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GRIFFITH & THORNBURGH, LLP
ATTORNEYS AND COUNSELORS
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John R. Rydell II, #62606
John C. Eck, #194975

ATTORNEYS FOR: Defendant and Cross-Complainant RANDY CAMPBELL

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SANTA BARBARA
ANACAPA DIVISION**

MARIANNE PARTRIDGE,
Plaintiff,

v.

RANDY CAMPBELL, and DOES 1 through
40, inclusive,
Defendants.

RANDY CAMPBELL,
Cross-Complainant,

v.

MARIANNE PARTRIDGE, and ROES 1
through 50, inclusive
Cross-Defendant

CASE NO.: 1341942

**REPLY TO OPPOSITION TO
APPLICATION FOR LEAVE TO FILE
FIRST AMENDED CROSS-
COMPLAINT; DECLARATION OF
JOHN C. ECK; DECLARATION OF
RANDY CAMPBELL**

Date: November 4, 2010
Time: 9:30 a.m..
Dept: 6

[Assigned for all purposes to the Honorable
Denise de Bellefeuille]

Defendant and Cross-Complainant RANDY CAMPBELL ("Campbell") submits the following Reply to Opposition to Application for Leave to File First Amended Cross-Complaint.

INTRODUCTION

The "Statement of Facts" contained in Partridge's Opposition contains misstatements of the testimony in this matter and contains "facts" which are not facts as they exist but how Partridge wants them to exist. Moreover, the Opposition is anemic on law but portly on "points"

1 that have absolutely nothing to do with the instant motion. Partridge's "facts" and "points" are
2 clearly set forth not to address the instant motion, but are made with the knowledge of, as the
3 Opposition states, "the close coverage this matter is being given by the media." Campbell
4 chooses to try this case in the court and to only proffer to the court *relevant* points on the motion
5 before the court.

6 The matter before the court is simply whether the court should grant Campbell leave to
7 file a first amended cross-complaint. It should, as Campbell's former attorney's involvement
8 with Partridge was only learned when Partridge was forced to turn over her documents in
9 discovery.

10 LEGAL ANALYSIS

11 The Opposition ignores the undisputed fact that it was Partridge herself who secretly
12 withheld Cole's involvement from Campbell from November 2009 until May 28, 2010. It was
13 only when she was forced to turn over her documents through discovery that Campbell was
14 made aware of Mr. Cole's involvement. Thus, for over six months Partridge kept secret the fact
15 that Mr. Cole was the conductor of the scheme to take Campbell's shares from him. Any
16 prejudice from delay is caused by Partridge's own unwillingness to disclose the material facts
17 surrounding the attempted takeover of Campbell's shares.

18 The Opposition references the Preliminary Injunction but offers no reason as to why that
19 is relevant to this motion. Still, when Partridge applied for the TRO, she never disclosed the fact
20 that Campbell's former attorney was the person behind the attempted forced takeover of
21 Campbell's shares. Had Campbell known this, and had the Court known this, the results of the
22 preliminary injunction quite possibly would have been different.

23 The Opposition disingenuously attempts to claim that there was not an agreement
24 between Mr. Cole and Ms. Partridge regarding Mr. Cole obtaining Campbell's shares. Partridge
25 would have the Court believe that Mr. Cole loaned Ms. Partridge over \$1,200,000, posted a
26 \$250,000 undertaking, paid her legal fees, charged no interest, all without any agreement as to
27

1 repayment terms or Mr. Cole's acquisition of shares. Fortunately, one does not have to guess at
2 what were the real intentions of Mr. Cole and Partridge.

3 Just days before the proposed "closing" of Campbell's transfer to Partridge, Mr. Cole
4 sent a Stock Purchase Agreement he drafted along with the following email to the minority
5 shareholders:

- 6 • "I also circulated to Marianne and her counsel a simple Stock Purchase Agreement for
7 my purchase of shares from Marianne."
- 8 • "After the close of Randy's transfer to Marianne... Marianne will call a brief meeting.
9 The new Board will then meet promptly, in part, to waive the corporation's rights under
10 the Buy-Sell Agreement to purchase the 1,330 shares to be transferred from Marianne
11 to me."
- 12 • Mr. Cole further desired the shareholders to waive the time period to regarding "the
13 1,330 shares I am buying from Marianne." Declaration of John C. Eck ("Eck Dec."),
14 Exhibit 1.

15 The Opposition claims that Campbell admitted to the legal effect of certain documents.
16 He can't, he is not a lawyer, and Partridge's counsel recognized this when he said the following
17 at Campbell's deposition: "I'll give you a standing objection that this client is not a lawyer and
18 any opinions that I elicit from him are his understanding as a percipient witness. Eck Dec.,
19 Exhibit 2. Apparently Partridge's counsel forgot this important point.

20 The Opposition claims that Campbell's motion is made to "attack Ms. Partridge's
21 financial backer and disrupt her ability to close the transaction." In reality, Campbell is seeking
22 to hold his former attorney accountable for his actions in concert with Partridge in the attempted
23 takeover of his shares.

24 **1. There Has Not Been Unreasonable Delay**

25 On May 28, 2010, hundreds of documents were produced by Partridge. At the time the
26 documents were received from Partridge, counsel for Campbell was unaware that Mr. Cole
27 represented Campbell. It was only after **Campbell himself** reviewed the documents that Cole's

1 representation was made know to Campbell's counsel. Moreover, on October 1, 2010, an
2 additional 1,000 documents were produced by Joe Cole.

3 The filing of a complaint against anyone, including Mr. Cole, is not taken lightly by
4 Campbell's counsel. It certainly warrants a complete investigation into the facts, which includes
5 hearing an explanation from Mr. Cole at his deposition.

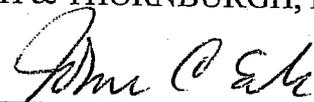
6 The Opposition requests the court to find that a party is expected to review over a
7 thousand documents, have the client review the documents, ascertain the nature and scope of Mr.
8 Cole's representation of Campbell, research and analyze whether a cause of action exists against
9 Mr. Cole, attempt to stipulate to the filing of an amended cross-complaint, ascertain prior to Mr.
10 Cole's deposition from the evasive responses from Partridge that a claim against Mr. Cole is
11 warranted, draft a proposed amended pleading, and file the appropriate motion immediately.
12 This is unrealistic in litigation.

13 The Opposition claims "Plaintiff has from the outset pressed for an early trial and
14 Defendant has consistently resisted." This comment is based upon absolutely no evidence and,
15 tellingly, none is cited. Moreover, one more reckless and untrue statement needs to be
16 addressed. The Opposition claims Mr. Rydell told Mr. Trager that "Joe might be getting himself
17 in some sort of trouble with the State Bar." Opposition, p. 7, lines 22-23. What was said by Mr.
18 Rydell, and repeated at Mr. Cole's deposition, is attached as Exhibit 3 to Mr. Eck's declaration.

19 Finally, a response is necessary to address the untrue claim that Campbell is somehow
20 "looting the value of the stock." This claim is false. It ignores the fact that all shareholders have
21 received payment and none, including Partridge, has given the money back to the corporation.
22 The true nature of payments is set forth in the declaration of Randy Campbell.

23 Dated: November 3, 2010.

GRIFFITH & THORNBURGH, LLP

24
25 By: 

John R. Rydell, II
John C. Eck
Attorneys for Defendant and Cross-
Complainant RANDY CAMPBELL

From: Grand-Jean, Richard
Sent: 01/09/2010 07:32:05 pm
To: jcole@colelawsb.com; mpartridge@wildblue.net; richard_parker@harvard.edu
Cc:
Bcc:
Subject: Re: Update and please sign and return the attached Consent

I will send this to my lawyer first thing on Monday and if he oks it I iwill get it right back to you. to save time can you tell me who will be on the Board, what salary do you intend to seek, and what super majority provisions will apply.

Best,
Rick

From: Joe Cole <jcole@colelawsb.com>
To: Grand-Jean, Richard; Parker, Richard <richard_parker@Harvard.Edu>
Cc: 'Marianne Partridge' <mpartridge@wildblue.net>
Sent: Sat Jan 09 15:36:09 2010
Subject: Update and please sign and return the attached Consent

Rick and Richard

Marianne and I want to make sure all the paperwork is in place for Richard and Marianne purchase of Randy shares, starting Tuesday and thereafter. We need your assistance.

Richard, I will continue to be in touch regarding a possible funds transfer Tuesday morning. We have had no response yet from Randy.

Marianne and her counsel received two simple Promissory Notes (from me and my retirement plan) for my financing of \$1,197,000 (1,330 shares) of the purchase price of the Randy to Marianne transfer. Richard and Marianne will contribute the balance of \$153,000 (170 shares) and \$27,000 (30 shares), respectively.

I also circulated to Marianne and her counsel a simple Stock Purchase Agreement for my purchase of shares from Marianne.

I understand that both documents are acceptable, except for review by Marianne accountant.

After the close of Randy transfer to Marianne and Richard, Marianne as Secretary will call a brief meeting of the shareholders to name the successor Board, replacing Randy, Paul and Randy father. The new Board will then meet promptly, in part, to waive the corporation rights under the Buy-Sell Agreement to purchase the 1,330 shares to be transferred from Marianne to



PART000342/1

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29
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me.

To allow Marianne and me to close immediately after that Board meeting, please sign and return the attached Consent whereby you waive your additional 20-day period as a shareholder to buy all (but not less than all) of the 1,330 shares I am buying from Marianne. I would greatly appreciate having the Consent signed by you and returned to me by Monday, since I[m] advised to have these Consents in hand as a condition of lending Marianne the \$1,197,000 amount, which may have to be wired as early as Tuesday morning. My fax number is below.

Marianne will counter-sign and return a fully executed version to each of you.

If you have any questions or comments, please let me know.

Best personal regards.

Joe

Joseph Cole
1470 East Valley Road, Suite T
Montecito, CA 93108
Mailing: PO Box 5476, 93150
805.689.6324 mobile
805.969.9560 office
805.969.9562 fax
jcole@colelawsb.com <mailto:jcole@colelawsb.com>

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement ("Agreement") is made and entered into this ___ day of _____, 2010 between Marianne Partridge ("Seller") and Joseph Cole ("Buyer").

BACKGROUND

A. Seller is the owner of 1,850 shares of the outstanding common stock of the Santa Barbara Independent, a California corporation (the "Company").

B. Buyer desires to purchase from Seller 1,330 of her shares in the Company (the "Shares") and Seller desires to sell such Shares to Buyer, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties do hereby agree as follows:

1. Purchase of the Shares.

(a) On or before _____, 2010 (the "Closing Date"): (i) Buyer will purchase, and Seller will sell, the Shares; and (ii) the Seller will deliver to the Company the certificates representing the Shares, duly endorsed to Buyer.

(b) The purchase price for the Shares payable by Buyer to Seller shall be **One Million One Hundred Ninety Seven Thousand Dollars (\$1,197,000.00)** or Nine Hundred Dollars (\$900) per Share (the "Purchase Price"). The Purchase Price shall be paid, at Buyer's election, either (i) in cash, (ii) through the cancellation by Buyer of an equivalent amount of the indebtedness owned by Seller to Buyer or to Buyer, as Trustee of the 401K FBO Joseph Cole Rollover Profit Sharing Plan, pursuant to the Promissory Notes of even date herewith, or (iii) any combination of the two.

2. Closing.

The transactions set forth in this Agreement will take place on the Closing Date at the Buyer's office, or at such other time and place as the parties may agree upon in writing (the "Closing").

3. Representations and Warranties of the Seller. The Seller represents and warrants to the Buyer, as of the date hereof and as of the Closing Date, as follows:

(a) Authority. The Seller has full power and authority to sign and deliver this Agreement and to consummate the transaction contemplated by this Agreement.

(b) No Conflicts. Other than compliance with that certain Stock Purchase and Buy-Sell Agreement dated December 22, 1986, among the Company, the Seller, and other shareholders (the "Buy-Sell Agreement"), the signing, delivery, and performance of this Agreement by the Seller, and the consummation of the transaction contemplated by this Agreement, do not and will not: (a) require the consent or approval of, or the filing of any



SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA BARBARA
ANACAPA DIVISION

MARIANNE PARTRIDGE,)
)
 Plaintiff,)
)
 vs)
)
 RANDY CAMPBELL, and DOES)
 1 through 40, inclusive,)
)
 Defendants.)
)

Case No. 1341942

DEPOSITION OF RANDEL KEITH CAMPBELL
VOLUME II

Santa Barbara, California
Thursday, July 22, 2010

Reported by: Louise K. Mizota, CSR #2818

LOUISE K. MIZOTA

Certified Shorthand Reporter # 2818
136 East Carrillo Street, Santa Barbara, California 93101
(805) 962-9161

ORIGINAL

1 MR. ECK: I'm going to assert a belated
2 objection. It calls for a legal conclusion.

3 MR. HILL: Counsel, I noticed approximately 15
4 to 18 times during the course of the first deposition
5 where you made that objection. I'll give you a standing
6 objection that this client is not a lawyer and any
7 opinions that I elicit from him are his understanding as
8 a percipient witness.

9 MR. ECK: Okay.

10 MR. HILL: And that that might avoid the
11 disruptions that might otherwise entail repeatedly
12 making an objection to which there is no contest.

13 MR. ECK: Okay.

14 Q. BY MR. HILL: Okay. So let's go back to
15 Exhibit 16. Next paragraph, you discuss what the notice
16 must have in it, as you understood the provisions of the
17 buy-sell. Is that fair?

18 A. I believe that's a quote.

19 Q. From Joe Howell?

20 A. From the buy-sell agreement.

21 Q. Ah, okay. So you think that the phrase "the
22 notice shall name the proposed transferee or
23 transferees" all the way down through the dot, dot, dot
24 at the end is a quote from the buy-sell that you plugged
25 in?

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA BARBARA
ANACAPA DIVISION

MARIANNE PARTRIDGE,)
)
 Plaintiff,)
)
 vs)
)
 RANDY CAMPBELL, and DOES)
 1 through 40, inclusive,)
)
 Defendants.)

Case No. 1341942

DEPOSITION OF JOSEPH LEE COLE
VOLUME I

Santa Barbara, California
Friday, October 1, 2010

Reported by: Louise K. Mizota, CSR #2818

LOUISE K. MIZOTA

Certified Shorthand Reporter # 2818
136 East Carrillo Street, Santa Barbara, California 93101
(805) 962-9161

COPY

1 remember reading the long form of the rule. It has
2 annotations. And I remember determining that it didn't
3 apply to me because Mr. Campbell is not a current
4 client. But I don't remember every single bit of
5 reasoning from that date.

6 Q. BY MR. RYDELL: So you consider that this rule
7 applies only to current clients and not former clients?

8 A. I think there's a different one that applies to
9 former clients.

10 Q. So you do not believe that Rule 3-300 applies
11 to former clients?

12 A. I don't know. I'd have to read through it.
13 But you asked me what I remember from ten months ago.

14 Q. Now, I want to set the record straight because
15 you interjected and said that I had called Mr. Hill's
16 office and made a threat, which is a false statement.

17 Before this deposition I called Mr. Hill to
18 talk to him because he and I have had a longstanding,
19 highly amicable professional relationship, which we
20 continue to have. He wasn't available. I talked to Mr.
21 Trager. The reason I made the call is because there had
22 been an interrogatory served on us asking if we felt
23 there were any violations of any rules or laws, and we
24 had identified this as a possible violation. And I
25 wanted to alert Mr. Hill that I was going to inquire

1 about this area. So I told Mr. Trager based on my
2 longstanding professional relationship with them I did
3 not want them to be blindsided by my inquiry just
4 bringing it up in the course of the deposition. I
5 didn't say that I was going to take any action
6 whatsoever, nor do I intend to take any action
7 whatsoever. So let's just clear the air on that right
8 now.

9 You've been an attorney in this town a long
10 time. You've participated in many charitable
11 activities. You've done a lot of good in this town.
12 I'm obligated to find out everything I know about this
13 case and to ask you about it. It's that simple. So
14 let's proceed on.

15 Now, when was the first time you obtained legal
16 counsel to advise you with respect to the Rules of
17 Professional Conduct as they may or may not apply to
18 this situation?

19 A. Sometime in late November or early December.

20 Q. All right. And was that legal counsel Mr.
21 Harding?

22 MR. HILL: Just a second.

23 You can answer that question.

24 THE WITNESS: Well, you know, the counsel came
25 from the firm of Seed Mackall, but Mr. Harding was my

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA

I am employed by the law firm of GRIFFITH & THORNBURGH, LLP in the County of Santa Barbara, State of California. I am over the age of 18 and not a party to the within action. My business address is 8 East Figueroa St., #300, Santa Barbara, California 93101.

On November 3, 2010, I served the foregoing document described as **REPLY TO OPPOSITION TO APPLICATION FOR LEAVE TO FILE FIRST AMENDED CROSS-COMPLAINT; DECLARATION OF JOHN C. ECK; DECLARATION OF RANDY CAMPBELL**

on the parties and/or interested persons in this action by placing the original a true copy thereof in sealed envelopes, addressed as indicated on the attached list, or as otherwise indicated below.

BY MAIL

I deposited such envelopes in this firm's mailing system. I am readily familiar with my employer's practice for collection and processing of correspondence for mailing with the U.S. Postal Service. Under that practice, correspondence or documents served as above indicated would be deposited for first class delivery, postage fully prepaid, with the U.S. Postal Service on that same day in the ordinary course of business.

I deposited such envelopes in the mail at Santa Barbara, California. The envelopes were mailed with postage thereon fully prepaid.

**HILL & TRAGER, LLP,
Attorneys at Law
Gary J. Hill
800 Presidio Avenue,
Santa Barbara, California 93101**

BY PERSONAL SERVICE

I delivered such envelopes by hand to the offices of the addressee(s).

BY OVERNIGHT DELIVERY SERVICE

I deposited true copies of the foregoing document in:
 the United States mail at Santa Barbara, California, for Express Mail delivery, in a sealed envelope, addressed as indicated on the attached mailing list, with Express Mail postage thereon fully prepaid.

a box or other facility in Santa Barbara, California, regularly maintained by FEDEX-KINKOS in an envelope or package designated by FEDEX-KINKOS, addressed as indicated on the attached mailing list, with delivery fees paid or provided for.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct and that this declaration was executed on November 3, 2010, at Santa Barbara, California.


Rachel Robledo