Kevin K. Forrester (SBN 129023) Attorney at Law FIL 4403 Manchester Ave Ste 205 Encinitas CA 92024-7903 Clark of the Superior Court 3 Telephone: (760) 944-1918 Facsimile: (760) 944-3517 JUN 1 5 2010 4 Attorney for Plaintiff WY: A. Lind 5 6 7 SUPERIOR COURT OF CALIFORNIA 8 COUNTY OF SAN DIEGO, NORTH COUNTY DIVISION 9 10 Case No: 37-2010-00056531-CU-MC-NC CHUCK SMIAR, 11 EX PARTE APPLICATION FOR TEMPORARY Plaintiff, 12 RESTRAINING ORDER AND ORDER TO SHOW CAUSE RE PRELIMINARY 13 INJUNCTION; CERTIFICATION RE VS. NOTICE; AND MEMORANDUM OF POINTS 14 NORTH SAN DIEGO COUNTY ASSOCIATION) AND AUTHORITIES OF REALTORS, Incorporated, and JIM) 15 ALDREDGE, GINNI FIELD, KURT Date: June 17, 2010 1:30 PM KINSEY, MARIA WEISS, and DOES 1 Time: 16 through 20, Dept: 30 Judge: Hon. Thomas P. Nugent Defendants. 17 18 19 Plaintiff Chuck Smiar applies for a temporary restraining order 20 restraining defendants NORTH SAN DIEGO COUNTY ASSOCIATION OF 21 22 WEISS, and their agents, servants and employees, from doing, 23

REALTORS, Incorporated, JIM ALDREDGE, GINNI FIELD, KURT KINSEY, MARIA commencing, or continuing any actions of any kind in furtherance of any plan of merger between NSDCAR and SDAR as described in the "Confidentiality and Non-Disclosure Agreement" and "non-binding Memorandum of Understanding" referenced in the complaint filed herein, or as described in any related merger agreement, proposed

24

25

26

27

28

corporate document or other document, or otherwise, and an order to show cause why a preliminary injunction should not be granted enjoining defendants, and their agents, servants, and employees from performing the above described acts during the pendency of this action. This application is made on the grounds that the plaintiff is entitled to the relief demanded, and the relief, or any part thereof, consists in restraining the commission or continuance of the act complained of, either for a limited time period or perpetually, and on the further ground that great and irreparable injury will result to plaintiff before the matter can be heard on notice.

Plaintiff has not previously applied to any judicial officer for similar relief.

This application is based on the verified complaint on file in this case, and on the declarations of Larry Wight and Kevin K. Forrester attached to this application, and on the attached memorandum.

Dated: June 14, 2010

Kevin K. Forrester,

Attorney for Plaintiff

5

SUPPORTING DECLARATION OF KEVIN K. FORRESTER RE ADVANCE NOTIFICATION I, Kevin K. Forrester, declare:

- 1. I am an attorney at law duly admitted to practice before all courts of the State of California and the attorney of record herein for plaintiff, Chuck Smiar, in the above-described action.
- 2. On June 14, 2010, at 4:00 p.m., I informed the CEO and agent for service of process of defendant North San Diego County
  Association of REALTORS, Incorporated, Dianne McMillan, by face-to-face conversation, that the above application for a temporary restraining order and order to show cause would be made on June 17, 2010, at 1:30 p.m., in Department 30 of the above-entitled court. I also served Ms. McMillan with the complaint in this action.
- 3. On June 14, 2010, at 4:45 p.m., I informed the legal assistant to David S. Bright, Esq., the attorney for defendant North San Diego County Association of REALTORS, Incorporated, Gisela Hofmann, by telephone that the above application for a temporary restraining order and order to show cause would be made on June 17, 2010, at 1:30 pm, in Department 30 of the above-entitled court.
- 4. There was no response to either notification, other than of acknowledgment and understanding. Therefore, I could not determine whether to expect opposition to the application.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated: June 14, 2010

Kevin A Forrester, Attorney for Plaintiff

## MEMORANDUM OF POINTS AND AUTHORITIES

A TEMPORARY RESTRAINING ORDER AND PRELIMINARY INJUNCTION SHOULD BE ISSUED IN ORDER TO PRESERVE THE STATUS QUO UNTIL A FINAL DETERMINATION OF THE MERITS OF THE ACTION. IN THIS CASE, THE STATUS QUO, NAMELY THE CONTINUED EXISTENCE OF THE NORTH SAN DIEGO COUNTY ASSOCIATION OF REALTORS ("NSDCAR"), MAY BE DISRUPTED TO THE DETRIMENT OF THE PLAINTIFF AND THE NOMINAL DEFENDANT, NSDCAR, PENDING THE OUTCOME OF THIS ACTION UNLESS INJUNCTIVE RELIEF IS GRANTED, BECAUSE DEFENDANTS' WRONGFUL ACTIONS COULD ACHIEVE THE DESTRUCTION OF NSDCAR IN FEWER THAN TEN (10) DAYS BEFORE ANY CONSIDERATION OR DETERMINATION OF THE MERITS OF THIS ACTION IS POSSIBLE.

A preliminary injunction may be granted to preserve the status quo until a final determination of the merits of the action (Continental Baking Co. v. Katz (1968) 68 Cal.2d 512, 528, 67 Cal. Rptr. 761, 439 P.2d 889; People v. Black's Food Store (1940) 16 Cal.2d 59, 62, 105 P.2d 361; O'Connell v. Superior Court (2006) 141 Cal.App.4th 1452, 1471, 47 Cal. Rptr.3d 147).

On September 17, 2009, the NSDCAR Board of Directors named a task force comprised of the Board Chairman, Jim Aldredge, and directors Ginni Field, Kurt Kinsey and Maria Weiss (defendants herein) to explore possible benefits of a merger of the 5,000-member NSDCAR with the 10,000-member San Diego Association of REALTORS ("SDAR"), in which SDAR would be the surviving corporation.

Since that time, this faction of the NSDCAR Board of Directors (the "Merger Task Force") has abandoned the interests of the members of NSDCAR and has worked confidentially and, as it turns out, effectively to facilitate what has become in every sense a hostile takeover of NSDCAR by SDAR. The President of the California Association of REALTORS has become so concerned about what he terms

"deceptive, misleading and coercive behavior inappropriate to a REALTOR organization" and potential "conflicts of interest" and "self-dealing" in the efforts of SDAR to take over NSDCAR (and the other local REALTOR associations), that he addressed a letter dated June 2, 2010, to the Presidents and Directors of all four local San Diego County REALTOR associations reminding them of their legal and ethical obligations. (See President Steve Goddard's letter attached to Declaration of Larry Wight in Support of Ex Parte Application.)

Our efforts to counteract the wrongful acts of the Merger Task Force has included all of those efforts set forth in our verified complaint, together with scheduling our own public "Merger Forums" to present opposition to the view being presented to the members by the Merger Task Force in their own public Town Hall Forums. All of these public meetings started Monday, June 14, 2010.

The electronic membership vote on the merger of NSDCAR and SDAR is scheduled to take place <u>June 18</u> to June 25, 2010. This vote must be stopped until all of the actions of all of the directors that lead to this vote are considered and ruled upon by this court.

Please stop this corporate hijacking before it is too late.

Dated: June 15, 2010

Respectfully submitted,

Kevin K. Forrester, Attorney for Plaintiff