

STATE OF NORTH CAROLINA
COUNTY OF MOORE

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
FILE NO. 21 CVS 001492

BETHANN PRATTE and JAMES MOORE,)

Plaintiffs,)

v.)

MOORE COUNTY SCHOOLS, MOORE)
COUNTY SCHOOLS BOARD OF)

EDUCATION, a body corporate, MOORE)

COUNTY, a body politic and corporate,)

ELIZABETH CARTER, in her official)

capacity as a Member and Board Chair of)

the Moore County Schools Board of)

Education, ROBERT GRIMESEY, JR., in)

his official capacity as a Superintendent of)

Moore County Schools, SOUTHERN PINES)

LAND & HOUSING TRUST, INC., a North)

Carolina Non-Profit Corporation,)

Defendants.)

ORDER FOR SANCTIONS

THIS MATTER, coming on to be heard before the Honorable James M. Webb, Senior Resident Superior Court Judge, presiding at the February 17, 2022, February 21, 2022, and February 24, 2022, sessions of the Moore County Civil Superior Court, upon Defendant Southern Pines Land and Housing Trust, Inc.'s Motion for Sanctions against the Plaintiffs and Plaintiffs' counsel Landon White, and the Court, having reviewed the Court file, which is now at least eight (8) inches thick, including pleadings, motions, affidavits, and all briefs and responses filed with the Court and submitted by the parties, and having heard the testimony from Plaintiffs, James Moore and Bethann Pratte, who were both subject to direct and cross examination by counsel, and having heard arguments from counsel for both the Plaintiffs and the Defendant,

Southern Pines Land and Housing Trust, Inc., is of the opinion that the Motion for Sanctions should be 1) ALLOWED as to the Plaintiff James Moore, 2) ALLOWED as to the Plaintiff Bethann Pratte, and 3) ALLOWED as to the Plaintiffs' attorney, Landon White. In support of the Court's Order, the Court makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. On November 8, 2021, Plaintiffs filed a Verified Complaint against the Moore County Board of Education, a member of the Board of Education, Elizabeth Carter, and the Superintendent of the Moore County Schools, Robert Grimesey. The Verified Complaint sought injunctive relief and a declaration that a contract for the purchase of real property between the Moore County Board of Education and the Southern Pines Land and Housing Trust, Inc., was illegal and void. The Plaintiffs and Plaintiffs' counsel omitted from the lawsuit as a party-defendant the Southern Pines Land and Housing Trust, Inc. (hereinafter referred as to the "Land Trust") which was a necessary and indispensable party to this action and a party to the Contract that Plaintiffs sought to have the Court declare illegal and void.

2. The lawsuit was filed at 11:54 a.m. on November 8, 2021. The Verified Complaint sought injunctive relief, including a temporary restraining order. The temporary restraining order sought to enjoin the sale of the property known as the Southern Pines Primary School hereinafter referred as to (the "Subject Property" and "SPP") from the Moore County School Board (hereinafter referred as to the "Board") to the Land Trust.

3. At the time that the Plaintiffs filed the Verified Complaint and request for a temporary restraining order, Plaintiffs' counsel had actual knowledge that 1) attorney Neal Ramee represented the Defendant Board and its employees and Board members and that Mr. Ramee's law office was located in Raleigh, North Carolina, as well Attorney White's law office

2) attorney Thomas Van Camp represented the Land Trust, and 3) the Land Trust and the Board had entered into an Indemnification Agreement that provided, in pertinent part, that in the event a lawsuit was filed against the Board regarding the Subject Property, the Land Trust would have the contractual right to select and employ an attorney to defend the Board and its members and the contractual obligation to indemnify the Board. An unsigned copy of the Indemnification Agreement was attached to the Verified Complaint as an Exhibit and was referred in the text of the Verified Complaint.

4. Neither Plaintiffs nor Plaintiffs' counsel provided any notice of the filing of the Verified Complaint and the Plaintiffs' intent to seek a temporary restraining order ("TRO") from this Court until 3:15 p.m. on November 8, 2021, at which time Plaintiffs' counsel sent the notice, via e-mail, to attorney Neal Ramee.

5. According to the transcript of the TRO hearing, the hearing commenced at 3:14 p.m. and 46 seconds, Mr. White began his argument at 3:16 p.m. and 47 seconds.

6. Based on the timing of the e-mail to attorney Ramee and the times set forth in the TRO transcript, the Court finds counsel for the Plaintiffs intentionally delayed providing notice to the Board's counsel so that his argument to the Court could proceed *ex parte*. When questioned by this Court regarding why notice was not provided to the opposing counsel, Mr. White responded that he did not think providing notice was "prudent."

7. Nothing in the Verified Complaint, the request for a TRO or the request for injunctive relief contained any written certification by Mr. White, the "applicant's attorney," addressing the efforts made by Mr. White to provide notice to the opposing parties or counsel or the reasons that notice should not be required.

8. Mr. White's conduct violated Rule 65 of the North Carolina Rules of Civil Procedure. Rule 65(b) provides that a hearing on a matter for a TRO may proceed without written or oral notice to the adverse party or that party's attorney if "the applicant's attorney certifies to the court in writing the efforts, if any, that have been made to give the notice and the reasons supporting the claim that notice should not be required." This written certification requirement is stated clearly and unambiguously in the text of Rule 65 and is mandatory.

9. Mr. White violated Rule 65 of the North Carolina Rules of Civil Procedure in an attempt to gain an advantage over the Board and the Land Trust by pressuring the Board and its members, just hours before the Board was to vote on matters related to the sale of the Subject Property to the Land Trust, to reject the sale to the Land Trust for fear of litigation or to influence or delay a vote by the Board regarding the acceptance of the Preservation Agreement to be attached to the Deed.

10. Mr. White also intentionally elected not to include as a party-defendant the Land Trust when Plaintiffs' counsel knew that the Land Trust was a necessary and indispensable party and that the injunctive relief sought by the Plaintiffs and the Plaintiffs' counsel would have an immediate and detrimental impact on the Land Trust. Plaintiffs' counsel intentionally omitted the Land Trust for the purpose of preventing the Land Trust, and its attorney, from responding to the Plaintiffs' attempt to seek a TRO. On two separate occasions during the *ex parte* TRO hearing, Mr. White argued, in reference to the absence of the Land Trust as a party, that the TRO was appropriate until "all parties can be heard."

11. At approximately 3:36 p.m. on November 8, 2021, during the TRO hearing, the Court stated to Mr. White, "I've just been handed a note from the Clerk that says, 'Tom Van Camp called, wanted to be heard in a TRO by Landon White'." Mr. White responded that "Mr.

Van Camp does not represent any of the Defendants.” The Court observed that the Land Trust was not a named Defendant and Mr. White, in reference to Mr. Van Camp, stated, “so he has no business in this matter as it is today, but, you know, understanding that in the future that may be - - become the case, but Mr. Van Camp doesn’t have a client to argue for today.”

12. The Court denied Mr. White’s Motion for Temporary Restraining Order at 3:37 p.m. on November 8, 2021.

13. Based upon Mr. White’s statements to the Court, he was aware that the Land Trust would ultimately be a party to the action. The Land Trust should have been made a party from the outset of the litigation and their counsel should have been notified of the Plaintiffs’ effort to seek injunctive relief to declare the Contract void or, in the alternative, Mr. White should have complied with Rule 65 of the North Carolina Rules of Civil Procedure and included in his pleading a written certification addressing why notice should not be provided.

14. In an effort to persuade the Court to grant the Plaintiffs Motion for a TRO, Mr. White also represented to the Court that the Land Trust has “indicated that it intends to begin subdividing and speculating that land, selling all portions, entering into other agreements with other entities related to that land.” At the time he made these representations, Plaintiffs’ counsel had received written notice from the Land Trust’s attorney, Thomas Van Camp, that it had no intention of selling or subdividing the Subject Property.

15. On September 30, 2021, Mr. White wrote a letter to counsel for the Board, Neal Ramee. In that letter, Mr. White made various statements about the Land Trust, one of which was that the Land Trust had expressed an intent to subdivide the tract and sell portions of the tract to other entities. Mr. Ramee forwarded this letter to counsel for the Land Trust, Mr. Van Camp, who responded to Mr. Ramee and mailed, by UPS, a copy of the letter directly to Landon

White. In the letter, Mr. Van Camp stated that “there is no plan or intent on the part of the Land Trust to sell any portion of the entire tract.” Notwithstanding this statement by Mr. Van Camp, Mr. White did not advise the Court of this material fact which was contrary to the requirements of Rule 3.3(b) of the North Carolina Rules of Professional Conduct.

16. Pursuant to Rule 3.3(b) of the North Carolina Rules of Professional Conduct, in an *ex parte* proceeding, “a lawyer shall inform the tribunal of all material facts known to the lawyer that will enable the tribunal to make an informed decision, whether or not the facts are adverse.” In his effort to obtain an *ex parte* TRO from the Court, the Plaintiffs’ counsel did not disclose to the trial court all material facts that were adverse to the Plaintiffs’ position.

17. Mr. White also represented to the Court during the TRO hearing that between 12:55 p.m. and 3:20 p.m. on November 8, 2022, that he had sent to the Board’s attorney a copy of the Verified Complaint and a copy of a Notice of Lis Pendens. The record reflects Mr. Ramee received an e-mail at approximately 3:15 p.m., the same time that the TRO hearing commenced.

18. Mr. White also stated during the TRO hearing that “between the morning session and before coming before you today, I sent counsel for the Board of Education a copy of the Complaint, a copy of Lis Pendens that was filed this morning as well as did notify him that I did intend to seek a temporary restraining order today.” The Verified Complaint and a Notice of Lis Pendens were not e-mailed to the Board’s attorney until Mr. White actually commenced his argument for the TRO. Mr. White did not inform the Court that he was sending Mr. Ramee notice of his plan to seek a TRO at that time. Mr. White did not send to counsel for the Board a copy of the Verified Complaint and Lis Pendens “before” coming before the Court but rather as he commenced his argument.

19. Mr. White's e-mail to Mr. Ramee at 3:15 p.m. on November 8, 2021, was misleading. According to the TRO transcript, Mr. White approached the bench with Assistant District Attorney Brian Chatman at 12:55 p.m. on November 8, 2021, at which time Mr. White indicated that he filed a lawsuit and wanted to be heard on a TRO. According to the transcript, "the court indicated that it would be later this afternoon before the court could entertain the Plaintiffs' Motion for Temporary Restraining Order." In his 3:15 p.m. email, Mr. White states to Mr. Ramee "I intend to seek a TRO this afternoon if the Judge can hear the matter." At the time Mr. White sent the e-mail to Mr. Ramee, the Court had already agreed to hear the Motion for a TRO.

20. On November 9, 2021, the Land Trust's counsel Thomas Van Camp, filed a Motion to Intervene and Motion to Expedite the Hearing on its Motion to Intervene and calendared its Motions for hearing for the November 12, 2021, session at the Moore County Superior Court. A Brief in Support of Motion to Intervene and the Affidavit of Thomas M. Van Camp were prepared in anticipation of a hearing before the Court.

21. On November 12, 2021, Plaintiffs filed a Notice of Voluntary Dismissal without Prejudice as to Defendant Moore County, a body politic and corporate.

22. On November 12, 2021, this Court executed a Consent Order allowing the Land Trust to intervene in this action as a Defendant and be entitled to all rights as a party to the action. The Plaintiffs consented to the Motion to Intervene and Landon White, counsel for the Plaintiffs, informed counsel for the Board and the Land Trust that "after reviewing this issue, I agree the motion to intervene is likely to be granted and I will not oppose the motion."

23. The Plaintiffs also filed, with the Verified Complaint, a Notice of Lis Pendens in an effort to prohibit the Land Trust from purchasing the Subject Property. In response to the

Notice of Lis Pendens, the Land Trust prepared a Motion to Dismiss Notice of Lis Pendens and the Brief in Support of the Motion on behalf of the Land Trust. The Motion to Dismiss Notice of Lis Pendens was filed with the Court and served on counsel on December 13, 2021. The Brief in Support of the Motion was also served on counsel on December 13, 2021.

24. On December 13, 2021, the Land Trust filed its Motion to Dismiss for lack of standing with supporting Brief, immediately after the Defendant Land Trust was notified that the Plaintiffs intended to file a Motion for Preliminary Injunction. The Land Trust's Motion to Dismiss for lack of standing was not heard by the Court on December 16, 2021, because the Plaintiffs filed a Voluntary Dismissal without prejudice prior to the calling of the Motions calendar on December 16, 2021.

25. On December 13, 2021, Plaintiffs filed a Motion for Preliminary Injunction and Motion to Expedite. On December 15, 2021, the Land Trust filed its Brief in Opposition to Plaintiff's Motion for Preliminary Injunction. In connection with opposing the Motion for Preliminary Injunction, the Land Trust also submitted to the Court eleven separate Affidavits, including the Affidavits of 1) Fenton Wilkinson, 2) Vincent Gordon, 3) Dorothy Brower, 4) William Ross, 5) Amos Franklin Dean, 6) Frank Maser, 7) Betty McNeil Stubbs, 8) Blanchie Carter, 9) Ann Peterson, 10) Kim Wade, and 11) Henry Sutton.

26. On December 13, 2021, the Land Trust filed a Motion for Sanctions, Motion to Strike, Motion for the Court to Retain Jurisdiction, and supporting Brief. The Land Trust further requested that, pursuant to Rule 11 of the North Carolina Rules of Civil Procedure, the Court sanction the Plaintiffs and Plaintiffs' counsel for including in the Verified Complaint ¶¶ 59, 99, and 120 on the grounds that the allegations are false and were made in an attempt to discredit the Land Trust and its attorney.

27. Paragraphs 59, 99, and 120 of the Verified Complaint allege, in pertinent part, that “Van Camp, attorney for the Land Trust, called at least one of the other bidders for the SPP and pressured the bidder to withdraw his bid for SPP.” This allegation is repeated in ¶¶ 99 and 120 of the Verified Complaint.

28. One bidder that the Plaintiffs and Plaintiffs’ counsel were referring to is Drain the Swamp, LLC, which according to e-mails exchange is connected with builder Ron Jackson of Quality Built Homes. The other bidder is Frank Maser. Both of these individuals expressed an interest in purchasing the Southern Pines Primary School through e-mails to the Board. Both individuals elected not to commence the bidding process for the remaining 12 acres after the Board voted to negotiate with the Land Trust for only the 5-acre tract known as parcel 1A. Mr. Van Camp has never had any contact with Mr. Jackson regarding the Subject Property.

29. After reading the Verified Complaint, Mr. Van Camp sent a letter to Mr. White expressing his concern over Mr. White’s conduct regarding the temporary restraining order, violation of Rule 65, and directed Mr. White’s attention to the false statements made in the Verified Complaint set forth in ¶¶ 59, 99, and 120. In that letter, Mr. Van Camp informed Mr. White that he had spoken with Mr. Maser on two occasions following the filing of the Verified Complaint and on both occasions Mr. Maser confirmed that Mr. Van Camp did not pressure him (Mr. Maser) in any way regarding whether to bid or not to bid. The letter further informs Mr. White that Mr. Maser made the same representation to Neal Ramee, counsel for the Board.

30. In Mr. Van Vamp’s letter of November 12, 2021, he provided to Mr. White Mr. Maser’s cell phone number so he could easily confirm the falsity of the allegations. Mr. Van Camp requested that Mr. White amend the Verified Complaint to “remove this false accusation.”

31. At the time Mr. White filed the Verified Complaint, Mr. Maser was Mr. White's client in another matter pending before this Court. Mr. White represented the bidder he falsely accused Mr. Van Camp of pressuring but never contacted Mr. Maser to determine if the allegations contained in ¶¶ 59, 99, and 120 of the Verified Complaint were, in fact, true.

32. Mr. White never acknowledged or responded to the letter of November 12, 2021, authored by Mr. Van Camp.

33. On November 9, 2021, an Affidavit was filed with the Court by Mr. Van Camp. In ¶¶ 27 and 28 of the Affidavit, Mr. Van Camp swears, under oath, that at no time did he pressure Mr. Maser regarding any bidding process related to the Subject Property.

34. On December 10, 2021, the Affidavit of Frank Maser was filed in this action. The Affidavit of Mr. Maser states, "at no time did Mr. Thomas Van Camp pressure me not to bid on the Southern Pines Primary School property or request that I not bid on the property. At no time did Mr. Van Camp pressure me to withdraw any offer to purchase the property."

35. Plaintiffs contend in paragraph 48 of the Complaint that "The subsequent sale by SPLHT to any buyer is a strawman purchase wherein SPLHT attempts to purchase property through a statutory provision not available to other entities and turn around and subdivide SPP to other buyers who may not have qualified for the purchase made by SPLHT." Plaintiffs failed to make ANY reasonable inquiry into the truthfulness of that allegation, but rather appears to have relied on a newspaper article in the local newspaper, The Pilot.

36. Plaintiffs allege in paragraph 30 of the Verified Complaint that "West Southern Pines

School was demolished around the 1940's. Since that time, SPP has been used by the Moore County School system for the education of the children of all Moore County citizens and residents.”

37. The Court takes judicial notice that the integration of the public schools of Moore County did not take place until the late 1960's.

38. Plaintiffs' allegation that since the “1940s” SPP has been used by the Moore County School system for the education of the children of all Moore County citizens and residents is false.

39. Plaintiff James Moore is a native of Moore County, lives in Vass, North Carolina, is self-employed, and owns a landscaping business.

40. Plaintiff Moore does not know Plaintiff Bethann Pratte other than seeing her at meetings of the Moore County Board of Education.

41. Plaintiff Moore did not discuss the lawsuit with Plaintiff Pratte.

42. Plaintiff Bethann Pratte lives in Southern Pines, North Carolina.

43. Plaintiff Pratte has a PhD degree in education, she has been an education advocate for students in the Moore County Schools since she moved to Moore County in 2018 and is an advocate for special needs children.

44. Plaintiff Pratte is of the opinion that “the land deal and the land trust was really not my concern. My concern is the school board violates the law. “

45. Plaintiff Pratte has worked with attorneys in five different states over school issues, but is not usually named as a party to a school related lawsuit other than on one other occasion involving her son in Pennsylvania, her native state.

46. Plaintiff Pratte was more worried about COVID issues and pedophilia and felt that God wanted her to be a named plaintiff in the lawsuit.

47. Plaintiff Pratte does not know who paid Attorney White to file the lawsuit, but stated that “I walked into a meeting at the GOP think tank people I didn't even know said to me, Do you need money?” Trans. p.11

48. Neither Mr. White not the Plaintiffs, Bethann Pratte or James Moore, made **any** reasonable factual inquiry regarding the truth or falsity of the allegations contained in ¶¶ 30, 48, 59, 99, and 120 of the Verified Complaint prior to filing the Complaint.

49. The allegations in ¶¶ 30, 48, 59, 99, and 120 appear to be false and a reasonable factual inquiry prior to filing the Verified Complaint would have more likely than not revealed this fact.

50. Plaintiff James Moore went to a law office in Southern Pines to sign the Verification for the Verified Complaint on the morning of November 8, 2021. The Verification states, in pertinent part, that Mr. Moore “has read the foregoing Verified Complaint and knows the contents thereof, and that such allegations are based upon his own knowledge, except those allegations stated upon information and belief, which he believes to be true.”

51. Plaintiff James Moore testified that when he went to the law office, he was directed by an employee of the law office to sign the Verification but he requested a copy of the Verified Complaint so he could review it at a later time. He then left the law office.

52. Plaintiff James Moore testified that he was in a “big hurry” when he went to sign the Verification and after he signed the Verification, he requested a copy of the Verified Complaint which he was provided and that “he was gone.” Trans. pp. 93-94.

53. Plaintiff James Moore testified that prior to signing the Verification to the Verified Complaint no one explained to him what it meant to sign his sworn Verification. Trans. p. 96.

54. Plaintiff Moore never read the Complaint or the Complaint's 11 exhibits.

55. The Plaintiff, James Moore, falsely verified under oath on November 8, 2021, that he had read the Verified Complaint, including 11 attached Complaint Exhibits, when, in fact, he had not.

56. Mr. Moore falsely verified under oath on November 8, 2021, that the contents and allegations in the Verified Complaint (including the 11 attached Exhibits) were true based upon his own knowledge, when, in fact, Plaintiff Moore failed to make any reasonable inquiry into the truthfulness of the Verified Complaint contents and allegations.

57. Plaintiff James Moore refused to answer any questions while on the witness stand regarding the members of a Moore County Patriots group consisting of approximately 600 individuals. Mr. Moore talked to members of this group about serving as a Plaintiff in this lawsuit. Mr. Moore refused to answer questions regarding the identity of the individuals in this group and refused to answer whether or not he personally paid any funds to Mr. White to retain his services.

58. Plaintiff Moore testified that he did not conduct any factual research or investigation to determine, prior to signing the Verification, whether the allegations contained in paragraphs 59, 99, and 120 of the Verified Complaint alleging that attorney Van Camp pressured bidders, was, in fact, true.

59. When asked what investigation he conducted prior to signing the Verification for Verified Complaint accusing attorney Van Camp of pressuring bidders, to withdraw their bids, Mr. Moore responded, "I did not do any investigation." Trans. p. 91.

60. Each individual incidence of conduct by Plaintiff Moore is a violation of Rule 11 of the North Carolina Rules of Civil Procedure and warrants the imposition of sanctions.

61. After considering lesser sanctions, the Court finds an appropriate sanction is to find that Plaintiff Moore is jointly and severally liable with Plaintiff Bethann Pratte and Plaintiffs' attorney, Landon White, for Defendant's reasonable attorney's fees, expenses, and costs.

62. Plaintiff Pratte on November 8, 2021 went to a law office in Southern Pines to sign her Verification for the Verified Complaint. There was a female employee at the law office when she arrived. Prior to coming to the law office, she reviewed a Verified Complaint on an e-mail sent by Mr. White. Plaintiff did not read the Verified Complaint "with a fine-tooth comb" because she was being "pulled in a bunch of different directions." Plaintiff Pratte did not review the Verified Complaint at the law office prior to signing it. Plaintiff Pratte equates the term "fine-tooth comb" with being meticulous. Plaintiff Pratte did not review or read the eleven attached Complaint exhibits.

63. Plaintiff Pratte does not know one of the bidders, Frank Maser, has never spoken to him, has not spoken with the other bidder, Ron Jackson.

64. According to Plaintiff Pratte, notwithstanding the fact that she signed the Verification to the Verified Complaint, she believed that she "did not swear to anything."

65. Plaintiff Pratte read the portion of the Verified Complaint accusing attorney Van Camp of pressuring bidders. She "didn't even bat an eye in it because if you think it's common

knowledge – look, I didn’t even think about it.” According to Plaintiff Pratte, she thought that allegation was coming from the co-Plaintiff, James Moore.

66. Plaintiff Pratte “glossed” over paragraph 59 of the complaint and did “not think it was a big deal.”

67. Plaintiff Pratte did not know how the subject property was used or even if it had historical significance.

68. Plaintiff Pratte believed that the sale of a 5-acre parcel of the original 17-acre parcel to the Land Trust was “okay”, but that the remaining 12-acre parcel needed to go to open bid.

69. John Birath is employed as the Executive Officer for Operations for Moore County Schools and in that capacity has administrative oversight over matters related to the sale or disposition of surplus public-school property.

70. On September 22, 2021 Mr. Birath updated the Moore County Board of Education (the “Board”) in paragraph 13 of his affidavit “that negotiations between representatives of the Board and Land Trust for the purchase of only the specified portion of the Property referred to as Parcel 1A were complicated by the discovery that a boiler located within that parcel serves buildings both within and outside the parcel, and another boiler located outside the parcel also serves buildings both within and outside it.” He further explained “that to separate out Parcel 1A for sale apart from the rest of the Property would require the re-routing of conduits and adaptation of the systems and that it would not be feasible to subdivide the parcel for separate disposal until these issues were resolved.”

71. Mr Birath further informed the Board on September 22, 2021 that the estimated costs

of separating out these heating and cooling system would cost between \$160,000 and \$180,00, costs that neither party anticipated when the Board agreed to sell Parcel 1A to the Land Trust for \$300,000.

72. Plaintiff Pratte was unaware of and failed to make any inquiry let alone reasonable inquiry into the complications presented by the location of the boilers on the subject property as described by this Court in paragraphs 70 and 71 preceding.

73. Plaintiff, Bethann Pratte, falsely verified under oath on November 8, 2021, that the contents and allegations in the Verified Complaint (including the 11 attached Exhibits which were never read by Plaintiff Pratte) were true based upon her own knowledge and belief, when, in fact, Plaintiff Pratte failed to make any reasonable inquiry into the truthfulness of all allegations in the Verified Complaint.

74. After considering lesser sanctions, the Court finds an appropriate sanction is to find that Plaintiff Pratte is jointly and severally liable with Plaintiff James Moore and Plaintiffs' attorney, Landon White, for Defendant's reasonable attorney's fees, expenses, and costs.

75. Such conduct by Plaintiff Pratte is a violation of Rule 11 of the North Carolina Rules of Civil Procedure.

76. From the evidence presented the Court finds that Plaintiffs' counsel, Landon White, violated Rule 11 of the North Carolina Rules of Civil Procedure. The Verified Complaint signed and filed by Mr. White was not fully factually sufficient and attorney White did not make a reasonable factual inquiry regarding all of the allegations set forth in the Verified Complaint.

77. From the evidence presented the Court also finds that Plaintiffs' counsel, Landon

White, violated Rule 65 of the North Carolina Rules of Civil Procedure by failing to provide the Court with written certification regarding notice to the opposing parties and their counsel of his application for a TRO.

CONCLUSIONS OF LAW

1. All courts in the State of North Carolina are vested with the inherent authority to do all things that are reasonably necessary for the proper administration of justice. *State v. Buckner*, 351 N.C. 401, 411, 527 S.E.2d 307, 313 (2000). The court also has the inherent power to deal with attorneys who practice before the court. *Beard v. The North Carolina State Bar*, 320 N.C. 126, 130, 357 S.E.2d 694, 696 (1987). This inherent power is “based upon the relationship of the attorney to the court and the authority which the court has over its officers to prevent them from, or punish them for, committing acts of dishonesty or impropriety calculated to bring contempt upon the administration of justice.” *In re: Hunoval*, 294 N.C. 740, 744 247 S.E.2d 230, 233 (1977). This inherent authority encompasses not only the power, but also the duty, to discipline attorneys, who are officers of the court, for unprofessional conduct. *Id.*

2. Even in the absence of the expressed grant of authority by statute or rule, the trial courts in North Carolina have the inherent authority to impose sanctions for the willful failure to comply with the Rules of the Court, including the Rules of Civil Procedure and The Rules of Professional Conduct. *Couch v. Private Diagnostic Clinic*, 146 N.C. App. 658, 554 S.E.2d 356 (2001). A trial court may impose sanctions on an attorney or a party upon its own initiative and irrespective of a party’s motion for sanctions or the relief sought in the motion. *Turner v. Duke University*, 101 N.C. App. 276, 284, 399 S.E.2d 402 (1991).

3. The appropriate sanctions available to the court include citations for contempt, censure, informing the North Carolina State Bar of misconduct, imposition of costs, including attorneys' fees, suspension and disbarment for out of State attorneys practicing *pro hac vice*. *Couch v. Private Diagnostic Clinic*, 146 N.C. App. at 363, 554 S.E.2d 356. The inherent power of the court to discipline attorneys expressly includes the imposition of monetary sanctions. *In re Robinson*, 37 N.C. App. 671, 247 S.E.2d 241 (1978).

4. A trial court retains the inherent authority to sanction parties that is "separate and apart" from any specific rule such as Rule 11 or Rule 37. *Red Valve, Inc. v. Titan Valve, Inc.*, 2019 NCBC LEXIS 57, at *40 (N.C. Super. Ct. Sept. 3, 2019), *aff'd per curium*, 376 N.C. 798, 854 S.E.2d 580 (2021). In determining the appropriate sanction, the trial court "may consider the entire record before it." *Id.* at *42 (citing *Ray v. Grier*, 212 N.C. App. 358, 363, 713 S.E.2d 93 (2011)).

5. The imposition of sanctions are appropriate not only against the person who commits the improper act, but also the person upon whose behalf the improper act was committed. *Turner v. Duke University*, 101 N.C. App. at 280-281, 399 S.E.2d 402. The imposition of sanctions is not limited to Rule 11 related to content of pleadings or the improper purpose of bringing the lawsuit, but rather can be imposed for any rule violation. *Couch v. Private Diagnostic Clinic*, 146 N.C. App. at 663, 554 S.E.2d 356. *See also Few v. Hammack Enter. Inc.*, 132 N.C. App. 291, 298, 511 S.E.2d 665, 670 (1999); *Cloer v. Smith*, 132 N.C. App. 569, 512 S.E.2d 779, 782 (1999).

6. A trial court possesses "wide discretion" to select the appropriate sanction. *Turner v. Duke University*, 101 N.C. App. at 284, 399 S.E.2d 402.

7. Rule 11 of the North Carolina Rules of Civil Procedure **requires** a trial court to impose an appropriate sanction after the court determines there has been a violation of Rule 11.

8. After considering lesser sanctions, the Court concludes that, based upon the above-referenced conduct of Plaintiff James Moore, Plaintiff Bethann Pratte, and Plaintiffs' attorney Landon White, the imposition of sanctions is warranted in this matter and that sanctions should be imposed upon Plaintiff James Moore, Plaintiff Bethann Pratte, and Plaintiffs' counsel Landon White individually and jointly and severally as set forth below.

9. The Court has reviewed the Affidavits of Erica Street, Larisa Green, and attorney Thomas M. Van Camp regarding attorney's fees, paralegal fees, and expenses, and concludes that the time spent and the amount of the attorney's and paralegal fees and expenses from November 8, 2021, through December 16, 2021, total \$33,338.00, the sum of \$8,394.58 paid to Tharrington Smith, and the total expenses of \$60.00, set forth in the Affidavit of Thomas M. Van Camp, are reasonable in light of the complexity of the case and were necessary to effectively represent the Land Trust, and are consistent with customary fees in this community for similar work.

10. Plaintiff Moore shall pay \$33,338.00 for Land Trust's attorney fee and paralegal fee plus Defendant Land Trust's legal fee paid under the Indemnification Agreement to Tharrington Smith in defense of the Moore County Schools Board of Education in the amount of \$8,394.58 plus \$60 in expenses. Plaintiff Moore shall pay a total of \$41,792.58, to the Defendant Land Trust no later than 30 days from the execution of the Court's Order. Plaintiff Moore shall be given credit for any payments made by Plaintiff Pratte and Attorney White.

11. Plaintiff Pratte shall pay \$33,338.00 for Land Trust's attorney fee and paralegal fee plus Defendant Land Trust's legal fee paid under the Indemnification Agreement to

Tharrington Smith in defense of the Moore County Schools Board of Education in the amount of \$8,394.58 plus \$60 in expenses. Plaintiff Pratte shall pay the total of \$41,792.58, to the Defendant Land Trust no later than 30 days from the execution of the Court's Order. Plaintiff Pratte shall be given credit for any payments made by Plaintiff Moore and Attorney White.

12. For his Rule 11 violation, attorney White is jointly and severally liable with Plaintiff James Moore and Plaintiff Bethann Pratte for Defendant's reasonable attorney's fees, expenses, and costs. Attorney White shall pay to the Defendant a total of \$41,792.58 within 30 days of the execution of this Order and shall be given credit for any payments made by Plaintiff Moore and Plaintiff Pratte.

13. For his Rule 11 violation, the Court will also enter a gatekeeper order.

14. Attorney White, shall not for a period of twelve (12) months following the filing of this Order, file with the Moore County Clerk of Superior Court's office any pleading, motion, or other document in any case without a certification, verification, and signature from a second licensed North Carolina Attorney ensuring that the pleading, motion, or other document complies with the Rules of Civil Procedure and has merit.

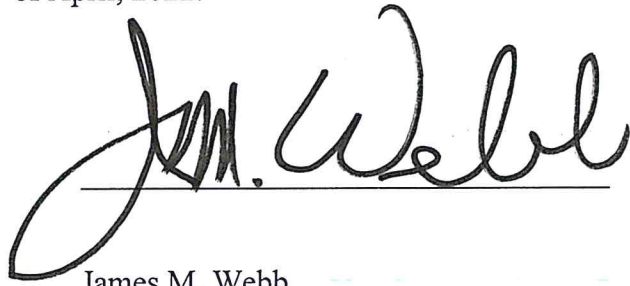
15. For his violation of Rule 65 of the North Carolina Rules of Civil Procedure, attorney White is jointly and severally liable with Plaintiff James Moore and Plaintiff Bethann Pratte for Defendant's reasonable attorney's fees, expenses, and costs. Attorney White shall pay to the Defendant Land Trust a total of \$41,792.58 within 30 days of the execution of this Order and shall be given credit for any payments made by Plaintiff Moore and Plaintiff Pratte.

16. For his violation of Rule 65 of the North Carolina Rules of Civil Procedure, Attorney White, for a period of twelve (12) months, following the filing of this Order, shall not file with the Moore County Clerk of Superior Court's office any pleading, motion, or other

document in any case without a certification, verification, and signature from a second licensed North Carolina Attorney ensuring that the pleading, motion, or other document complies with the Rules of Civil Procedure and has merit.

IT IS, THEREFORE, ORDERED, ADJUDGED, and DECREED that the Defendant Southern Pines Land and Housing Trust, Inc.'s Motion for Sanctions is hereby ALLOWED. Defendant Land Trust shall have and recover from the Plaintiffs, James Moore and Bethann Pratte, and Plaintiffs' counsel, Landon White, jointly and severally, the sum of \$41,792.58 representing the Land Trust's reasonable attorney's and paralegal fees and expenses, including those paid to the law firm of Tharrington and Smith. The Plaintiffs, James Moore and Bethann Pratte, and Plaintiffs' counsel, Landon White, jointly and severally, shall have 30 days from the execution of this Order to fully comply with this Order by the delivery to the Defendant Land Trust the sum of \$41,792.58. It is further ORDERED that attorney White, for a period of 12 months following the execution of this Order, shall not file with the Moore County Clerk of Superior Court's office any pleading, motion, or other document in any case without a certification, verification, and signature from a second licensed North Carolina Attorney ensuring that the pleading, motion, or other document complies with the Rules of Civil Procedure and has merit.

SO ORDERED this the 7th day of April, 2022.

A handwritten signature in black ink, appearing to read "J. M. Webb", is written over a horizontal line. The signature is stylized with a large, looping initial "J" and a cursive "Webb".

James M. Webb
Senior Resident Superior Court Judge Presiding