

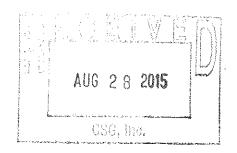
Suite 1100 188 W. Northern Lights Boulevard Anchorage, AK 99503-3985

907.257.5300 tel 907.257.5399 fax

www.dwt.com

August 21, 2015

Ruth Meier, Clerk of Court Alaska Trial Courts 101 Lacey Street Fairbanks, Alaska 99701



Re:

Tok Community Umbrella Corporation v. Tok Chamber of Commerce;

Case No. 4FA-15-1930 CI

Dear Ms. Meier:

Enclosed for filing are the following documents: Motion for Reconsideration; Memorandum in Support of Third-Party Defendant's Motion for Reconsideration; (proposed) Order Granting Third-Party Defendant's Motion for Reconsideration; Unopposed Motion for Extension of Time and [Proposed] Order. Also enclosed are an extra copy of each document for conforming and a return envelope.

Very truly yours,

Davis Wright Tremaine,

M. Kirsten Gustafson

Legal Assistant

**Enclosures** 

188 West Northern Lights Blvd.,

- 18

## IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

### FOURTH JUDICIAL DISTRICT AT FAIRBANKS

TOK COMMUNITY UMBRELLA CORPORATION (as represented by the Board who contends they were not removed from office by the membership),	) ) )
Plaintiff,	)
vs.	)
TOK CHAMBER OF COMMERCE, INC.,	)
Defendant.	)
TOK COMMUNITY UMBRELLA CORPORATION (as represented by the Board elected on July 9, 2015),	
Third-Party Plaintiff,	)
vs.	)
TOK COMMUNITY UMBRELLA CORPORATION (TCUC) (as represented by the Board who contends they were not removed from office by the membership),	) ) ) )
Third-Party Defendant.	) Case No. 4FA-15-1930 Cl

## **MOTION FOR RECONSIDERATION**

Third-Party Defendant Tok Community Umbrella Corporation (as represented by the Board who contends they were not removed from office by the membership) ("TCUC I"), pursuant to Alaska R. Civ. P. 77(k), hereby submits its Motion for Reconsideration of the Court's August 17, 2015 Order ("Order") granting Tok Community Umbrella

1	Corporation's (as represented by the Board elected on July 9, 2015) ("TCUC II")		
2	"Motion to Substitute [TCUC II] for Lisa Conrad and to Correct the Caption to Reflect		
3	the Actual Status of the Plaintiff/Third Party Defendant" ("Motion to Substitute"). This		
4	motion is supported by the Memorandum in Support filed herewith and the pleadings and		
5	record herein.		
6	DATED this 25 day of August, 2015.		
7	DAVIS WRIGHT TREMAINE LLP		
8	Attorneys for Tok Community Umbrella Corporation		
9	Wald Clean		
10	By: James Orien  Elizabeth P. Hodes, ABA #0511108		
11	Certificate of Service		
12	On the 35 day of August, 2015, a true and correct copy of the foregoing document was sent by U.S. Mail, postage paid to the following parties:		
13	Zane D. Wilson		
14	Cook Schuhmann & Groseclose, Inc. (714 Fourth Ave. Ste. 200) P.O. Box 70810 Fairbanks, AK 99707-0810		
15			
16	Heidi M. Holmes Burns & Associates, PC 100 Cushman St., Ste. 311		
1/7	Fairbanks, AK. 99701		
18	By:		
19	M. Kirsten Gustafson		
20			

MOTION FOR RECONSIDERATION RE SUBSTITUTION OF TCUC FOR CONRAD *Tok Community Umbrella Corporation v. Tok Chamber of Commerce;* Case No. 4FA-15-1930CI DWT 27704715v1 0104907-000001

PAGE 2 OF 2

## IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

## FOURTH JUDICIAL DISTRICT AT FAIRBANKS

TOK COMMUNITY UMBRELLA	)
CORPORATION (as represented by the	)
Board who contends they were not	)
removed from office by the membership),	)
	)
Plaintiff,	)
	)
vs.	)
	)
TOK CHAMBER OF COMMERCE, INC.,	)
,	Ć
Defendant.	ĺ
	ĺ
TOK COMMUNITY UMBRELLA	Ď
CORPORATION (as represented by the	ĺ
Board elected on July 9, 2015),	Ś
• • • • • • • • • • • • • • • • • • • •	ĺ
Third-Party Plaintiff,	)
<b>,</b> ,	ĺ
vs.	í
	)
TOK COMMUNITY UMBRELLA	ĺ
CORPORATION (TCUC) (as represented by	)
the Board who contends they were not	) )
removed from office by the membership),	<b>,</b>
	<i>)</i>
Third-Party Defendant.	) ) Case No. 4FA-15-1930 C
inna raity Dominanti	) Case 140, 4174-15-1950 C

## MEMORANDUM IN SUPPORT OF THIRD-PARTY DEFENDANT'S MOTION FOR RECONSIDERATION

## I. INTRODUCTION

Third-Party Defendant Tok Community Umbrella Corporation (as represented by the Board who contends they were not removed from office by the membership) ("TCUC

15

16

17

18

1

2

3

4

5

6

7

8

9

20

I") submits this memorandum pursuant to Alaska R. Civ. P. 77(k) in support of its Motion for Reconsideration of the Court's August 17, 2015 Order ("Order") granting Tok Community Umbrella Corporation's (as represented by the Board elected on July 9) ("TCUC II") "Motion to Substitute [TCUC II] for Lisa Conrad and to Correct the Caption to Reflect the Actual Status of the Plaintiff/Third-Party Defendant" ("Motion to Substitute").

TCUC I believes the Order: (a) denied TCUC I procedural due process because it was issued before the time period had elapsed for TCUC I to file a motion for oral argument; (b) overlooked the significant and incongruous impact of the TCUC corporation suing itself, including the potential use of corporate funds by the new "trustee" to maintain Conrad's lawsuit; and (c) threatens to disrupt the status quo before the validity of the TCUC I Board is litigated. TCUC I respectfully requests the Court either reconsider its Order, or permit TCUC I to file a request for oral argument on the underlying motion, and hear oral arguments, before issuing a subsequent order.

#### П. RELEVANT FACTUAL AND PROCEDURAL HISTORY

TCUC II filed its Motion to Substitute on July 23. Although TCUC I's Opposition was originally due August 5, a mutually agreed-upon extension made TCUC I's Opposition due August 12.<sup>2</sup> TCUC I timely served its opposition to TCUC II on August 10, and it was filed in the Court on August 12. Under the applicable civil rules, TCUC

Hereafter, all dates referenced occurred in 2015 unless otherwise noted.

<sup>&</sup>lt;sup>2</sup> TCUC I has filed herewith an unopposed motion for an extension of time to file its opposition to TCUC II's Motion for Substitution.

II's deadline for replying to TCUC I's opposition would have been due August 20, and TCUC I would have had until August 27 to file a request for oral argument. Rule 77(d), (e), respectively. The Court, however, issued an Order granting TCUC's Motion to Substitute on August 17, prior to the deadline for: (a) TCUC II to submit a reply; and/or (b) TCUC I to submit a request for oral argument. Moreover, the Order only: (a) substituted TCUC II for Conrad; (b) stated that TCUC II shall act as trustee of TCUC until final adjudication; and (c) amended the case caption.

#### III. LEGAL ARGUMENT

TCUC I's motion for reconsideration is timely filed with the Court having been brought within ten days after the ruling. Rule 77(k). A motion for reconsideration must set forth the grounds for reconsideration and designate what the moving party seeks the court to reconsider. Rule 77(k)(2). TCUC I urges the Court to reconsider its Order on grounds that it "overlooked or misconceived some material fact or proposition of law . . . [or] a material question in the case[.]" Rule 77(k)(1)(ii)(iii). TCUC I further urges the Court to consider the advancement of judicial economy, procedural fairness and sound corporate governance in ruling on its motion for reconsideration.

As noted, the Court's departure from the timetable set forth in Rule 77 has deprived TCUC I of its procedural right to file a request for oral argument. And because the Court issued its Order before the deadline for TCUC II's reply, TCUC II's position on

the issues raised in TCUC I's opposition remains unknown. Oral argument is necessary to determine both parties' position on the remaining issues.

The Order substituting TCUC II as a named Third-Party Plaintiff also lacks guidance on the nature and extent of trustee power granted to TCUC II for the Corporation.<sup>3</sup> This leaves open whether TCUC II may: (a) utilize corporate funds to pursue Lisa Conrad's claims against TCUC I; and/or (b) seek legally privileged material and/or communications between TCUC I and its attorneys/corporate insurer. These are material questions that TCUC I asks be resolved as this lawsuit moves forward. At a minimum, TCUC I believes oral argument will assist the Court in resolution of the issues and clarification of the facts before a final order is issued.

Finally, aside from TCUC now being both a Plaintiff and Defendant in this lawsuit, the Order appears to decide that the July 9 Board is authorized to represent the Corporation before a final determination has been made as to whether Theresa Woody, et al. are properly seated Board members. Lisa Conrad was appointed trustee because she was (and remains) the only uncontested Board member. The more appropriate course is to keep her in the trustee capacity to avoid further confusion and litigation in this case, or at the very least, to clarify the limits on the trustee authority provided to TCUC II.

<sup>&</sup>lt;sup>3</sup> Unlike the trustee-related limitations the Court placed on Lisa Conrad at the June 23 hearing, no limitations were addressed in the Order.

# Davis Wright Tremaine LLP

#### IV. CONCLUSION

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

20

For the reasons provided herein, and based further upon concepts of judicial economy, fairness and the avoidance of expending further resources (by Court/parties) on this action, TCUC I respectfully requests that the Court either reconsider its Order substituting TCUC II as trustee, or permit TCUC I to file a request for oral argument on the underlying motion, and hear oral arguments, before issuing a subsequent order.

DAVIS WRIGHT TREMAINE LLP Attorneys for Tok Community Umbrella Corporation

Elizabeth P. Hodes, ABA #0511108

Certificate of Service

day of August, 2015, a true and correct copy of the foregoing document was sent by U.S. Mail, postage paid, to the following parties:

> Zane D. Wilson Cook Schuhmann & Groseclose, Inc. (714 Fourth Ave., Ste. 200) P.O. Box 70810 Fairbanks, AK 99707-0810

Heidi M. Holmes Burns & Associates, PC 100 Cushman St., Ste. 31/ Fairbanks, AK 99701

M. Kirsten Gustafson

21

MEMORANDUM IN SUPPORT OF TCUC I'S MOTION FOR RECONSIDERATION Tok Community Umbrella Corporation v. Tok Chamber of Commerce; Case No. 4FA-15-1930CI DWT 27710503v2 0104907-000001

PAGE 5 OF 5

Davis Wright Tremaine LLP

## IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

## FOURTH JUDICIAL DISTRICT AT FAIRBANKS

TOK COMMUNITY UMBRELLA	)
CORPORATION (as represented by the	)
	)
Board who contends they were not	)
removed from office by the	)
membership),	
177	ĺ
Plaintiff,	)
riamin,	)
	)
VS.	)
	)
TOK CHAMBER OF COMMERCE,	ĺ
· · · · · · · · · · · · · · · · · · ·	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \
INC.,	?
	)
Defendant.	)
	)
TOK COMMUNITY UMBRELLA	Ĭ
CORPORATION (as represented by the	) `
` *	<u> </u>
Board elected on July 9, 2015),	)
	)
Third-Party Plaintiff,	)
·	ĺ
vs.	, ,
vs.	)
	)
TOK COMMUNITY UMBRELLA	)
CORPORATION (TCUC) (as	)
represented by the Board who contends	, )
they were not removed from office by	, ,
·	
the membership),	)
	)
Third-Party Defendant.	) Case No. 4FA-15-1930 C
<b>*</b>	,

## ORDER GRANTING THIRD-PARTY DEFENDANT'S MOTION FOR RECONSIDERATION

This Court, having considered Third-Party Defendant Tok Community Umbrella Corporation's (as represented by the Board who contends they were not removed from

1

2

3

office by the membership) ("TCUC I") Motion for Reconsideration of the Court's August 17, 2015 Order ("Order") granting Tok Community Umbrella Corporation's (as represented by the Board elected on July 9, 2015) ("TCUC II") "Motion to Substitute [TCUC II] for Lisa Conrad and to Correct the Caption to Reflect the Actual Status of the Plaintiff/Third Party Defendant" ("Motion to Substitute"), and the record and pleadings herein, and considering it fully advised, IT IS HEREBY ORDERED that: TCUC I's Motion for Reconsideration of the Order is granted; 1. 2. The [August 17, 2015] Order is set aside; and 3. TCUC I is permitted to file a request for oral argument pursuant to Alaska R. Civ. P. Rule 77(e). DATED this \_\_\_\_\_ day of \_\_\_\_\_\_ , 2015. Michael P. McConahy

Michael P. McConahy Superior Court Judge

21

Certificate of Service

1

Cook Schuhmann & Groseclose, Inc. (714 Fourth Ave., Ste. 200) Fairbanks, AK 99707-0810 Burns & Associates, PC 100 Cushman St., Ste. 311,

7

8

9

10

11

12

13

14

15

16

17

18

. 19

20

21

Davis Wright Tremaine LLI

1

## IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

#### FOURTH JUDICIAL DISTRICT AT FAIRBANKS

TOK COMMUNITY UMBRELLA CORPORATION (as represented by the Board who contends they were not removed from office by the membership), Plaintiff, VS. TOK CHAMBER OF COMMERCE, INC., Defendant. TOK COMMUNITY UMBRELLA CORPORATION (as represented by the Board elected on July 9, 2015), Third-Party Plaintiff, VS. TOK COMMUNITY UMBRELLA CORPORATION (TCUC) (as represented by the Board who contends they were not removed from office by the membership), Third-Party Defendant. Case No. 4FA-15-1930 CI

## UNOPPOSED MOTION FOR EXTENSION OF TIME AND [PROPOSED] ORDER

Third-Party Defendant Tok Community Umbrella Corporation (as represented by the Board who contends they were not removed from office by the membership) ("TCUC I") hereby submits an unopposed motion for extension of time until August 12, 2015 to

respond to Third-Party Plaintiff Tok Community Umbrella Corporation's (as represented by the Board elected on July 9, 2015) ("TCUC II") "Motion to Substitute the Tok Community Umbrella Corporation (as Represented by the Board Elected on July 9, 2015) for Lisa Conrad and to Correct the Caption to Reflect the Actual Status of the Plaintiff/Third-Party Defendant" ("Motion to Substitute"). TCUC I is filing this motion because a stipulation for an extension of time was not filed by TCUC I's counsel in early August 2015. Undersigned counsel certifies that she discussed this matter with Zane Wilson, counsel for TCUC II, prior to TCUC I's opposition being due, and Mr. Wilson did not oppose TCUC I's motion for an extension of time until August 12, 2015. DATED this

DAVIS WRIGHT TREMAINE LLP Attorneys for Tok Community Umbrella

Corporation

By:

Elizabeth P. Hodes, ABA #0511108

PAGE 2 OF 3

<sup>1</sup> See attached Exhibit A.

## [PROPOSED] ORDER

IT IS SO ORDERED, TCUC I shall have until August 12, 2015, to file its opposition to TCUC II's Motion to Substitute.

DONE this \_\_\_\_\_, 2015.

Michael P. McConahy, Superior Court Judge

## Certificate of Service

1

2

3

4

5

6

7

8

9

10

11

12

13

14

16

17

18

19

20

On the 25th day of August, 2015, a true and correct copy of the foregoing document was sent by U.S. Mail, postage paid, to the following parties:

> Zane D. Wilson Cook Schuhmann & Groseclose, Inc. (714 Fourth Ave., Ste. 200) P.O. Box 70810 Fairbanks, AK 99707-0810

Heidi M. Holmes Burns & Associates, PC 100 Cushman St., Ste. 311 Fairbanks, AK 99701

M. Kirsten Gustafson

Davis Wright Tremaine LLP

21

UNOPPOSED MOTION FOR EXTENSION OF TIME AND [PROPOSED] ORDER Tok Community Umbrella Corporation v. Tok Chamber of Commerce; Case No. 4FA-15-1930 CI DWT 27723928v1 0104907-000001

PAGE 3 OF 3

#### Hodes, Elizabeth

From:

Zane Wilson <zane@alaskalaw.com> Tuesday, August 04, 2015 9:47 AM

Sent: To:

Hodes, Elizabeth

Cc:

Niki L. Lightly; tom@twickwire.com

Subject:

RE: Conrad re: Tok Community Umbrella Corp (TCUC)

Yes, that is fine.

From: Hodes, Elizabeth [mailto:ElizabethHodes@dwt.com]

Sent: Tuesday, August 04, 2015 8:50 AM

To: Zane Wilson

Cc: Niki L. Lightly; tom@twickwire.com

Subject: RE: Conrad re: Tok Community Umbrella Corp (TCUC)

Hi Zane,

Yes, I agree to the extension. I would likewise appreciate an extension to August 12 to file our response to your Motion to Substitute the TCUC as Represented by the Board Elected on July 9 for Lisa Conrad and to Correct the Caption. Please confirm as soon as possible whether you agree to extend us the courtesy.

Thank you,

Liz

Elizabeth P. Hodes | Davis Wright Tremaine LLP 188 West Northern Lights Blvd, Suite 1100 | Anchorage, AK 99503 Tel: (907) 257-5337 | Fax: (907) 257-5399 Email: elizabethhodes@dwt.com | Website: www.dwt.com

Anchorage | Bellevue | Los Angeles | New York | Portland | San Francisco | Seattle | Shanghai | Washington, D.C.

Disclaimer: This message may contain confidential communications protected by the attorney client privilege. If you received this message in error, please delete it and notify the sender.

From: Zane Wilson [mailto:zane@alaskalaw.com]

**Sent:** Monday, August 03, 2015 11:24 AM **To:** <a href="mailto:tom@twickwire.com">tom@twickwire.com</a>; Hodes, Elizabeth

Cc: Niki L. Lightly

Subject: Conrad re: Tok Community Umbrella Corp (TCUC)

Dear Ms Hodes:

I have been very busy and unable to address the TCUC submission re: July 9 Election. I request an extension to oppose this filing until the close of business on August 12, 2015. Your prompt response is appreciated.

Thanks.

Zane D. Wilson CSG, Inc. 714 Fourth Avenue, Suite 200 Fairbanks, AK 99701 907/452-1855 FAX 907/452-8154 zane@alaskalaw.com

This electronic message transmission contains information belonging to CSG, Inc. that is solely for the recipient named above and which may be confidential or privileged. CSG, INC., EXPRESSLY PRESERVES AND ASSERTS ALL PRIVILEGES AND IMMUNITIES APPLICABLE TO THIS TRANSMISSION. If you are not the intended recipient, be aware that any disclosure, copying, distribution, or use of the contents of this communication is STRICTLY PROHIBITED. If you have received this electronic transmission by error, please notify us by telephone (907/452-1855) or by electronic mail (cs@@alaskalaw.com) immediately. Thank you.