

Oregon State Bar Complaint

July 4th, 2018

Complaint Against: Amy Margolis and Greenspoon Marder.

Conflict of Interest, Negligence, Deception, Negligence resulting in economic damages, Failure to submit discovery, Failure to provide file in a timely fashion.

Characters:

Amy Margolis- Jeffery Backman – lawyers for defendant (us, defendants).

Katherine Heekin- Prosecution Lawyer (plaintiff)

Molo Whitebear, 45th Parallel Farms LLC- Competitor, Business affiliate with plaintiff, proposed receiver, and previous history of communication to absorb our company.

Holy Child Farms LLC, Sarah Whitehouse, Ian Whiteman: Defendants, tenants.

(Please see cover letter narrative for introduction)

Our first court appearance was what I considered a summarizing example of our side of the coin. A win that stated no sharecropper should be allowed to let tenants improve the land, make financial improvement, and be taken on the eve of harvest.

Amy Margolis was appointed the trustee of our reporting and funds going forth in the litigation. We thus sent Amy, our attorney, all reporting of our company financial reports, and Metrc (cannabis tracking) data and any profits that should be distributed to the landlord in our financial agreement. This was all under confidentiality.

This occurred the end of July 2017 and beginning of August 2017.

We were to continue working on the litigation for the supposed oral agreement but our contract as tenants was to be protected by this, and we were to be given the right to farm and ultimately finish harvest.

In the court appearance, a representative from a farm in business relations with the plaintiff, 45th parallel farms, was proposed to come in and take over the crop while evicting us. Amy questioned Molo Whitebear concerning this and pointed to the obvious bias and conflict of interest that it created; being that he was in business with the plaintiff, that there had been attempts to take over our business and hire us to work for them, and that we are competitors in the market place. Making him a non-neutral party.

Roughly one month after, Amy became discreetly the 45th Parallel Farms LLC registered agent on August 31st. While we were still represented and in litigation with the plaintiff.

It was also brought to Amy's attention by us that our lease which was the agreement between plaintiff and ourselves, that the lease was for the 45th parallel Farms tax lot. And there for the agreement was convoluted, especially with the history of their interest in hostile takeover of our business and their business relationship with the plaintiff. This was never brought to the courts attention. Supposedly due to the issues it made for licensing and the changing of structures during a contentious litigation. But, it only made for issue on the opposition. In no way, would this be problematic for us, but an opportunity to set the record straight and make an agreement that recognizes our rights and protects our interest. Potentially ending the litigation.

This fact was ignored and disregarded as it pertained to our grievances, but was not ignored in the SLIGHTEST for the benefit of the plaintiff and the proposed receiver now with Amy as their agent.

During the month following Amy as their newly appointed agent, all the properties underwent multiple deed changes, and change of hand, and business ownership structures. The property we were leasing was transferred to another business of the landlord, the 45th parallel farms property ownership was changed, and the business of the landlord was changed so that we were in lawsuit with a new business structure.

Let me be clear that during September 2017 while all of this was occurring, we were completely unaware and uninformed of ALL of this. And still being represented by Amy Margolis, Jeffery Backman, and Greenspoon Marder. This information was only recently discovered.

In September of 2017, I was used to being stalked, aggravated, and in fear of my business being seized. I spoke with our litigator during the first couple weeks of September and expressed that I was deeply anxious and if I could feel some relief, or should I be okay? Their response: Yes Sarah, you do your job, and just let us do ours." But what job were they doing? And on whose behalf?

Soon enough the litigation became relentless, and our legal bill being run up far beyond our capability. We attempted to find a suitable form of payment to our counsel to continue, finish harvest and vacate the land at the end of lease which was only a few months away. It was a vexatious litigation tactic to make our company intentionally insolvent, and seize all assets ultimately a repeated hostile takeover.

Our counsel would not allow the profits of the trust to be transferred to them as payment, and it was discussed that this shouldn't be a problem to cover their bill because we were to have an ample harvest at which we were selling for \$1,200-\$1,600 per lb at that time. Appraising the profits to be \$500,000 or greater. I now believe it was because they knew that the hostile takeover would be successful and the intentional causing of insolvency would occur. But this does not hurt their outstanding balance, because we are not allowed to file for bankruptcy.

We were in a catch 22. Unable to pay our attorneys because we were not able to use any of the funds until after Amy received them into the trust via first court case order. And the finances in multiple elements of control and change.

The plaintiff scheduled depositions and canceled with a day's notice, flying out a Florida attorney and proving to us that they would make it financially unbearable for us. We would have had counsel for depositions had our counsel made sure that Katherine Heekin was not able to cancel the depositions with such short notice.

It was in October that our counsel informed us that they would withdraw as counsel, I was told for one reason and now seeing the obvious conflict of interest they were involved in and the state of the litigation I understand what happened. And it was worded perfectly for the deceptive interest.

We were in the thick of harvest, working around the clock, dealing with the aggressive litigation, and ultimately about to be left without counsel. Choice less.

Amy Margolis and Jeffery Backman of Greenspoon Marder submitted withdrawal on Oct 10th I believe, but Amy found a court appointed financial receiver to take over the financial operations to satiate the aggression, and create a non-bias representation for us and to close out the accounts fairly. We were under the impression that this would be someone who had to follow by the book, and would lobby for instances that we were to have rights. If this could have been the case, life would be entirely different and the company in good standing with creditors.

The receiver was altogether completely bias. And has been submitted in another complaint the details of their involvement and the prejudice we experienced. Ultimately the receiver was an incredibly close friend of the plaintiff counsel, and repeatedly allowed her to deny us funds to pay for items to finish harvest. Amy choose them, she had to know the inherent bias. The receiver's wife is a judge (with a record of disciplinary actions on her license) and is best friends with the opposition. The receiver held opposing counsel in personal and high regard.

Additionally, we were deposed, and in our own catch 22 with counsel leaving, I was deposed alone without counsel, and had to say that I agreed. What choice did I have?

I requested that we do our discovery which I wrote repeatedly and was ignored, to this day we never requested a single discovery from the plaintiff, and I have NO clue why. I even wrote it personally to try and make sure something was requested.

So now, we have a bias receiver, all finances being directed by Plaintiff, basically self-representing, while working toward the common interest and working countless hours, under incredible scrutiny, but we did it. We knew the crop was worth almost \$500,000 and we would see it through, pay our debts and move on if we can just work hard enough and stay strong.

After depositions and while in receivership and while our counsel was awaiting withdrawal approval Katherine Heekin issued 3rd party subpoenas to ANYONE we ever did business with. This included sales, and samples for sales etc that she obtained through our discovery. They were extensive requests to persons in a new industry with a complicated history. I received multiple calls from vendors that stated they would no longer do business with us because they did not want any involvement.

Still having never submitted a SINGLE discovery to the plaintiff, we then are subjected to endless discovery by opposition, and the subpoenas that ended up destroying our business and the profits of the plaintiff. It became evident at that time that there was no desire to make profit, but destroy us, take us out.

It was Amy Margolis who never intercepted the Subpoenas.

Opposition sent properly to our counsel and at the end of November as I was preparing for court and to ultimately self-represent, it wasn't discovered until the night before the hearing that the opposition did follow correct service and that Ms. Margolis just "missed" it in the mail. This ultimately costs hundreds of thousands of dollars in damages. Take a crop valued at \$500,000 to its value at maybe \$60,000 currently I believe. And we were in publicity appearance in magazines and online being promoted as a new company to watch and people in the industry poised for modest success prior to the lawsuit filing.

This did not stop the work being done to fight the 3rd party subpoenas, thus creating hours and billing of our counsel that were pointless. It was made clear that unfortunately they would stay because it was the negligence of our counsel that they occurred and we were unable to object.

This took the profits of our business and depleted it. Almost making sure that we would lose our business and certainly took thousands and thousands of dollars in sales and our profit.

Our counsel was granted leave at the end of November hearing in teleconference, and the judge did not grant us stay in the case to find counsel because it had been so long already and we were reprimanded for not having counsel. What do you do when all finances are in receivership, the business just ruined by interference, while working 80+ hours a week? We were in a situation of no relief.

It was after this hearing that the opposition, satisfied that Mrs. Margolis threw the ball, and that we were without representation; decided to request mediation for settlement. While we only had one month left of the lease.

Since the time Amy Margolis, Jeffery Backman, and Greenspoon Marder left us as counsel this has not ended in the slightest as you will see from my other complaints.

We are just now receiving our file, 8 months after their leave.

I received a payment plan settlement from Amy and Jeffery this spring which was a settlement offer. I thought this odd because the payment plan was my idea, and was my intention to continue working another season and honor our debts. But it was a settlement, that was so self-serving, and had incredible hold harmless language. Furthermore, would place any legal dispute in the jurisdiction of Florida. It would render us without ANY recourse for lawsuit if signed.

At the arrival of this settlement agreement I knew that something happened. I was contacted occasionally for "updates" on what happened and how things settled from our previous counsel.

But was under the impression that it was a kindness to me that they were not aggressive in chasing a very large bill.

It was at that time that I discovered all the efforts behind the scene. And it made me revisit the questions I had during the litigation as to why our counsel never tried to fight our side as offense, but a mere defense to the prosecution. No discovery, no file after they left and we were self-representing, negligence to get the mail which costs thousands in damages, and ultimately becoming the registered agent for 45th Parallel Farms when it was recorded that this was a business partner of the plaintiff, and in complete conflict with us as they would be completely incapable receivers with a total bias to their business relation the plaintiff.

Follow the money, I hear it all the time. And the money was followed. By all parties, including our counsel. Looking at what occurred, and finally seeing the shuffleboard of property changes and business changes during September when Amy became the register agent I am shocked by the injustice. The persons whom she became the agent for have plenty of money, and leverage, the plaintiff in our case is incredibly powerful, corrupt, and wealthy.

When our lease was for that company's parcel, the excuse for not bringing this to the courts attentions and as an opportunity to set fair, unbiased agreements to close the lease was because of the OLCC license complications that it could bring; is a mirage. But the shuffle of property ownership, business ownership, and probably more was also a complication to the state compliance. Of which we could have received sanction.

I look at the actions that occurred, and the newly found information concerning our counsel and I reframe the whole case, and see it through a new lens.

This should have never occurred, but certainly should not have happened the way it happened.

I am finally getting my file this week, and I have only begun to investigate what happened in September. I believe that what I have found thus far is reason enough for a substantial complaint and investigation into this matter.

I hope that this will bring action. Action that can stop this from occurring to anyone else.

I still hear one of Amy's last statements to me "As funny as it would be to watch you communicate directly with Katherine it just wouldn't be a good idea" in terms of me self-representing. And Mr. Backman "Sarah, ready to be a lawyer" and "You do your job and let us do ours"

What job were they doing? And who was it serving?

The plaintiff was ultimately successful in its seizure of assets, and successfully rendered us insolvent with no recourse to bankruptcy, unable to afford legal action that can recuperate our extensive damages, and now although incredibly capable and with a very qualified resume will not be able to obtain future employment and if able will not be paid proper value because this lawsuit will ultimately cost us our future.

Evidence :

Here is a list of evidence and supporting documents that's I can provide for this complaint and growing.

- Email verification of :
 - o 45th parallel attempts to absorb our company
 - o 45th parallel attempt to hostile takeover
 - o 45th parallel affiliation with landlord
 - o Attempts to bring to the courts attention the tax lot of the lease requesting counsel to bring to court attentions.
 - o Requests to get discovery out
 - o Requests to submit to the court expenses to be approved in receivership
 - o Statements that the plaintiff sent 45th parallel investor to work with us and ultimately steal trade information and attempt to hire
 - o Discovery request lists I wrote to instigate its occurrence
 - o Email stating that I felt confidentiality was being broken
 - o Attempts to receive file

- Proof of Amy becoming registered agent
- Proof of property changes via Deeds, titles, etc.
- Proof of plaintiff and 45th business changes with property changes
- Proof of 45th parallel property changes
- Proof of loss of business via 3rd party subpoenas
- Court records of first hearing and conflict of interest with 45th Parallel and proposed receiver
- Motion to withdraw as counsel
- Settlement offer from Greenspoon Marder
- Publication appearance in magazines and online being promoted as a new company to watch and people in the industry poised for modest success.