’s selected eligible individuals, here Anavel Vasquez
26 (“Vasquez”).

1 42. Juicy Joint’s application sought to meet the requirements for an SEOP by relying
2 on Vasquez’s 51% interest in the company. Vasquez met AZDHS’ requirements related to
3 income and a history of adversity arising out of Arizona’s prior marijuana laws.

4 **Juicy Joint Is Awarded A License And, Despite Halow’s Coercive Efforts, Vasquez**
5 **Refuses To Sign An Operating Agreement That Diminishes Here Control Of Juicy Joint**

6 43. In April 2022, via lottery, AZDHS allocated the social equity marijuana
7 establishment licenses to twenty-six selected social equity application numbers.

8 44. Five of the total twenty-six social equity licenses available were awarded to
9 Arizona limited liability companies in which Halow was a principal officer of an entity member.

10 45. Juicy Joint was awarded one of the social equity marijuana establishment licenses:
11 Establishment License Number 0000147ESTXX54706468 (the “License”).

12 46. Upon information and belief, relying on onerous term sheets that he had his recruits
13 sign prior to including them on dispensary applications, Halow was able to coerce four of the
14 five eligible applicants to sign operating agreements restricting their rights as majority owners.
15 Vasquez was the only exception.

16 47. On or about April 8 (the same day that Juicy Joint was awarded one of the twenty-
17 six social equity licenses), Halow invited Vasquez to a hotel room at the Elements Hotel in
18 Scottsdale to celebrate. During that hotel room meeting, Halow attempted to coerce Vasquez to
19 sign an operating agreement, which, upon information and belief, would have relinquished her
20 managerial control and profits to Halow.

21 48. Vasquez refused to sign Halow’s operating agreement and maintained sole
22 managerial control as the 51% owner of Juicy Joint under Arizona’s Limited Liability Act.

23 **Vasquez Transfers The License To Menvas22**

24 49. With no operating agreement having been signed for Juicy Joint, and the social
25 equity license having been awarded to it, Vasquez, as the LLC’s managing member and the owner
26 of a majority interest in the LLC, had the right to control Juicy Joint’s license.

1 50. Vasquez also could not be bound by the unenforceable term sheet which purported
2 to restrict, in advance, her right to manage and control the license.

3 51. Menvas22 was formed on August 16, 2022, by its members Vasquez and Forty-Six
4 Ventures LLC, as a manager-managed limited liability company.

5 52. Vasquez and Mohit Asnani (“Asnani”) are managers of Menvas22.

6 53. Vasquez transferred Juicy Joint’s interest in the license to Menvas22.

7 54. On November 8, 2022, AZDHS transferred the License to Menvas22. Menvas22
8 applied for the transfer through AZDHS, and the transfer was approved and administered by
9 AZDHS. Menvas22 has held the License since that time.

10 55. Upon information and belief, Vasquez had full authority to enter into the
11 transaction approved by AZDHS.

12 56. Menvas22 has a valid property right in the License.

13 **Vasquez Participates In A Confidential Arbitration To Which Neither Menvas22 Nor**
14 **Asnani Were Parties**

15 57. On August 4, 2022, HHL and IITF, who were both members in Juicy Joint along
16 with Vasquez, filed a confidential demand for arbitration against Vasquez, asserting claims for
17 breach of contract, breach of the implied convenient of good faith and fair dealing, and breach of
18 fiduciary duty.

19 58. Menvas22 was not aware of the arbitration when it filed on August 4, 2022.
20 Menvas22 has only recently obtained a copy of the Interim Award entered by the arbitrator on
21 July 9, 2023, which purports to “take all steps necessary to promptly transfer the License back to
22 Juicy Joint.”

23 59. Menvas22 is generally aware of a contract dispute between HHL, IFL, and Vasquez
24 regarding Vasquez’s actions taken as the sole manager of Juicy Joint in entering into the
25 transaction regarding the License and applying for a transfer of the License through AZDHS.

26 60. Menvas22 is aware that Vasquez refused to sign Halow’s proposed operating
agreement, and thus, retained sole managerial control over Juicy Joint. Upon information and

1 belief, Vasquez did not sign the proposed operating agreement because it severely restricted her
2 rights as a member and manager of Juicy Joint, and Vasquez was concerned about Halow's ability
3 to obtain a Facility Agent Card as required by Arizona law due to his prior guilty plea to an
4 excluded felony offense. *See* A.R.S. § 36-5820(12); 9 A.A.C. §§ 18-205(C), 303(A)(6).

5 61. On or about December 9, 2022, Menvas22 received correspondence from
6 Claimants' counsel regarding the arbitration initiating a litigation hold for documents and
7 communications in Menvas22's possession, custody, or control.

8 62. Claimants' correspondence expressly confirmed that its Confidential Arbitration
9 involved disputes between Claimants and Vasquez, not Menvas22.

10 63. Menvas22 was subsequently subpoenaed for documents and Asnani was deposed
11 in January 2023.

12 64. Menvas22 did not participate in any further discovery or proceedings in the
13 Confidential Arbitration.

14 65. Menvas22 was never joined as a party to the Confidential Arbitration.

15 66. Claimants arbitrated claims in the Confidential Arbitration solely against Vasquez.

16 **AZDHS Unlawfully "Voids" Menvas22's License And Re-Issues A License To Juicy Joint**

17 67. On or about July 14, 2023, Menvas22 learned that its License was no longer listed
18 on the AZDHS portal.

19 68. On July 14, 2023, Menvas22 inquired with AZDHS regarding the removal of the
20 license.

21 69. On July 17, 2023, Gregory W. Falls, an attorney at Sherman & Howard, on behalf
22 of AZDHS, confirmed AZDHS was also not a party to an arbitration involving HHL, IFL, and/or
23 Vasquez, and suggested that questions regarding the removal or transfer of the license could be
24 answered by Vasquez.

25 70. Menvas22 has confirmed that Vasquez did not take any action to remove or transfer
26 the License.

1 71. Documents that Menvas22 recently received in response to a FOIA request confirm
2 the inappropriate actions that AZDHS took to void Menvas22's license, with no notice to
3 Menvas22.

4 72. On July 10, 2023, counsel for HHL and IITF, Kevin Moyer, contacted Gregory
5 Falls with Sherman & Howard, who, again, serves as counsel for AZDHS. Mr. Moyer forwarded
6 AZDHS the arbitrator's decision.

7 73. As an email from AZDHS's compliance officer, Jennifer Daniels, evidences, the
8 very next day, on July 11, 2023, AZDHS made the decision to "revert the license back to the
9 original name and to add Michael Harlow as the only PO/BM."

10 74. And later that same day, AZDHS' counsel, Gregory Falls, wrote back to Mr.
11 Moyer, HHL and IITF's counsel, as follows:

12 The Department is voiding the License issued in the name of MENVAS22 and will be re-issuing it in the
13 name of Juicy Joint I, LLC. Michael Harlow will be the only PO/BM at this time. He will be given access
14 to the portal. I am not yet sure exactly how that access will be conveyed. You may hear from the
Department or from me when it is good to go. I believe the new License will be available for download, and
Mr. Harlow can add other PO/BMs through the portal like any other Licensee would do.

15
16 Helping Handz, LLC and Invest in the Future, LLC will be shown as the only "members" of the company.
17 At this time, Vasquez will be shown as "transferee" with no rights to do anything. If something further needs
to happen with her, Mr. Harlow will have to do that. I am assuming that will be the subject of a further
order, and we can sit on the status for now.

18
19 I expect there will be no action to remove Vasquez or Mohit Asnani from their PO/BM positions with
20 MENVAS22. Because it no longer holds a License, the Department legally probably no longer has
jurisdiction over that company.

21 75. At no point did AZDHS contact or even attempt to contact Menvas22 prior to
22 voiding its license. There was no opportunity given by AZDHS for Menvas22 to object to
23 AZDHS' proposed actions.

24 76. Instead, AZDHS acted within 24 hours of receiving the arbitrator's unconfirmed
25 confidential award, which indicated on its face that Menvas22 was not a party to the arbitration.

26 77. AZDHS unilaterally removed or transferred Menvas22's license without notice,
opportunity to be heard, or due process of the law.

1 **COUNT ONE**
2 **Declaratory Action**
3 **(All Defendants)**

4 78. Plaintiff restates the foregoing allegations as if fully set forth herein.

5 79. Upon information and belief, AZDHS took action to remove or transfer the License
6 based on a decision in the Confidential Arbitration and reissued a license to an entity in which
7 Halow is a POBM.

8 80. Because Plaintiff was not a party to the Confidential Arbitration, any determination
9 of Plaintiff's rights in the License violates procedural due process. *See, e.g., Heinig v. Hudman,*
10 *177 Ariz. 66, 70, 865 P.2d 110, 114 (App. 1993).*

11 81. An actual controversy exists between the parties concerning Plaintiff's rights with
12 respect to the License, including Halow's rights to any marijuana establishment license issued
13 under the SEOP.

14 82. The rights, status and legal relations of the parties are affected by the dispute
15 described herein.

16 83. A declaratory judgment, pursuant to Rule 57, *Arizona Rules of Civil Procedure,*
17 and A.R.S. §§ 12-1831, *et seq.*, is both necessary and proper to establish the parties' legal rights
18 with respect to the License.

19 84. Plaintiff is entitled to its reasonable attorney fees and costs under A.R.S. § 12-1840.

20 **COUNT TWO**
21 **Injunction**
22 **(State Defendants)**

23 85. Plaintiff restates the foregoing allegations as if fully set forth herein.

24 86. AZDHS removed or transferred the License from Plaintiff without legal authority.

25 87. AZDHS removed or transferred the License without providing Plaintiff any notice
26 of the action or opportunity to be heard before taking said action.

88. No administrative remedies exist for Plaintiff to exhaust; even if such remedies
existed, but were promulgated by the ADHS, exhaustion would be futile as a matter of law.

1 89. An injunction ordering AZDHS to return the License is necessary and proper under
2 A.R.S. §§ 12-1801, *et seq.*, and A.R.S. § 12-1838.

3 90. Plaintiff is entitled to its reasonable attorney's fees and costs under A.R.S. § 12-
4 341 and A.R.S. § 12-1840.

5 **COUNT THREE**
6 **Special Action Relief—Writ of Mandamus**
7 **(AZDHS)**

8 91. Plaintiff restates the foregoing allegations as if fully set forth herein.

9 92. Menvas22 had a valid property interest in the License.

10 93. Upon information and belief, AZDHS removed or transferred the License based on
11 an interim arbitration award issued in an arbitration to which AZDHS and Plaintiff were not
12 parties.

13 94. Upon information and belief, AZDHS unilaterally removed or transferred the
14 License without a court order or other legal authority requiring that AZDHS take action.

15 95. AZDHS removed or transferred the License without providing Plaintiff any notice
16 of the action or opportunity to be heard before taking said action.

17 96. In removing or transferring the License, AZDHS exceeded its jurisdictional and
18 legal authority, and its actions were arbitrary, capricious, and an abuse of AZDHS' discretion.

19 97. Plaintiffs have no other available remedy to compel AZDHS to return the License.

20 **PRAYER FOR RELIEF**

21 WHEREFORE, Plaintiff respectfully request judgment against Defendants as follows:

22 A. Declaring the removal or transfer of the License was without due process of the
23 law and unlawful;

24 B. Directing Defendants to return the License to Plaintiff;

25 C. Awarding Plaintiff its attorneys' fees and costs incurred in this action; and

26 D. Awarding Plaintiff such other and further relief as the Court deems just under the
circumstances.

1 RESPECTFULLY SUBMITTED this 25th day of August, 2023.

2
3 DORSEY & WHITNEY LLP

4
5 By: */s/ Isaac Gabriel*

6 Isaac M. Gabriel
7 Gregory B. Collins
8 2325 E Camelback Road, Suite 300
9 Phoenix, AZ 85016

10 *Attorneys for Plaintiff*
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

1 **VERIFICATION**

2 Mohit Asnani declares as follows:

3 I am an authorized representative for Menvas22 LLC in this action and, in that capacity,
4 sign this Verification. I have read the foregoing Verified Complaint and state that the matters
5 contained therein are true to the best of my knowledge, information, and belief. Pursuant to the
6 Arizona Rules of Civil Procedure, I declare under the penalty of perjury that the foregoing is true
7 and correct.

8 Dated this 25th day of August, 2023.

9 **Menvas22 LLC**

10
11 By: /s/ Mohit Anani
12 Title: Member
13
14
15
16
17
18
19
20
21
22
23
24
25
26