
GRILL CONCEPTS

November 25, 2013

RE: Reverse Stock Split

Dear Stockholder:

Effective November 22, 2013 (the “Effective Date”), Grill Concepts carried out a 1-for-900,000 reverse stock split (the “Reverse Split”).

As a result of the Reverse Split, shares of Grill Concepts common stock held by holders of fewer than 900,000 shares (“Cashed Out Shareholders”) were automatically cancelled on the Effective Date and each Cashed Out Shareholder is entitled to receive \$0.30 per share (the “Cash Payment”) of pre-Reverse Split common stock held.

Background

The Reverse Split was approved by a committee (the “Committee”) of our directors comprised of two of our largest shareholders, both of whom are Cashed Out Shareholders, was unanimously approved by our board of directors and was approved by written consent of our controlling shareholder (the “Controlling Shareholder”) who, together with affiliates, holds shares representing a substantial majority of shares eligible to vote with respect to the Reverse Split. No proxies were sought from other shareholders as our Controlling Shareholder had adequate voting power to approve the Reverse Split without the need for approval of any other shareholders.

In determining to approve the Reverse Split and resulting cash out of shareholders other than the Controlling Shareholder, our board, the Committee and the Controlling Shareholder took into account the following factors, among others: (i) our limited ability to secure financing to support growth absent support or concessions from our Controlling Shareholder, (ii) our substantial debt owing to our Controlling Shareholder, and (iii) the lack of liquidity in our common stock as evidenced by sporadic trading in our stock on the OTC Market. Our management, board and the Committee each believe that the Cash Payment will allow Cashed Out Shareholders to realize the value of their shares which might not otherwise be realized for an extended period of time, if ever, as a result of the illiquid nature of the trading market in our common stock.

The Cash Payment was approved by the Committee following negotiations with the Controlling Shareholder. In determining the Cash Payment, the Committee retained a financial advisor which provided an estimate of value of our company and the common stock and advised the Committee with respect to the Reverse Split and the Cash Payment.



DAILY GRILL *In Short Order*
DAILY GRILL



Procedures Regarding Cash Payment

Enclosed herewith find a Letter of Transmittal.

Cashed Out Shareholders (ie, holders of less than 900,000 shares) should complete and return to Securities Transfer Corp (the “Exchange Agent”) the Letter of Transmittal along with their existing Grill Concepts stock certificate(s). Upon receipt of the duly completed Letter of Transmittal and stock certificate, the Exchange Agent will deliver to each Cashed Out Shareholder their applicable Cash Payment.

Dissenter’s Notice

In accordance with Nevada Revised Statutes (“NRS”) 92A.410, because the Reverse Split results in the payment of cash in lieu of issuance of fractional shares and was approved by a written consent of stockholders without a meeting, all shareholders of record are entitled to notice prescribed by NRS 92A.430 of their dissenter’s rights (“Dissenter’s Rights”) as set forth in NRS 92A.300 to 92A.500. Grill Concepts considers the Cash Payment to satisfy the requirements of Nevada law to pay “fair value” in lieu of fractional shares. If, however, you do not agree that such payment represents “fair value” you may withhold the Letter of Transmittal and assert Dissenter’s Rights by making written demand, accompanied by stock certificates evidencing your share of Grill Concepts, no later than December 31, 2013, delivered to Grill Concepts, Inc., attn.: John Bayley, 6300 Canoga Avenues, Suite 600, Woodland Hills, California 91367. Included herewith find a form for purposes of asserting Dissenter’s Rights as well as a copy of NRS 92A.300 to 92A.500. **If you desire to assert Dissenter’s Rights you should complete and return the form included herewith and comply with the requirements of the Nevada dissenter’s right statute included herewith.**

If you assert Dissenter’s Rights, the Cash Payment for your shares will be withheld and your rights payment for your shares will be governed by the Nevada Dissenter’s Rights statute. If you fail to assert Dissenter’s Rights in the manner described above by December 31, 2013, you will be deemed to have waived your rights to demand payment under the Nevada Dissenter’s Rights statute.

Should you have any questions regarding the foregoing, please review the instructions included in the Letters of Transmittal or feel free to contact the Exchange Agent at the number and/or address shown in the Letter of Transmittal.

Sincerely,

GRILL CONCEPTS, INC.

John Bayley
Chief Financial Officer



RIGHTS OF DISSENTING OWNERS

NRS 92A.300 Definitions. As used in [NRS 92A.300](#) to [92A.500](#), inclusive, unless the context otherwise requires, the words and terms defined in [NRS 92A.305](#) to [92A.335](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by [1995, 2086](#))

NRS 92A.305 “Beneficial stockholder” defined. “Beneficial stockholder” means a person who is a beneficial owner of shares held in a voting trust or by a nominee as the stockholder of record.

(Added to NRS by [1995, 2087](#))

NRS 92A.310 “Corporate action” defined. “Corporate action” means the action of a domestic corporation.

(Added to NRS by [1995, 2087](#))

NRS 92A.315 “Dissenter” defined. “Dissenter” means a stockholder who is entitled to dissent from a domestic corporation’s action under [NRS 92A.380](#) and who exercises that right when and in the manner required by [NRS 92A.400](#) to [92A.480](#), inclusive.

(Added to NRS by [1995, 2087](#); A [1999, 1631](#))

NRS 92A.320 “Fair value” defined. “Fair value,” with respect to a dissenter’s shares, means the value of the shares determined:

1. Immediately before the effectuation of the corporate action to which the dissenter objects, excluding any appreciation or depreciation in anticipation of the corporate action unless exclusion would be inequitable;
2. Using customary and current valuation concepts and techniques generally employed for similar businesses in the context of the transaction requiring appraisal; and
3. Without discounting for lack of marketability or minority status.

(Added to NRS by [1995, 2087](#); A [2009, 1720](#))

NRS 92A.325 “Stockholder” defined. “Stockholder” means a stockholder of record or a beneficial stockholder of a domestic corporation.

(Added to NRS by [1995, 2087](#))

NRS 92A.330 “Stockholder of record” defined. “Stockholder of record” means the person in whose name shares are registered in the records of a domestic corporation or the beneficial owner of shares to the extent of the rights granted by a nominee’s certificate on file with the domestic corporation.

(Added to NRS by [1995, 2087](#))

NRS 92A.335 “Subject corporation” defined. “Subject corporation” means the domestic corporation which is the issuer of the shares held by a dissenter before the corporate action creating the dissenter’s rights becomes effective or the surviving or acquiring entity of that issuer after the corporate action becomes effective.

(Added to NRS by [1995, 2087](#))

NRS 92A.340 Computation of interest. Interest payable pursuant to [NRS 92A.300](#) to [92A.500](#), inclusive, must be computed from the effective date of the action until the date of payment, at the rate of interest most recently established pursuant to [NRS 99.040](#).

(Added to NRS by [1995, 2087](#); A [2009, 1721](#))

NRS 92A.350 Rights of dissenting partner of domestic limited partnership. A partnership agreement of a domestic limited partnership or, unless otherwise provided in the partnership agreement, an agreement of merger or exchange, may provide that contractual rights with respect to the partnership interest of a dissenting general or limited partner of a domestic limited partnership are available for any class or group of partnership interests in connection with any merger or exchange in which the domestic limited partnership is a constituent entity.

(Added to NRS by [1995, 2088](#))

NRS 92A.360 Rights of dissenting member of domestic limited-liability company. The articles of organization or operating agreement of a domestic limited-liability company or, unless otherwise provided in the articles of organization or operating agreement, an agreement of merger or exchange, may provide that contractual rights with respect to the interest of a dissenting member are available in connection with any merger or exchange in which the domestic limited-liability company is a constituent entity.

(Added to NRS by [1995, 2088](#))

NRS 92A.370 Rights of dissenting member of domestic nonprofit corporation.

1. Except as otherwise provided in subsection 2, and unless otherwise provided in the articles or bylaws, any member of any constituent domestic nonprofit corporation who voted against the merger may, without prior notice, but within 30 days after the effective date of the merger, resign from membership and is thereby excused from all contractual obligations to the constituent or surviving corporations which did not occur before the member's resignation and is thereby entitled to those rights, if any, which would have existed if there had been no merger and the membership had been terminated or the member had been expelled.

2. Unless otherwise provided in its articles of incorporation or bylaws, no member of a domestic nonprofit corporation, including, but not limited to, a cooperative corporation, which supplies services described in [chapter 704](#) of NRS to its members only, and no person who is a member of a domestic nonprofit corporation as a condition of or by reason of the ownership of an interest in real property, may resign and dissent pursuant to subsection 1.

(Added to NRS by [1995, 2088](#))

NRS 92A.380 Right of stockholder to dissent from certain corporate actions and to obtain payment for shares.

1. Except as otherwise provided in [NRS 92A.370](#) and [92A.390](#) and subject to the limitation in paragraph (f), any stockholder is entitled to dissent from, and obtain payment of the fair value of the stockholder's shares in the event of any of the following corporate actions:

(a) Consummation of a plan of merger to which the domestic corporation is a constituent entity:

(1) If approval by the stockholders is required for the merger by [NRS 92A.120](#) to [92A.160](#), inclusive, or the articles of incorporation, regardless of whether the stockholder is entitled to vote on the plan of merger; or

(2) If the domestic corporation is a subsidiary and is merged with its parent pursuant to [NRS 92A.180](#).

(b) Consummation of a plan of conversion to which the domestic corporation is a constituent entity as the corporation whose subject owner's interests will be converted.

(c) Consummation of a plan of exchange to which the domestic corporation is a constituent entity as the corporation whose subject owner's interests will be acquired, if the stockholder's shares are to be acquired in the plan of exchange.

(d) Any corporate action taken pursuant to a vote of the stockholders to the extent that the articles of incorporation, bylaws or a resolution of the board of directors provides that voting or nonvoting stockholders are entitled to dissent and obtain payment for their shares.

(e) Accordance of full voting rights to control shares, as defined in [NRS 78.3784](#), only to the extent provided for pursuant to [NRS 78.3793](#).

(f) Any corporate action not described in this subsection that will result in the stockholder receiving money or scrip instead of a fraction of a share except where the stockholder would not be entitled to receive such payment pursuant to [NRS 78.205](#), [78.2055](#) or [78.207](#). A dissent pursuant to this paragraph applies only to the fraction of a share, and the stockholder is entitled only to obtain payment of the fair value of the fraction of a share.

2. A stockholder who is entitled to dissent and obtain payment pursuant to [NRS 92A.300](#) to [92A.500](#), inclusive, may not challenge the corporate action creating the entitlement unless the action is unlawful or fraudulent with respect to the stockholder or the domestic corporation.

3. Subject to the limitations in this subsection, from and after the effective date of any corporate action described in subsection 1, no stockholder who has exercised the right to dissent pursuant to [NRS 92A.300](#) to [92A.500](#), inclusive, is entitled to vote his or her shares for any purpose or to receive payment of dividends or any other distributions on shares. This subsection does not apply to dividends or other distributions payable to stockholders on a date before the effective date of any corporate action from which the stockholder has dissented. If a stockholder exercises the right to dissent with respect to a corporate action described in paragraph (f) of subsection 1, the restrictions of this subsection apply only to the shares to be converted into a fraction of a share and the dividends and distributions to those shares.

(Added to NRS by [1995, 2087](#); A [2001, 1414, 3199](#); [2003, 3189](#); [2005, 2204](#); [2007, 2438](#); [2009, 1721](#); [2011, 2814](#))

NRS 92A.390 Limitations on right of dissent: Stockholders of certain classes or series; action of stockholders not required for plan of merger.

1. There is no right of dissent with respect to a plan of merger, conversion or exchange in favor of stockholders of any class or series which is:

(a) A covered security under section 18(b)(1)(A) or (B) of the Securities Act of 1933, 15 U.S.C. § 77r(b)(1)(A) or (B), as amended;

(b) Traded in an organized market and has at least 2,000 stockholders and a market value of at least \$20,000,000, exclusive of the value of such shares held by the corporation's subsidiaries, senior executives, directors and beneficial stockholders owning more than 10 percent of such shares; or

(c) Issued by an open end management investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq., as amended, and which may be redeemed at the option of the holder at net asset value,

↳ unless the articles of incorporation of the corporation issuing the class or series or the resolution of the board of directors approving the plan of merger, conversion or exchange expressly provide otherwise.

2. The applicability of subsection 1 must be determined as of:

(a) The record date fixed to determine the stockholders entitled to receive notice of and to vote at the meeting of stockholders to act upon the corporate action requiring dissenter's rights; or

(b) The day before the effective date of such corporate action if there is no meeting of stockholders.

3. Subsection 1 is not applicable and dissenter's rights are available pursuant to [NRS 92A.380](#) for the holders of any class or series of shares who are required by the terms of the corporate action requiring dissenter's rights to accept for such shares anything other than cash or shares of any class or any series of shares of any corporation, or any other proprietary interest of any other entity, that satisfies the standards set forth in subsection 1 at the time the corporate action becomes effective.

4. There is no right of dissent for any holders of stock of the surviving domestic corporation if the plan of merger does not require action of the stockholders of the surviving domestic corporation under [NRS 92A.130](#).

5. There is no right of dissent for any holders of stock of the parent domestic corporation if the plan of merger does not require action of the stockholders of the parent domestic corporation under [NRS 92A.180](#).

(Added to NRS by [1995, 2088](#); A [2009, 1722](#); [2013, 1285](#))

NRS 92A.400 Limitations on right of dissent: Assertion as to portions only to shares registered to stockholder; assertion by beneficial stockholder.

1. A stockholder of record may assert dissenter's rights as to fewer than all of the shares registered in his or her name only if the stockholder of record dissents with respect to all shares of the class or series beneficially owned by any one person and notifies the subject corporation in writing of the name and address of each person on whose behalf the stockholder of record asserts dissenter's rights. The rights of a partial dissenter under this subsection are determined as if the shares as to which the partial dissenter dissents and his or her other shares were registered in the names of different stockholders.

2. A beneficial stockholder may assert dissenter's rights as to shares held on his or her behalf only if the beneficial stockholder:

(a) Submits to the subject corporation the written consent of the stockholder of record to the dissenter not later than the time the beneficial stockholder asserts dissenter's rights; and

(b) Does so with respect to all shares of which he or she is the beneficial stockholder or over which he or she has power to direct the vote.

(Added to NRS by [1995, 2089](#); A [2009, 1723](#))

NRS 92A.410 Notification of stockholders regarding right of dissent.

1. If a proposed corporate action creating dissenter's rights is submitted to a vote at a stockholders' meeting, the notice of the meeting must state that stockholders are, are not or may be entitled to assert dissenter's rights under [NRS 92A.300](#) to [92A.500](#), inclusive. If the domestic corporation concludes that dissenter's rights are or may be available, a copy of [NRS 92A.300](#) to [92A.500](#), inclusive, must accompany the meeting notice sent to those record stockholders entitled to exercise dissenter's rights.

2. If the corporate action creating dissenter's rights is taken by written consent of the stockholders or without a vote of the stockholders, the domestic corporation shall notify in writing all stockholders entitled to assert dissenter's rights that the action was taken and send them the dissenter's notice described in [NRS 92A.430](#).

(Added to NRS by [1995, 2089](#); A [1997, 730](#); [2009, 1723](#); [2013, 1286](#))

NRS 92A.420 Prerequisites to demand for payment for shares.

1. If a proposed corporate action creating dissenter's rights is submitted to a vote at a stockholders' meeting, a stockholder who wishes to assert dissenter's rights with respect to any class or series of shares:

(a) Must deliver to the subject corporation, before the vote is taken, written notice of the stockholder's intent to demand payment for his or her shares if the proposed action is effectuated; and

(b) Must not vote, or cause or permit to be voted, any of his or her shares of such class or series in favor of the proposed action.

2. If a proposed corporate action creating dissenter's rights is taken by written consent of the stockholders, a stockholder who wishes to assert dissenter's rights with respect to any class or series of shares must not consent to or approve the proposed corporate action with respect to such class or series.

3. A stockholder who does not satisfy the requirements of subsection 1 or 2 and [NRS 92A.400](#) is not entitled to payment for his or her shares under this chapter.

(Added to NRS by [1995, 2089](#); A [1999, 1631](#); [2005, 2204](#); [2009, 1723](#); [2013, 1286](#))

NRS 92A.430 Dissenter’s notice: Delivery to stockholders entitled to assert rights; contents.

1. The subject corporation shall deliver a written dissenter’s notice to all stockholders of record entitled to assert dissenter’s rights in whole or in part, and any beneficial stockholder who has previously asserted dissenter’s rights pursuant to [NRS 92A.400](#).

2. The dissenter’s notice must be sent no later than 10 days after the effective date of the corporate action specified in [NRS 92A.380](#), and must:

(a) State where the demand for payment must be sent and where and when certificates, if any, for shares must be deposited;

(b) Inform the holders of shares not represented by certificates to what extent the transfer of the shares will be restricted after the demand for payment is received;

(c) Supply a form for demanding payment that includes the date of the first announcement to the news media or to the stockholders of the terms of the proposed action and requires that the person asserting dissenter’s rights certify whether or not the person acquired beneficial ownership of the shares before that date;

(d) Set a date by which the subject corporation must receive the demand for payment, which may not be less than 30 nor more than 60 days after the date the notice is delivered and state that the stockholder shall be deemed to have waived the right to demand payment with respect to the shares unless the form is received by the subject corporation by such specified date; and

(e) Be accompanied by a copy of [NRS 92A.300](#) to [92A.500](#), inclusive.

(Added to NRS by [1995, 2089](#); A [2005, 2205](#); [2009, 1724](#); [2013, 1286](#))

NRS 92A.440 Demand for payment and deposit of certificates; loss of rights of stockholder; withdrawal from appraisal process.

1. A stockholder who receives a dissenter’s notice pursuant to [NRS 92A.430](#) and who wishes to exercise dissenter’s rights must:

(a) Demand payment;

(b) Certify whether the stockholder or the beneficial owner on whose behalf he or she is dissenting, as the case may be, acquired beneficial ownership of the shares before the date required to be set forth in the dissenter’s notice for this certification; and

(c) Deposit the stockholder’s certificates, if any, in accordance with the terms of the notice.

2. If a stockholder fails to make the certification required by paragraph (b) of subsection 1, the subject corporation may elect to treat the stockholder’s shares as after-acquired shares under [NRS 92A.470](#).

3. Once a stockholder deposits that stockholder’s certificates or, in the case of uncertified shares makes demand for payment, that stockholder loses all rights as a stockholder, unless the stockholder withdraws pursuant to subsection 4.

4. A stockholder who has complied with subsection 1 may nevertheless decline to exercise dissenter’s rights and withdraw from the appraisal process by so notifying the subject corporation in writing by the date set forth in the dissenter’s notice pursuant to [NRS 92A.430](#). A stockholder who fails to so withdraw from the appraisal process may not thereafter withdraw without the subject corporation’s written consent.

5. The stockholder who does not demand payment or deposit his or her certificates where required, each by the date set forth in the dissenter’s notice, is not entitled to payment for his or her shares under this chapter.

(Added to NRS by [1995, 2090](#); A [1997, 730](#); [2003, 3189](#); [2009, 1724](#))

NRS 92A.450 Uncertificated shares: Authority to restrict transfer after demand for payment.

The subject corporation may restrict the transfer of shares not represented by a certificate from the date the demand for their payment is received.

(Added to NRS by [1995, 2090](#); A [2009, 1725](#))

NRS 92A.460 Payment for shares: General requirements.

1. Except as otherwise provided in [NRS 92A.470](#), within 30 days after receipt of a demand for payment pursuant to [NRS 92A.440](#), the subject corporation shall pay in cash to each dissenter who complied with [NRS 92A.440](#) the amount the subject corporation estimates to be the fair value of the dissenter's shares, plus accrued interest. The obligation of the subject corporation under this subsection may be enforced by the district court:

- (a) Of the county where the subject corporation's principal office is located;
- (b) If the subject corporation's principal office is not located in this State, in the county in which the corporation's registered office is located; or
- (c) At the election of any dissenter residing or having its principal or registered office in this State, of the county where the dissenter resides or has its principal or registered office.

↪ The court shall dispose of the complaint promptly.

2. The payment must be accompanied by:

(a) The subject corporation's balance sheet as of the end of a fiscal year ending not more than 16 months before the date of payment, a statement of income for that year, a statement of changes in the stockholders' equity for that year or, where such financial statements are not reasonably available, then such reasonably equivalent financial information and the latest available quarterly financial statements, if any;

(b) A statement of the subject corporation's estimate of the fair value of the shares; and

(c) A statement of the dissenter's rights to demand payment under [NRS 92A.480](#) and that if any such stockholder does not do so within the period specified, such stockholder shall be deemed to have accepted such payment in full satisfaction of the corporation's obligations under this chapter.

(Added to NRS by [1995, 2090](#); A [2007, 2704](#); [2009, 1725](#); [2013, 1287](#))

NRS 92A.470 Withholding payment for shares acquired on or after date of dissenter's notice: General requirements.

1. A subject corporation may elect to withhold payment from a dissenter unless the dissenter was the beneficial owner of the shares before the date set forth in the dissenter's notice as the first date of any announcement to the news media or to the stockholders of the terms of the proposed action.

2. To the extent the subject corporation elects to withhold payment, within 30 days after receipt of a demand for payment pursuant to [NRS 92A.440](#), the subject corporation shall notify the dissenters described in subsection 1:

(a) Of the information required by paragraph (a) of subsection 2 of [NRS 92A.460](#);

(b) Of the subject corporation's estimate of fair value pursuant to paragraph (b) of subsection 2 of [NRS 92A.460](#);

(c) That they may accept the subject corporation's estimate of fair value, plus interest, in full satisfaction of their demands or demand appraisal under [NRS 92A.480](#);

(d) That those stockholders who wish to accept such an offer must so notify the subject corporation of their acceptance of the offer within 30 days after receipt of such offer; and

(e) That those stockholders who do not satisfy the requirements for demanding appraisal under [NRS 92A.480](#) shall be deemed to have accepted the subject corporation's offer.

3. Within 10 days after receiving the stockholder's acceptance pursuant to subsection 2, the subject corporation shall pay in cash the amount offered under paragraph (b) of subsection 2 to each stockholder who agreed to accept the subject corporation's offer in full satisfaction of the stockholder's demand.

4. Within 40 days after sending the notice described in subsection 2, the subject corporation shall pay in cash the amount offered under paragraph (b) of subsection 2 to each stockholder described in paragraph (e) of subsection 2.

(Added to NRS by [1995, 2091](#); A [2009, 1725](#); [2013, 1287](#))

NRS 92A.480 Dissenter’s estimate of fair value: Notification of subject corporation; demand for payment of estimate.

1. A dissenter paid pursuant to [NRS 92A.460](#) who is dissatisfied with the amount of the payment may notify the subject corporation in writing of the dissenter’s own estimate of the fair value of his or her shares and the amount of interest due, and demand payment of such estimate, less any payment pursuant to [NRS 92A.460](#). A dissenter offered payment pursuant to [NRS 92A.470](#) who is dissatisfied with the offer may reject the offer pursuant to [NRS 92A.470](#) and demand payment of the fair value of his or her shares and interest due.

2. A dissenter waives the right to demand payment pursuant to this section unless the dissenter notifies the subject corporation of his or her demand to be paid the dissenter’s stated estimate of fair value plus interest under subsection 1 in writing within 30 days after receiving the subject corporation’s payment or offer of payment under [NRS 92A.460](#) or [92A.470](#) and is entitled only to the payment made or offered.

(Added to NRS by [1995, 2091](#); A [2009, 1726](#))

NRS 92A.490 Legal proceeding to determine fair value: Duties of subject corporation; powers of court; rights of dissenter.

1. If a demand for payment pursuant to [NRS 92A.480](#) remains unsettled, the subject corporation shall commence a proceeding within 60 days after receiving the demand and petition the court to determine the fair value of the shares and accrued interest. If the subject corporation does not commence the proceeding within the 60-day period, it shall pay each dissenter whose demand remains unsettled the amount demanded by each dissenter pursuant to [NRS 92A.480](#) plus interest.

2. A subject corporation shall commence the proceeding in the district court of the county where its principal office is located in this State. If the principal office of the subject corporation is not located in this State, the right to dissent arose from a merger, conversion or exchange and the principal office of the surviving entity, resulting entity or the entity whose shares were acquired, whichever is applicable, is located in this State, it shall commence the proceeding in the county where the principal office of the surviving entity, resulting entity or the entity whose shares were acquired is located. In all other cases, if the principal office of the subject corporation is not located in this State, the subject corporation shall commence the proceeding in the district court in the county in which the corporation’s registered office is located.

3. The subject corporation shall make all dissenters, whether or not residents of Nevada, whose demands remain unsettled, parties to the proceeding as in an action against their shares. All parties must be served with a copy of the petition. Nonresidents may be served by registered or certified mail or by publication as provided by law.

4. The jurisdiction of the court in which the proceeding is commenced under subsection 2 is plenary and exclusive. The court may appoint one or more persons as appraisers to receive evidence and recommend a decision on the question of fair value. The appraisers have the powers described in the order appointing them, or any amendment thereto. The dissenters are entitled to the same discovery rights as parties in other civil proceedings.

5. Each dissenter who is made a party to the proceeding is entitled to a judgment:

(a) For the amount, if any, by which the court finds the fair value of the dissenter’s shares, plus interest, exceeds the amount paid by the subject corporation; or

(b) For the fair value, plus accrued interest, of the dissenter’s after-acquired shares for which the subject corporation elected to withhold payment pursuant to [NRS 92A.470](#).

(Added to NRS by [1995, 2091](#); A [2007, 2705](#); [2009, 1727](#); [2011, 2815](#); [2013, 1288](#))

NRS 92A.500 Assessment of costs and fees in certain legal proceedings.

1. The court in a proceeding to determine fair value shall determine all of the costs of the proceeding, including the reasonable compensation and expenses of any appraisers appointed by the court. The court shall assess the costs against the subject corporation, except that the court may assess costs against all or some of the dissenters, in amounts the court finds equitable, to the extent the court finds the dissenters acted arbitrarily, vexatiously or not in good faith in demanding payment.

2. The court may also assess the fees and expenses of the counsel and experts for the respective parties, in amounts the court finds equitable:

(a) Against the subject corporation and in favor of all dissenters if the court finds the subject corporation did not substantially comply with the requirements of [NRS 92A.300](#) to [92A.500](#), inclusive; or

(b) Against either the subject corporation or a dissenter in favor of any other party, if the court finds that the party against whom the fees and expenses are assessed acted arbitrarily, vexatiously or not in good faith with respect to the rights provided by [NRS 92A.300](#) to [92A.500](#), inclusive.

3. If the court finds that the services of counsel for any dissenter were of substantial benefit to other dissenters similarly situated, and that the fees for those services should not be assessed against the subject corporation, the court may award to those counsel reasonable fees to be paid out of the amounts awarded to the dissenters who were benefited.

4. In a proceeding commenced pursuant to [NRS 92A.460](#), the court may assess the costs against the subject corporation, except that the court may assess costs against all or some of the dissenters who are parties to the proceeding, in amounts the court finds equitable, to the extent the court finds that such parties did not act in good faith in instituting the proceeding.

5. To the extent the subject corporation fails to make a required payment pursuant to [NRS 92A.460](#), [92A.470](#) or [92A.480](#), the dissenter may bring a cause of action directly for the amount owed and, to the extent the dissenter prevails, is entitled to recover all expenses of the suit.

6. This section does not preclude any party in a proceeding commenced pursuant to [NRS 92A.460](#) or [92A.490](#) from applying the provisions of [N.R.C.P. 68](#) or [NRS 17.115](#).

(Added to NRS by [1995, 2092](#); A [2009, 1727](#))