

S 235735

**SUPREME COURT OF THE STATE OF
CALIFORNIA**

SUPREME COURT
FILED

JAN 10 2017

RAND RESOURCES, LLC et. al.,

Jorge Navarrete Clerk

Plaintiffs and Appellants,

Deputy

v.

CITY OF CARSON, et. al.,

Defendants and Respondents.

**PETITIONERS' REPLY TO ANSWER BRIEF
ON THE MERITS**

AFTER A PUBLISHED DECISION BY THE COURT OF APPEAL, SECOND
APPELLATE DISTRICT, DIVISION ONE CASE No. B264493

Appeal from the Superior Court of Los Angeles County Honorable Michael L.
Stern, Judge Presiding, Dept. 62 Superior Court Case No. BC564093

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INTRODUCTION

Respondent Rand Resources LLC and Carson El Camino LLC (collectively Rand) go to great lengths to try and avoid the Anti-SLAPP protections afforded to U.S. Capital and Leonard Bloom (collectively Bloom) by incorrectly claiming (like the Appellate Court) in their Answer Brief (AB beginning at 2) that Anti-SLAPP does not apply in this situation as it "...is based on conduct, not any protected speech." That is simply not the law. Further is not speech conduct? The Appellate Court's attempt to wordsmith clear statutory language as adopted by Rand is a distinction without a difference and in fact is completely contrary to the plain and unambiguous Anti-SLAPP statutory language.¹

The anti-SLAPP statutory language specifically states it encompasses "**any other conduct** ...in connection with a public issue or an issue of public interest." *Code of Civil Procedure* § 425.16(e)(4) (emphasis added.) Therefore conduct (as is speech) is protected under the Anti-SLAPP law. The Court of Appeal Opinion (Op. at 13, and 16-17) and Rand's to attempt to claim otherwise, is legally and factually flawed.

"The Legislature enacted section 425.16 in 1992, noting 'a disturbing increase in lawsuits brought primarily to chill the valid exercise of the constitutional rights of freedom of speech and petition for the redress of grievances.'" (§ 425.16, subd. (a)). '[T]o encourage continued participation in matters of public significance,' and to ensure 'that this participation should not be

¹ Virtually all the cases that are cited by Rand to support this incorrect theory factually relate to two private parties that may have had some tangential involvement with a government entity.

chilled through abuse of the judicial process,' the Legislature has specified that the anti-SLAPP statute 'shall be *construed broadly.*'" *City of Montebello v. Vasquez* 1 Cal.5th 409, 416 (2016) (emphasis added).

This Court also made clear "[t]he Legislature did not limit the scope of the anti-SLAPP statute to activity protected by the constitutional rights of speech and petition. It went on to include 'any act ... *in furtherance* of those rights. (§ 425.16, subd. (b)(1), italics added.).... The Legislature's directive that the anti-SLAPP statute is to be 'construed broadly' so as to 'encourage continued *participation in matters of public significance*' supports the view that statutory protection of acts 'in furtherance' of the constitutional rights incorporated by section 425.16 may extend beyond the contours of the constitutional rights themselves." *Id.* at 421 (emphasis added).

Accordingly, so long as the actions of Bloom and/or the City of Carson and then Mayor Dear (City), fall within the parameters of section 425.16(e), the Anti-SLAPP statute is applicable to challenge this litigation which is brought against public officials and private citizens who are engaged in matters of important public interest.

In fact, Rand's First Amended Complaint ("FAC"), notwithstanding all the activity alleged in this matter being protected under the applicable statutes, supports a finding of the *Public Issue* or *An Issue of Public Interest* within the meaning of *Code of Civil Procedure* 425.16. Rand alleges it was provided with the exclusive right to negotiate a \$100 million dollar mixed-use retail project on 91 acres of land in the City. (AA:I:2:28-

29.)²

Multiple extensions to this ENA were alleged to have been granted by the redevelopment agency, but the redevelopment agency was dissolved by an act of the California Legislature. (AA:I:2:29.) Due to such dissolution, the City and Rand Resources allegedly entered into an Exclusive Agency Agreement ("EAA") in 2012. (AA:I:2:29, 43-48.)

Under the EAA, Rand Resources "would become the exclusive agent of the City" for the purpose of "(a) coordinating and negotiating with the NFL for the designation and development of an NFL football stadium ("NFL Stadium") in the City" and "(b) facilitating the execution of appropriate agreements between the NFL and the City documenting the designation and development of [Rand Resources'] Property as an NFL football stadium". (AA:I:2:29-30.) This football stadium would involve a "new, state-of-the-art sports and entertainment complex within the City" where "one or more National Football League ("NFL") franchises" would "play its home games." (AA:I:2:24.) The football stadium would be located on a 91 acre parcel that was partially owned by Rand Resources. (AA:I:2:44.) Rand Resources alleges that El Camino "is the assignee of Rand Resources with respect to its rights under the EAA." (AA:I:2:25.)

Based on these alleged facts which are judicial admissions, the Trial Court properly found that "an action for breach of an exclusive commercial development with a public entity (containing causes of action for inducing breach of contract, intentional and negligent interference and Business and

² Citations are to Appellants' Appendix unless otherwise noted. Citations to the Appellants' Appendix are cited as AA:Volume:Tab:Page.

Professions Code section 17200) is subject to anti-SLAPP on the basis of rights of petition and free speech in connection with a public issue.” *Tuchscher Development Enterprises Inc. v. San Diego Unified Port District*, 106 Cal. App. 4th 1219, 1232-1235 (2003).

The Trial Court further determined “[a]s stated in *Tuchscher*, communications involving the proposed development of such commercial property fall into the ‘matter of public interest’ portion of the [anti-SLAPP] statute and, as such, they need not be made in connection with an issue under consideration or review by a legislative, executive, or judicial body. [*Code of Civil Procedure* section 425.16 (e)(2); *Id.* 106 Cal App 4th at 1233; *Ludwig v. Superior Court*, 37 Cal App 4th 8, 17 (1995)]. Therefore both these defendants meet their initial burdens and the burden shifts to the Plaintiffs.”

The Court of Appeal Decision (“Opinion”) however, misapplied *Code of Civil Procedure* section 425.16 by narrowly and incorrectly focusing on the premise that “[t]he identity of the City’s representative is not a matter of public interest.” Hence the Anti-SLAPP protections therefore do not apply. That narrow construction of what was alleged in multiple pages of an unverified FAC pleading raises serious questions about the meaning and application of *Public Interest* or *An Issue of Public Interest* in a commercial development negotiation between the Public entity and Private sector.

Indeed, the repeated theme by the Opinion is so long as the focus is on the alleged unverified identity of an alleged “agent” and at times claimed “*de facto* agent” for the City of

Carson, then Anti-SLAPP does not apply. That is not the law. Communications involving the proposed development of a commercial property fall into the *Matter of Public Interest* or *An Issue of Public Interest* portion of the Anti-SLAPP statute.

In addition to the protections afforded under *Code of Civil Procedure* section 425.16 based on the *Matter of Public Issue* or *An Issue of Public Interest*, are the protections afforded to statements that were made *In Connection with a Legislative Proceeding*.

The Trial Court found as it related to statements that were alleged to constitute the fraud that they were made “in connection with a legislative proceeding” as used in the anti-SLAPP context, “[t]hus the statements in this case were made in connection with a legislative proceeding. Such statements are protected by Civil Code section 47 (b). Plaintiffs have not posed objections to the moving parties evidence and are precluded from presenting contrary evidence. For this reason, the Bloom defendants’ motion to strike the fraud cause of action is granted.” (AA:IV:24:1123).

Civil Code § 47, subdivision (b) provides immunity for statements made “in any ... legislative proceeding ... or, ... in the initiation or course of any other proceeding authorized by law....” Statements can be either verbal or written. *Silberg v. Anderson*, 50 Cal. 3d 205, 212 (1990). (emphasis added).

“*The privilege embraces preliminary conversations attendant upon such proceeding so long as they are in some way related to or connected to the pending*” proceeding. *Cayley v. Nunn*, 190 Cal. App. 3d 300, 304 (1987). (emphasis added).

Once again, Rand admits that the statements alleged to have been made as alleged in the FAC were in made in connection with a legislative proceeding. Rand acknowledges that the EAA was not only the subject of multiple public discussions leading up to its formation, but was also the subject of future legislative and other official proceedings. (AA:I:2:27-29,32-34,36:¶¶24,26,30,39,40-41,45,59). In fact, Rand specifically pleads that these statements caused the City Council to vote to not extend the EAA. (AA:I:2:32-38:¶¶40-42,56,61,67). Clearly this was a legislative proceeding both legally and factually and as judicially admitted by Rand.

Consequently, the Opinion must be reversed.

THE COURT OF APPEAL MISAPPLIED THE PUBLIC INTEREST STANDARD

The Opinion clearly erodes the *Public Interest* protections afforded under section 425.16 to the Public Entity and Private sector in commercial development negotiations. *Tuchscher Development Enterprises Inc. v. San Diego Unified Port District*, supra, 106 Cal. App. 4th at, 1232-1235.

Surprisingly however, both the Opinion and the Trial Court in reading the FAC actually agree that factually the City was the subject of the activity, the activity of potentially building an NFL stadium in the City was conduct that would affect large numbers of people beyond the direct participants and this activity involved a topic of widespread public interest. Yet the Opinion sought to carve out an exception by claiming if there is an alleged fraud or interference claimed in a complaint (even if just alleged and

unverified in the complaint) then the Anti-SLAPP protections no longer exist.

The Court of Appeal has not only created an otherwise non-existent exception to the protections of Anti-SLAPP, the Opinion creates a conflict with the decision in *Tuchscher Development Enterprises Inc. v. San Diego Unified Port District*, supra 106 Cal. App. 4th at 1232-1235. While the Appellate court and Rand try to parse out certain facts and create others, in its simplest of terms, *Tuchscher* held that, “Commercial and residential development of a substantial parcel of bayfront property, with its potential environmental impacts, is plainly a matter of public interest.” *Id.*

Likewise, an Exclusive Agency Agreement for the Development of an NFL stadium is a *Public Issue* and is *An Issue of Public Interest*.

The Trial Court correctly found that “an action for breach of an exclusive commercial development contract between a private developer and a public entity (containing causes of action for inducing breach of contract, intentional and negligent interference and Business and Professions Code section 17200) is subject to anti-SLAPP on the basis of rights of petition and free speech in connection with a public issue.” In support of its finding, the Trial Court relied on *Tuchscher Development Enterprises, Inc. v. San Diego Unified Port Dist.* 106 Cal.App.4th, at 1232-1235.

There can be little doubt that the real estate development alleged in the FAC meets the “broad” standard that it is a public issue or issue of public interest. The anti-SLAPP statute

encompasses “any other conduct ... in connection with a public issue or an issue of public interest.” *Code of Civil Procedure* § 425.16(e)(4). “The definition of ‘public interest’ within the meaning of the anti-SLAPP statute has been broadly construed to include ... private conduct that impacts a broad segment of society and/or that affects a community in a manner similar to that of a governmental agency.” *Damon v. Ocean Hills Journalism Club*, 85 Cal. App. 4th 468, 479 (2000). Developmental projects such as a discount mall “with the potential environmental effects such as increased traffic and impact[s] on natural drainage [are] clearly a matter of public interest.” *Ludwig v. Superior Court*, supra, 37 Cal. App. 4th at 15; See also, *Tuchscher Dev. Enters., Inc. v. S.D. Unified Port Dist.*, supra, 106 Cal. App. 4th at 1234. (“[C]ommercial and residential development of a substantial parcel of bayfront property, with its potential environmental impacts, is plainly a matter of public interest.”) See also, *Commonwealth Energy Corp. v. Investor Data Exchange, Inc.* (2003) 110 Cal.App.4th 26, 33.

The Opinion holds, instead, that if there is an alleged fraud or interference claimed in a complaint (even if just alleged and unverified in the complaint) then the Anti-SLAPP protections no longer exist as such actions are not a matter of public interest lawsuits (i.e. “mixed cause of action”). That is now not the law. See, *Baral v. Schnitt* 2016 DJDAR 7799.

This newly created approach undercuts the protection afforded by the broad interpretation of “an issue of public interest”. The Opinion also encourages civil actions in any case where an individual or entity does not have a public contract

renewed and then they can decide to sue the public entity and the party awarded the new contract (not the case presently) to create delay and unnecessary expense.

What the Opinion fails to recognize (as outlined above) is that the FAC is also replete with all the references to City and Bloom discussing the commercial development of property for the purposes of building a multifunctional stadium. Obviously parties need to talk before any agreement is reached. Indeed there is no evidence that any agreement was ever entered into between Bloom and the City or that the City did not renew the EAA because of Bloom and as noted Rand at all times was a suspended Corporation and could not legally operate nor even have the EAA renewed.

And finally the Opinion goes on to "...also disagree with the City's contention that this cause of action (as well as each of Plaintiffs' other claims) alleges speech or conduct falling within the scope of section 425.16, subdivision (e)(2)...[t]hus, the communications and conduct alleged in the cause of action were made solely in connection with the breach of the EAA, and not in connection with the issue of its renewal or any other issue under consideration or review by the City."

The Opinion makes multiple assumptions not supported by fact to draw these distinctions to preclude the application of Anti-SLAPP. Who is to say when discussions should begin? That is not the standard to defeat the purpose of Anti-SLAPP.

California's Anti-SLAPP statute is designed to give defendants the ability to ensure the "prompt exposure and dismissal of SLAPP suits" designed to chill the exercise of free

speech. *Ludwig v. Superior Court*, 37 Cal. App. 4th supra, at 16. (Section 425.16 was intended to “provid[e] a fast and inexpensive unmasking and dismissal of SLAPPs.”); *Code of Civil Procedure* § 425.16(b).

In order to prevail on its Motion, Bloom needed only make a prima facie showing that the acts or statements at issue were made “in furtherance of” its rights of free speech “in connection with a public issue.” *Code of Civil Procedure* § 425.16(b)(1); *Navellier v. Sletten*, 29 Cal. 4th 82, 88 (2002).

In determining whether a prima facie showing has been made, the California Legislature expressly commanded that the statute be construed “broadly.” *Code of Civil Procedure* § 425.16(a); *Navellier*, supra 29 Cal. 4th at 124. *City of Montebello*, supra, 1 Cal.5th at 416.

Therefore, the designation and development of a National Football League stadium is a *Public Issue* or *An Issue of Public Interest* within the meaning of *Code of Civil Procedure* § 425.16 and the Opinion must be reversed.

THE CITY AND BLOOM COMMUNICATIONS WERE PROTECTED FREE SPEECH DURING A LEGISLATIVE PROCEEDING

The gravamen of the fraud-based causes of action attacks are the communications between City and Bloom on the one hand, and between City and Rand on the other. However, each of these communications were “made in connection with a public issue.” *Code of Civil Procedure* § 425.16(b)(1)

In *Tuchscher*, supra, the plaintiff-developer sued a city, public entity and its then-commissioner, and a rival developer,

contending that the defendant public officials and rival developer interfered with the developer's exclusive negotiating agreement relating to the commercial development of certain bayfront property. This interference took place by means of communications with other public officials and the rival developer, such as "closed door meetings, telephone calls and emails" designed to take away the exclusivity rights from the plaintiff-developer to the rival developer. *Id.* at 1228.

The gist of [the plaintiff's] complaint was that respondents conspired with [the rival developer] to deprive [the plaintiff-developer] of the benefits of the negotiating agreement by disrupting the City's staff from negotiating the development agreement and inducing the City to cease negotiations. [The plaintiff-developer] alleged respondents furthered conspired by (1) communicating with the mayor and other agents and employees of the City ..., and (2) facilitating communications and meetings between [the rival developer] and a [city] representative, and that respondents' objective was to secure the rights to develop both the ... project and [the respondents'] own commercial property...."*Id.*

"Under these circumstances, the fact that the defendants ceased negotiations with a particular developer and sought advice from a rival developer was protected action under the anti-SLAPP statute." *Id.* at 1228, 1233-34.

The parallels between *Tuchscher* and here go beyond the mere fact that a developer under an exclusivity agreement is suing both a city and a rival developer for communications relating to negotiations of whether the current exclusivity

arrangement should be extended. (AA:I:2:31¶36). Just as the communications that were the target in *Tuchscher* were “closed door meetings, telephone calls and emails,” here, Rand alleges the communications that are the heart of the fraud claims consisted of “clandestine meetings,” “talk(s) by the phone or through text messages,” and “confidential emails.” (AA:I:2:31,35-37:¶¶36,54,63). Moreover, the gist of the communications were designed to “induc[e] the City to cease negotiations” to end the exclusive negotiation agreement (in *Tuchscher* at 1228) just as they were designed here “to cause[] the City to breach its prior representations and agreement to extend the EAA” (AA:I:2:33:¶42). Such communications are clearly encompassed by the anti-SLAPP statute per *Tuchscher* regardless of whether they were legitimate, or fraudulent as Rand and the Opinion contend. *Navellier*, supra, 29 Cal. 4th at 94. (“Any claimed illegitimacy of the defendant’s acts is an issue which the plaintiff must raise and support in the context of the discharge of the plaintiff’s secondary burden to provide a prima facie showing of the merits of the plaintiff’s case.”).

Here, the legislative process of determining whether to renew the EAA was not collateral to the allegedly improper communications, in fact it was the very purpose of the alleged communications. Rand acknowledges that the EAA was the subject of legislative deliberation; after all, Rand requested the City Council to extend the EAA, and Rand complains the City Council did not extend it. (AA:2:32-33,35:¶¶40-41,49). Leading up to the decision about whether the City should continue to retain Rand, the City engaged in communications

with Bloom about whether they could take over as agents once the EAA expired. (AA:I:2:31¶36). Even if the City was allegedly prohibited from actually engaging another agent to seek out an NFL stadium deal during the EAA term, (not that this is conceded) nothing in the EAA prevented the City from communicating with others regarding possible future alternatives to the EAA once the EAA expired. (AA:I:2:4-49).

This suit thus is tantamount to an attempt to freeze the City's right to explore these alternatives with third parties to fully inform itself prior to a very important decision about who should be the City's NFL agent after the EAA expires. Accordingly, the alleged wrongful communications were a necessary and essential part of the legislative process, activity that is protected under the anti-SLAPP statute. See *Briggs v. Eden Council for Hope & Opportunity*, 19 Cal. 4th 1106, 1115 (1999) (observing that communications preparatory to or in anticipation of official proceedings are protected).

Alternatively, the FAC involves alleged conduct "made in connection with an issue under consideration or review by a legislative ... or any other official proceeding authorized by law." *Code of Civil Procedure* § 425.16(e)(2). The FAC concedes that the EAA and the project as a whole was the subject of multiple legislative and other official proceedings. The exclusive negotiating agreement that was the alleged predecessor to the EAA was entered into between the City's redevelopment agency and Rand. Multiple extensions were granted by the redevelopment agency. The EAA itself was entered into by City Council. More importantly, the City's

Economic Development Commission reviewed and voted on whether to extend the EAA, and the City voted on whether to extend the EAA. (AA:I:2:24-34). Given each of these circumstances, the property, agreement, and potential development at issue were all issues “under consideration or review by a legislative ... or ... other official proceeding,” and thus properly encompassed by the anti-SLAPP statute. *Code of Civil Procedure* § 425.16(e)(2).

i. Bloom and U.S. Capital’s Immunity

Civil Code § 47, subdivision (b) provides immunity for statements made “in any ... legislative proceeding ... or, ... in the initiation or course of any other proceeding authorized by law....” Statements can be either verbal or written. *Silberg v. Anderson*, supra 50 Cal. 3d at 212. “The privilege embraces preliminary conversations attendant upon such proceeding so long as they are in some way related to or connected to the pending” proceeding. *Cayley v. Nunn*, supra 190 Cal. App. 3d at 304; accord *Royer v. Steinberg*, 90 Cal. App. 3d 490, 503 (1979). “The privilege is denied to any participant in [the] proceedings only when the matter is so palpably irrelevant to the subject matter that no reasonable man can doubt its irrelevancy and impropriety.” *Id.* This immunity can be found as a matter of law “if the complaint herein shows on its face that the privilege was applicable....” *Tafoya v. Hastings Coll.*, 191 Cal. App. 3d 437, 443 (1987) (affirming sustaining of demurrer).

Here, Rand admits that statements alleged to have made were in connection with a legislative proceeding. Rand

acknowledges that the EAA was not only the subject of multiple public discussions leading up to its formation, but was also the subject of future legislative and other official proceedings. (AA:I:2:27-29,32-34,36:¶¶24,26,30,39,40-41,45,59).

In fact, Rand specifically plead that these statements *caused* the City Council to vote to not extend the EAA. (AA:I:2:32-38:¶¶40-42,56,61,67). Because each of the statements that form the basis the causes of action are connected to the EAA and its non-extension, both the Bloom and U.S. Capital are immune. *See Cayley*, supra, 190 Cal. App. 3d at 304.

ii. At All Times the Communications Between Bloom and City Were Made in Connection with an Issue Under Consideration by the City’s Legislative Body.

Rand clearly understood Paragraph 18 of the EAA which stated unequivocally that the EAA does not constitute development approval and requires further government approval if it were to be renewed or any project were built:

“9. No Predetermination of City Discretion. The parties agree and acknowledge that this Agreement does not obligate either the City or the Agent to enter into any agreement or other instrument for development of the Project, and approval of any such agreement or instrument for development of the Project shall require the approval of both parties *with City’s City Council granting its approval, if at all, only after consideration of the agreement or other instrument for development of the Project at a regular meeting of the City*

Council and following all other proceedings required by law.

City hereby expressly reserves its constitutional and statutory obligations to conduct an independent review of and retain its governmental discretion and oversight duties ...” (emphasis added.) (AA:I:2:25;¶8).

Notwithstanding the clear language of the EAA and the alleged facts in the FAC showing the communications between Bloom and City were made in connection with “*an issue under consideration or review by a legislative...body...*”, the City at all times had the right and in fact the obligation to exercise its governmental statutory discretion to renew or not renew the EAA with Rand or decide to contract with another party. This was the very issue under consideration by the City in its communications and review by the City’s legislative body (e.g. Mayor Dear) and his and other’s official obligations to protect the public fisc, which mandated that all options be explored. Indeed the very EAA states, “*City hereby expressly reserves its constitutional and statutory obligations to conduct an independent review of and retain its governmental discretion and oversight duties...*” (emphasis added).

At the time of the alleged misconduct, the City Council had to and was considering to grant approval to a General Plan, a Specific Plan, and other entitlements necessary for a Carson - NFL Stadium Project to proceed. The Property's then existing zoning did not permit the uses contemplated in the prospective development for a NFL Stadium.

Approval of the general plan amendment, the Specific Plan and the changes to the property's zoning were legal

prerequisites for a development project to exist. See, e.g., *Government Code* § 65453(a) ("[a] specific plan shall be prepared, adopted, and amended in the same manner as a general plan, except that a specific plan may be adopted by resolution or by ordinance and may be amended as often as deemed necessary by the legislative body"); *Government Code* § 65301.5 ("[t]he adoption of the general plan or any part or element thereof or the adoption of any amendment to such plan or any part or element thereof is a legislative act."). Similarly, government approval of the Carson-NFL Project required the City's certification of an EIR. See 14 *Cal. Code Regs.*, § 15090.

As such, the very language of the EAA states the City is "...to conduct an independent review of and retain its governmental discretion and oversight duties..." and any and all actions for the development of a stadium in the City were required to follow a myriad of Government Codes, amongst others to proceed. Under any analysis, the actions alleged in the FAC, were issues under consideration by the City's legislative body and the Anti SLAPP protections apply to Bloom as any communications were "made in connection with an issue under consideration or review by a legislative body ... or any other official proceeding authorized by law." *Code of Civil Procedure* § 425.16(e)(2).

CONCLUSION

For the Reasons set forth herein and in the Opening Brief on the Merits, the Court of Appeal failed to properly apply the protections of Anti-SLAPP. It has created an otherwise non-

existent exception, created conflicts of published opinions and takes away free speech rights.

For the foregoing reasons, Bloom prays that the Opinion be reversed and this court uphold and reinstate the Trial Court grant of the Bloom Anti-SLAPP Motion and award Bloom costs and fees.

Dated: January 5, 2017

Respectfully submitted,

Tamborelli Law Group
John V. Tamborelli

By: 

John V. Tamborelli
Attorneys for Defendants and Petitioners
Leonard Bloom and U.S. Capital LLC

**CERTIFICATE OF WORD COUNT
(Cal. Rules of Court, rule 8.520(c)(1).)**

The text of this Brief on the Merits consists of 4,332 words as counted by the Microsoft Word version 2010 word processing program used to generate this Brief on the Merits.

Dated: January 5, 2017



John V. Tamborelli, Esq.

PROOF OF SERVICE:

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Los Angeles, State of California. My business address is 21700 Oxnard Street, Suite 1590, Woodland Hills, California, which is located in the county in which the within-mentioned mailing occurred.

On January 6, 2017, I served true copies of the following document(s) described as **PETITIONERS' REPLY TO ANSWER BRIEF ON THE MERITS** on the interested parties in this action as follows:

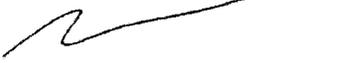
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Executed on January 6, 2017, at Woodland Hills, California.



Ronnie Gipson

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