

Sep 15 2026

SC Court of Appeals

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS
COUNTY OF CHARLESTON FOR THE NINTH JUDICIAL CIRCUIT

Cannonborough Holdings, LLC,

Plaintiff,

vs.

Charleston Acquisition Group, LLC,
and The PrimeSouth Group, LLC,

Defendants.

CASE NUMBER
2023-CP-10-5516

STATE OF SOUTH CAROLINA IN THE COURT OF COMMON PLEAS
COUNTY OF CHARLESTON FOR THE NINTH JUDICIAL CIRCUIT

Christopher L. Price, individually
and on behalf of Cannonborough
Holdings, LLC, and Cannonborough
Holdings, LLC,

Plaintiffs,

vs.

Patrick H. Price, David P. Price,
and Beth L. Price,

Defendants.

CASE NUMBER
2025-CP-10-01826

Trial held before the Honorable Mikell R.

Scarborough, reported by Josie Allen Boehm, Registered
Professional Reporter and Notary Public, at 100 Broad
Street, Courtroom 2A, Charleston, South Carolina,
April 28th, 2026 commencing at 9:52 a.m.

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1 THE COURT: This morning, we have the case
2 captioned Cannonborough Holdings, LLC versus
3 Charleston Acquisition Group, LLC and the PrimeSouth
4 Group, LLC. That's a '23 case. CP-10-5516. And it's
5 been consolidated with the case captioned Christopher
6 Price individually and on behalf of Cannonborough
7 Holdings, LLC, Patrick Price, David Price, and Beth
8 Price, and that's 25-CP-10-1826. I think we've got
9 consolidated in '25 number if I remember correctly.

10 MR. GOWDER: That's correct.

11 THE COURT: All right. So we're here for
12 trial, and we've got, as I understand it, maybe two
13 issues, but I'm going to let y'all address that to me
14 in an opening statement. I have gotten, Mr. Khan, a
15 pretrial brief from you. I've got a couple of motions
16 in limine that we need to take up. And then
17 Mr. Gowder, I received your memo in opposition to the
18 motion in limine, so we'll take that up first before
19 we start.

20 So y'all are familiar with this court and how
21 we operate. Family court of real estate. This looks
22 like the perfect place for you. Happy to have you in
23 here today.

24 Let me turn to Mr. Khan. You want to do
25 introductions, and let's talk about the motions first

1 and we'll get into it.

2 MR. KHAN: Yes, Your Honor. We have some
3 clean-up of some of that as well.

4 Good morning. With me this morning is
5 Patrick Price to my left and Dr. David Price to his
6 left. Beth Price, David's wife, has trouble traveling
7 when they're both gone related to their farm in
8 Kentucky. They co-own their interest, so she's not
9 able to be here.

10 As you would expect, Andy and I have worked
11 together over the last couple of weeks to try and
12 streamline some things. So as far as the mode of
13 trial today, there will be two witnesses. It will be
14 Patrick Price, who I will call on direct examination,
15 and Andy will cross examine, and I will do any
16 redirect, and then he will call Chris Price, and we
17 will do the same thing, and that will be it.

18 THE COURT: That takes care of one of your
19 motions?

20 MR. KHAN: That does. The second motion
21 relates to Fallon Meyer. Andy and I talked, and he's
22 not calling her.

23 THE COURT: I was going to grant it anyways.
24 Wise move. Let's talk about the other one.

25 MR. KHAN: Sure. So as to that motion, Your

1 Honor, there's been references in pleadings ---- let
2 me back up.

3 On the first big issue, as you said, there's
4 two issues in my mind as well. The first big issue is
5 whether or not the current operating agreement for the
6 company supersedes and replaces this previous
7 resolution that was entered into approximately eight
8 years prior as to the management of the company. And
9 so there was an original operating agreement for the
10 company which established the company as a member-
11 managed LLC originally.

12 There was then an amendment to allow Beth
13 Price into the company and co-own the interest with
14 David Price. Patrick and Chris are brothers. David
15 is their father.

16 Beth Price is not their mother. Beth Price
17 is David's wife. So there was an amendment, which
18 we'll go through on the testimony, to allow Beth Price
19 into the company and share David's interest.

20 Shortly thereafter, because it was ---- and
21 the testimony will tell Your Honor this. Shortly
22 thereafter, this resolution was proposed by
23 Christopher to give him managerial control of the
24 company even though it was a member-managed LLC.

25 Eight years approximately after that, Chris

1 and his lawyer proposed a new operating agreement.
2 That's the current operating agreement. That new
3 operating agreement did several things, but one thing
4 it did was make the company a manager-managed LLC and
5 it placed some restrictions on the transfer of
6 interest between members.

7 Under the original operating agreement,
8 members could ---- you know, David could just give his
9 interest to Beth and vice versa, and so there were
10 some changes there.

11 One of the core issues in this case, the
12 first issue in my mind, is could the majority interest
13 change the manager. Could the majority interest per
14 the operating agreement remove Christopher as manager
15 and place Patrick in as the manager. That's what they
16 did in accordance with the current operating
17 agreement.

18 The opposition is that, well, hold on. We
19 have this previous resolution from eight years ago
20 that essentially says Chris is the manager until he
21 decided not to be the manager, and he has full power
22 to do anything he wants with the company.

23 So that issue is before Your Honor. We moved
24 on judgement on the pleadings as you're likely aware.
25 It was denied. We think the documents are unambiguous

1 as to the superseding and replacing of the previous
2 resolution.

3 We don't think there's any ambiguity in that.
4 And so our position is that if there is testimony,
5 which we've seen in some writings, of Mr. Christopher
6 Price wanting to testify about what his intentions
7 were related to the resolution and then the later
8 operating agreement, we believe that's parol evidence.
9 It's an integrated operating agreement. It
10 extinguishes all previous agreements.

11 In addition, the front page of the current
12 operating agreement states that it supersedes and
13 replaces all previous resolutions, operating
14 agreements, et cetera, to the extent they conflict
15 with the current operating agreement.

16 So our position on that motion is that
17 Mr. Price should be restricted ---- Christopher Price
18 should be restricted from entering parol evidence in
19 testimony about the intentions until and unless Your
20 Honor would make a determination whether those
21 instruments are ambiguous as to that issue, not to
22 some, you know, tax matter, partner, or something like
23 that, but as to the issue of whether or not the
24 resolution is superseded and replaced as to the
25 managerial provisions, that would be improper parol

1 evidence.

2 I've talked to Andy about it. I believe he
3 would like some testimony related there, too, for
4 other reasons for his causes of action. I'm not
5 really sure where the relevance of that is. But as to
6 the issue of superseding and replacing, we believe the
7 documents are clear and that would be for Your Honor
8 to make that decision.

9 THE COURT: Okay. All right. Very good.
10 Thank you.

11 Mr. Gowder?

12 MR. GOWDER: Good morning, Your Honor.
13 Before I start in response to Mr. Khan, I would like
14 to take the opportunity to introduce who is with me
15 here today. Mr. Chris Price is with me. He's the
16 principal of both PrimeSouth and Charleston
17 Acquisition Group. And then seated to his right is
18 Bailey Pope, who is my paralegal and office manager.

19 Your Honor, I guess a couple of things. We
20 are not intending to offer any parol evidence to vary
21 the -- or explain the content of either the 2002
22 resolution or the 2010 amended operating agreement.

23 We agree with Mr. Khan that we think that
24 they are clear on their face. We disagree about what
25 they mean, but that's for you to decide. And you

1 heard arguments on this in detail in the motion on the
2 pleadings.

3 I'm prepared to argue it at any time you want
4 to hear from us on that or in a final briefing,
5 whichever you prefer, but that's really not what I
6 understand we're talking about right at the moment.

7 Much of this case has to do with things like
8 breach of fiduciary duty, good faith, oppression,
9 business judgement, authority, waiver, all of these
10 things that have to do with context and actions.

11 And so I read the motion in limine to be very
12 broad and way beyond just talking about these two
13 documents. So what I don't want to consent to is
14 agreeing that we're not going to go into any of those
15 things and people's motivations and why they did what
16 they did because we think it's important for a lot of
17 the causes of action in the case, perhaps not the
18 declaratory judgement on this particular document, but
19 a lot of the other causes of action.

20 So that is where we would be on that, Your
21 Honor. If there's a ---- we would stipulate that
22 we're not going to offer to, you know, define or vary
23 the definition of the documents with extrinsic
24 testimony, but we want to be able to talk about
25 motivation and why people did what they did because we

1 think it's relevant to other causes of action in the
2 case.

3 THE COURT: Okay. All right. Very good.
4 With that understanding, is that sufficient?

5 MR. KHAN: I think that's fine, Your Honor.

6 Andy, did I understand you correctly, are we
7 saying that the both resolution and the operating
8 agreement, there's a stipulation that they're
9 unambiguous?

10 MR. GOWDER: Yeah, unambiguous meaning what I
11 think is what we're here disagreeing about.

12 THE COURT: Y'all both agree they're clear
13 and unambiguous. What they mean is what we don't have
14 an agreement on?

15 MR. GOWDER: Exactly. The case at this point
16 comes down to the last sentence of the first paragraph
17 of the first amended operating agreement. Well, the
18 penultimate sentence talks about that this agreement
19 supersedes and replaces any and all prior operating
20 agreement and amendment of the company. Period.

21 But then the next sentence, "Additionally,
22 this agreement supersedes and replaces any resolutions
23 or written consents of the members to the extent such
24 resolutions or consents are contrary to terms and
25 conditions of this agreement." That's where the

1 disagreement is.

2 We contend that the 2002 resolution is not
3 contrary to this agreement and it stands after this
4 agreement. That's what we would argue. We think
5 that's what is before this Court to decide.

6 THE COURT: Your argument is that resolution
7 survives ----

8 MR. GOWDER: Survives, yes, sir.

9 THE COURT: Very good. Clear where we are.
10 All right. How I normally handle these motions in
11 limine, just you know, I don't generally grant them
12 because of the nature of the case, the nature of the
13 beast.

14 I'm a non-jury judge. Usually get some
15 discretion. I get some better feeling for what the
16 purpose of the evidence being offered is at the time
17 it's offered, and so I just reserve judgement to that.
18 And in any event, I typically allow the party
19 proposing it, even if I find it to be inadmissible, to
20 proffer the evidence just to make a record.

21 Everything I do gets followed up on somebody
22 else looking at it from a different viewpoint, so I
23 give them that opportunity so I don't have to try it a
24 second time, which y'all should all be very happy
25 about. All right. Very good.

1 MR. GOWDER: One other matter I think having
2 to do with the proposed documents, as Mr. Khan said,
3 we were able to stipulate to all of them except one.

4 THE COURT: Okay.

5 MR. GOWDER: And before I talk about that, I
6 will say I don't blame them, but we don't stipulate to
7 the description of the documents in the index.

8 We would say the way they're described is
9 argumentative, the way they're characterized. We
10 don't agree to that. But the documents are what they
11 are.

12 And so what we don't agree ----

13 THE COURT: Is that the only document you're
14 objecting to is the description?

15 MR. GOWDER: No, sir. I wanted to tell you I
16 don't agree to the description in the index to begin
17 with, but also there is a document that is the
18 underwriting file of Encore Bank that ---- the
19 underwriting behind the financing that's currently in
20 place on this property.

21 We believe that, you know, again, all of the
22 loan documents which are coming into evidence are here
23 for the Court to review, and we think they're
24 unambiguous, and we don't believe that the
25 underwriting file, which has nothing but comments by

1 the bank officials and none of whom are going to
2 testify, none of whom are going to lay a foundation,
3 are admissible or helpful for anything. And so we
4 would ask that the Court exclude that underwriting
5 file Exhibit.

6 THE COURT: And the basis for that is
7 hearsay?

8 MR. GOWDER: Hearsay, yes, sir. Hearsay,
9 lack of foundation, relevance.

10 THE COURT: Okay.

11 MR. KHAN: We talked about the first issue in
12 the case earlier. The second large issue is the loan,
13 the Encore Bank loan that Mr. Price purchased through
14 his company, Charleston Acquisition Group.

15 This particular -- these three documents in
16 tab 10 is the application, electronic application for
17 the loan, the loan memo, and the loan summary, all of
18 which have been before Your Honor on summary
19 judgement.

20 I mean, Your Honor already considered them.
21 It's part of the loan file that Your Honor ordered
22 produced at a motion to compel hearing back last year,
23 and it's been in the record. In briefing, it's been
24 discussed.

25 These three documents are instructive to

1 determine how this loan was underwritten by the bank,
2 a term loan versus a callable loan.

3 You know, obviously they don't want it in
4 because it's contrary to their position, but we think
5 it is relevant for Your Honor on that second large
6 issue. It was produced via subpoena by a law firm,
7 Burr & Forman, for the bank as part of Your Honor's
8 order to produce the loan file.

9 There's not a lack of trustworthiness as to
10 the documents. There's no question it's for this
11 loan. It's Cannonborough's loan. It's not a third
12 party's loan. And we think it's relevant for Your
13 Honor. You've already considered it on a motion to
14 have it here in this trial. And we would ask that it
15 be admitted.

16 There's also a rule, 9029, self-
17 authenticating records related to commercial paper and
18 related documents, Your Honor. These are clearly
19 commercial papers. It was transacted to Charleston
20 Acquisition Group. Yes, we don't have a bank officer
21 here to testify as to those documents, but they've
22 been produced by the bank and relied on already.

23 THE COURT: All right. That's a -- my
24 initial reaction is it probably is relevant; however,
25 sounds like it's hearsay in that it may not be

1 authenticated under Rule 901, but I will let you argue
2 that point when we get to it. I'm assuming this is
3 contained in Exhibit 10?

4 MR. GOWDER: It is Exhibit 10.

5 THE COURT: I just saw it in the heading. So
6 when it said loan underwriting documents.

7 MR. KHAN: Right.

8 THE COURT: Is it one or all of them that
9 you're objecting to?

10 MR. KHAN: There's three, but they're all in
11 that time.

12 THE COURT: We'll cross that bridge when we
13 get to it. That's the Deep Keel case. That's pretty
14 famous in my world. Y'all can look that up.

15 Any other matters to take up before we start?

16 MR. KHAN: I have one, Your Honor. I'm sure
17 you won't be upset about it, either. But when we
18 brought this case originally, there was a lot going
19 on. We are here to clean up some causes of action
20 that Cannonborough is proceeding under.

21 The easiest way for me to do this is to tell
22 you what we're proceeding on. So we're proceeding
23 under the first cause of action for a declaratory
24 judgement action. We are proceeding under the third
25 cause of action for breach of fiduciary duty, and

1 we're proceeding under the fifth cause of action for
2 breach of contract, breach of covenant and good faith
3 and fair dealing.

4 Therefore, we would like to dismiss our
5 second cause of action for intentional interference
6 with contractual relations, our fourth cause of action
7 for civil conspiracy, our sixth cause of action for
8 accounting, our seventh cause of action for South
9 Carolina Unfair Trade Practices Act, our eighth cause
10 of action for reformation of the promissory note, and
11 the ninth cause of action for breach of contract
12 accompanied by a fraudulent act.

13 THE COURT: Any objection to that?

14 MR. GOWDER: No objection.

15 THE COURT: So one, three and five causes of
16 action as stated in the complaint?

17 MR. KHAN: Yes, Your Honor.

18 THE COURT: All right. And then as far as
19 y'all's claim?

20 MR. GOWDER: They're all in intact.

21 THE COURT: Remain in tact. Okay. Very
22 good. Which included a cause of action minority
23 oppression if I remember right.

24 MR. GOWDER: It did, Your Honor, yes.

25 THE COURT: Okay. All right. Very good.

1 MR. GOWDER: Would you like to hear openings
2 from us?

3 THE COURT: I think I just did. Let's go
4 ahead and get started.

5 MR. KHAN: Cannonborough will call Patrick
6 Price.

7 THE COURT: Come around this way, if you
8 would. I will give you my witness caveat. Watch that
9 ramp over there. It's designed to trip up lawyers.

10 Patrick Price, having been duly sworn to tell
11 the truth, the whole truth, and nothing but the truth,
12 was examined and testified as follows:

13 THE COURT: Thank you, sir. Please have a
14 seat. And when you get comfortable, give us your full
15 name and address for the record, please.

16 WITNESS: Patrick Price, 860 Stiles Drive,
17 Charleston, South Carolina, 29412.

18 THE COURT: Very good. All right. Mr. Khan?

19 DIRECT EXAMINATION

20 BY MR. KHAN:

21 Q. Good morning, Patrick.

22 A. Good morning.

23 Q. Explain to the Court, tell us a little bit
24 about your family.

25 A. I have a wife and a 15-year-old son and

1 18-year-old daughter and we live on James Island.

2 Q. How long have you lived here?

3 A. Since 2001.

4 Q. Where did you move from?

5 A. Lexington, Kentucky.

6 Q. What's your occupation?

7 A. Commercial real estate brokerage.

8 Q. Where do you work currently?

9 A. Price Ventures.

10 Q. What type of work are you doing for Price
11 Ventures?

12 A. Tenant rep, leasing, sales, and some
13 development work.

14 Q. All right. And where did you formerly work?

15 A. PrimeSouth Group.

16 Q. And who owns that company?

17 A. Chris Price.

18 Q. Is that your brother?

19 A. It is.

20 Q. All right. And in what capacity did you work
21 at the PrimeSouth Group?

22 A. I was a commercial real estate broker.

23 Q. Okay. And how long did you work there?

24 A. Since 2001 up until 2022.

25 Q. All right. Can you please explain to the

1 judge what Cannonborough is?

2 A. It's a company that was formed in 2002, in
3 February of 2002, to buy commercial real estate. And
4 it purchased in March of 2002 210 and 212 Rutledge
5 Avenue, corner property right on the corner of Cannon
6 and Rutledge.

7 Q. Can you describe the current tenants and
8 describe their general locations for the Court?

9 A. R Kitchen is on the ground floor, a
10 restaurant. Second floor, office tenant is Julia
11 Martin Architects. Been there for a while. And then
12 the ground floor was the vacancy that we replaced. It
13 was Goulette. It was Cafe Lana for a long time and
14 went over to Goulette. And from Goulette, we leased
15 it over to Makan, which is now Rivayat. That's the
16 current tenant on the ground floor.

17 Q. Who are the current members of Cannonborough
18 and what are their percentage of interests?

19 A. I'm one-third. Dad and Beth jointly equate
20 to one-third, and then Chris is one-third.

21 Q. Okay. Were you a member originally when the
22 company was formed and the property was acquired?

23 A. Yes, I was.

24 Q. All right. Did you invest money when the
25 company started?

1 A. Yes, I did.

2 Q. Do you remember about how much?

3 A. 33,000.

4 Q. Okay. Do you know if your dad invested?

5 A. He did.

6 Q. All right. And did your brother Chris invest
7 as well?

8 A. We all invested the same amount of money.

9 Q. Who handled all leasing activities at
10 Cannonborough throughout its history?

11 A. I personally handled all of the leasing
12 activities.

13 Q. What do you mean by that? Can you explain
14 that to the Court?

15 A. My license was under PrimeSouth Group, but I
16 handed all the leasing activities since acquisition in
17 2002.

18 Q. Okay. So at that time, you -- for a long
19 time, you were employed by PrimeSouth Group?

20 A. Yes.

21 Q. And while at the PrimeSouth Group, who
22 handled the leasing?

23 A. I did.

24 Q. Okay. Does the company have a current
25 operating agreement?

1 A. It does.

2 Q. You've heard argument this morning, but did
3 the company previously have a different operating
4 agreement?

5 A. It did.

6 Q. Okay. Let's walk through them for the Court.
7 If you would, flip to tab one in your exhibit binder
8 there and explain what that is.

9 (PLAINTIFF EXHIBIT NUMBER 1 WAS ADMITTED INTO
10 EVIDENCE.)

11 A. This is the original operating agreement to
12 the company that was signed and adopted in February of
13 2002.

14 Q. All right. And what type of management
15 structure was in place under that operating agreement?

16 A. Member-managed.

17 Q. Okay. Did the company enter an amendment
18 subsequent to that operating agreement?

19 A. It did.

20 Q. All right. Would you please flip to Exhibit
21 2 and explain what that document is?

22 (PLAINTIFF EXHIBIT NUMBER 2 WAS ADMITTED INTO
23 EVIDENCE.)

24 A. Amendment to the original operating agreement
25 that allowed Beth Price to come in and jointly share

1 the one-third ownership of Dad and brought her into
2 the company.

3 Q. Okay. And who is Beth Price?

4 A. It's our stepmother, Dad's second wife.

5 Q. Okay. And approximately when was that
6 Exhibit 2 entered?

7 A. July of 2002, so about roughly I guess about
8 five months after.

9 Q. All right. If you'll flip to Exhibit 3 and
10 explain to the Court what that is.

11 (PLAINTIFF EXHIBIT NUMBER 3 WAS ADMITTED INTO
12 EVIDENCE.)

13 A. This is the current operating agreement that
14 we have.

15 Q. Okay. And what type of management structure
16 is in place under the current operating agreement?

17 A. Manager-managed.

18 Q. And we looked at the original operating
19 agreement, the amendment to add Beth. And the current
20 operating agreement is Exhibit 3, correct?

21 A. Yes, sir.

22 Q. All right. Who had these drafted?

23 A. Chris did.

24 Q. All right. Did you have any input on their
25 contents?

1 A. No, we did not.

2 Q. All right. Did you and the other members
3 also execute another document related to the company?

4 A. When? Originally?

5 Q. Prior to this current operating agreement.

6 A. Yes, we did.

7 Q. Flip to Exhibit 4 and explain to the Court
8 what this document is.

9 (PLAINTIFF EXHIBIT NUMBER 4 WAS ADMITTED INTO
10 EVIDENCE.)

11 A. This is appointing Chris as manager of the
12 company.

13 Q. When was that done?

14 A. July 31st, 2002.

15 Q. And roughly when was Beth admitted as a
16 member?

17 A. About a month earlier.

18 Q. Okay. Why was this Exhibit 4 entered to your
19 recollection?

20 A. The company was member-managed, and Beth was
21 not our mother, and Chris wanted to have control of
22 the company and wanted to be manager of the company,
23 so we elected him manager.

24 Q. All right. Under the original operating
25 agreement, Exhibit 1 that you looked at, do you recall

1 if members could transfer membership between
2 themselves?

3 A. Yes, they could.

4 Q. Okay. And did the members execute this
5 resolution as Exhibit 4?

6 A. Yes.

7 Q. All right. Do you have any belief or
8 understanding as to whether the current operating
9 agreement, Exhibit 3, replaces the resolution in
10 Exhibit 4?

11 A. I do, yes.

12 Q. Okay. What is your understanding and why?

13 A. The 2010 operating agreement allows for the
14 election and the removal of a manager and allows for
15 multiple managers. It allows for restrictions on the
16 manager and how much the manager can spend, and it
17 also replaced the ability to give shares in between
18 individual members of the company.

19 Q. In what way as to your last point?

20 A. The 2010 operating agreement put in a first
21 right of refusal, so the company had the right to buy
22 members' shares out.

23 Q. As to Exhibit 3, the current operating
24 agreement, did you ask for that?

25 A. No.

1 Q. Okay. How did that come to fruition?

2 A. Chris asked us to sign the operating
3 agreement. He generated and distributed and asked us
4 to sign it.

5 Q. Okay. If you'll go to Exhibit 3, the current
6 operating agreement, for me. Front page. And read
7 the first paragraph on the front page for us.

8 A. "The first amended operating agreement,
9 hereafter referred to as 'the agreement' of
10 Cannonborough, LLC dated as of the date last written
11 below is adopted by the members and executed and
12 agreed to for good and viable consideration by the
13 members. This agreement supersedes and replaces any
14 and all prior operating agreements and amendments of
15 the company. Additionally, this agreement supersedes
16 and replaces any resolutions or written consents of
17 the members to the extent such resolutions or consents
18 are contrary to the terms and conditions of this
19 agreement."

20 Q. Okay. And I believe we touched on it
21 earlier, but do you believe that there are contrary
22 provisions between the resolution and the current
23 operating agreement?

24 A. I do, yes.

25 Q. All right. I think you touched on several of

1 them, but if you would, just explain to the Court
2 generally those.

3 A. It put restrictions on the manager, how much
4 money the manager could spend at once, agreements to
5 which the manager can sign the duration of an
6 agreement.

7 It allowed for the company to have a right of
8 first refusal to buy member shares, and it allowed for
9 the election and the removal of managers by majority
10 interest.

11 Q. Did it allow more than one manager?

12 A. It did, yes.

13 Q. Okay. All right. Let's step back for a
14 second.

15 Why did Cannonborough originally bring this suit
16 against the PrimeSouth Group and Charleston
17 Acquisition Group if you could explain to the Court?

18 A. Chris was removed as manager after
19 noncompliance, and we needed to get the company funds
20 and the company's records. And PrimeSouth Group was
21 not complying with actually delivering the company
22 funds and the records over.

23 They were ignoring those requests. And the only
24 way we were able to get the company funds and the
25 records was on the eve of an emergency injunction

1 coming in before Judge Scarborough that they turned
2 over the company funds and the records.

3 Q. Were you trying to lease out any space at the
4 property?

5 A. Yes, the ground floor. We had a primary
6 vacancy, a tenant that went out and several months
7 went by and the tenant wasn't being replaced.

8 The building was not in good condition. It was a
9 concern. And half of the revenue of the company just
10 went offline. It was a concern for us when half the
11 revenue went offline, and I know it was a concern for
12 the bank later on when they said they wanted the
13 vacancy to be filled.

14 Q. Was Chris and the PrimeSouth Group
15 cooperating with your ability to lease out the space?

16 A. No.

17 Q. Okay. What were they doing?

18 A. As soon as the company, the majority
19 interest, explained to Chris that I've handled all the
20 leases so the leasing was going to continue with me
21 and I was going to put it on the market, Chris said
22 no. He went out of the country and put a PrimeSouth
23 Group listing in CMLS and put PrimeSouth Group signs
24 on the building and blocked my ability to actually
25 market the property.

1 Q. All those things you just described, was
2 Cannonborough eventually able to resolve those initial
3 matters contained in the original suit?

4 A. Mostly, yes. We're still needing some
5 records and information, but the money was turned over
6 and we were able to fill the vacancy on the ground
7 floor.

8 Q. All right. If you could explain -- you
9 touched on it. Explain to the Court what the status
10 of things at the company were in early 2023. Just
11 expand on that.

12 A. The ground floor tenant defaulted, left early
13 2023 and several months went by. And the process to
14 actually remove the tenant and to find a replacement
15 tenant was taking some time.

16 Once the tenant actually vacated the premises, I
17 needed to go ahead and we decided to market the
18 property and to find a replacement tenant as soon as
19 we could. That was July of 2023.

20 So several months went by, and the condition of
21 the property, interior of the property, the building
22 -- it wasn't up to the condition for what the tenants
23 would be looking for, paying that rent level in that
24 area.

25 So there was some deferred maintenance that was a

1 concern of ours about attracting a high-paying tenant
2 with the building in the condition that it actually
3 was.

4 Q. And I understand as you testified, you worked
5 at PrimeSouth Group for a significant period of time,
6 correct?

7 A. I did, yes.

8 Q. Okay. And did you eventually start Price
9 Ventures?

10 A. I did, somewhere in 2022.

11 Q. All right. And are you a licensed broker in
12 the state of South Carolina?

13 A. I am, yes.

14 Q. All right. And was there ever another human
15 that handled any Cannonborough leasing?

16 A. No.

17 Q. That was you?

18 A. Yeah, that was me.

19 Q. All right. To your knowledge, did the
20 members of Cannonborough ever sign a brokerage
21 agreement with the PrimeSouth Group for leasing a
22 space at Cannonborough?

23 A. No. There was no company resolution
24 authorizing or engaging PrimeSouth Group to be the
25 listing agency for the property.

1 Q. Okay. And we're talking in 2023, roughly
2 spring, summer. Were you working at PrimeSouth Group
3 at that time?

4 A. No.

5 Q. You were already working at Price Ventures?

6 A. I was, yes.

7 Q. Okay. Why do you believe PrimeSouth Group
8 was neglecting this vacancy?

9 A. I don't know. My brother operates on a
10 different timeframe and travels a lot. And when I
11 left the company, he didn't have any active brokers
12 that was handling leasing for the company, so I don't
13 know. I don't know why.

14 Q. To your knowledge, could be different today,
15 but who were the full-time people at PrimeSouth Group
16 at that time?

17 A. Chris Price, Clinton Chamness and Jackie
18 Stokes.

19 Clinton is the bookkeeper, Jackie is the property
20 manager, and Chris is the CEO.

21 Q. Do you know if Jackie Stokes was licensed as
22 a real estate broker at that time?

23 A. No, she was not.

24 Q. Okay. Do you know if she has since become
25 licensed?

1 A. I believe since 2005, so recently.

2 Q. 2005?

3 A. 2025.

4 Q. Okay. All right. You mentioned either the
5 PrimeSouth Group or Chris Price entered a listing in
6 the CMLS, correct?

7 A. Yes.

8 Q. All right. If you'll go to Exhibit 37,
9 please, and explain what this document is.

10 (PLAINTIFF EXHIBIT NUMBER 37 WAS ADMITTED
11 INTO EVIDENCE.)

12 A. It's the listing that was entered under Chris
13 Price's account.

14 Q. Is this a complete listing that you would
15 expect to be there?

16 A. No. It doesn't have any pictures, doesn't
17 have a floor plan, doesn't have a brochure. There's
18 no information other than just the public remarks.

19 Q. Okay. Is there normally more associated with
20 a listing in the CMLS?

21 A. Yes. Pictures, brochure, floor plan.

22 Q. Can a property be in CMLS twice? Meaning can
23 two different brokers put a listing in CMLS?

24 A. No.

25 Q. All right. So were you able to put a listing

1 in for the property?

2 A. No, I was not.

3 Q. Okay. Why?

4 A. Because Chris went ahead and put his listing
5 into CMLS.

6 Q. Okay. And did you request that it be
7 removed?

8 A. I did. I contacted CMLS directly and asked
9 them to remove the listing.

10 Q. Did you request that PrimeSouth Group remove
11 it?

12 A. I did.

13 Q. Did either of those people comply?

14 A. No.

15 Q. All right. So when Price Ventures was
16 seeking a replacement tenant, did Price Ventures have
17 an active CMLS listing?

18 A. No.

19 Q. All right. If you'll move to the next
20 Exhibit, 38.

21 (PLAINTIFF EXHIBIT NUMBER 38 WAS ADMITTED
22 INTO EVIDENCE.)

23 Q. What is this document?

24 A. Another listing under Chris's account.

25 Q. And is it complete?

1 A. There's no brochure. There's not a floor
2 plan. It's under Chris's account, but it refers that
3 Jackie needs to be -- provide information, not Chris.

4 Q. Okay. And what about 39, Exhibit 39?

5 (PLAINTIFF EXHIBIT NUMBER 39 WAS ADMITTED INTO
6 EVIDENCE.)

7 A. That's an office space listed under Chris.
8 "Call Jackie for more information or to schedule
9 showing."

10 Incomplete. No pictures, no brochure, no floor
11 plan.

12 Q. Why do these things say call Jackie instead
13 of call Chris Price?

14 A. He's not an active broker. Semiretired,
15 travels a lot, and generally not around.

16 Q. All right. If you'll move to Exhibit 40.
17 Explain what this photo is and where it's located.

18 (PLAINTIFF EXHIBIT NUMBER 40 WAS ADMITTED INTO
19 EVIDENCE.)

20 A. This is on the corner of Spring and King
21 Street. It's the former Read Brothers property, and
22 it's call Jackie Stokes.

23 Q. Okay. Do you recall approximately when you
24 took this photograph?

25 A. Several years ago.

1 Q. Okay. And, again, why would it say call
2 Jackie?

3 A. I guess she's handling the property for
4 Chris.

5 Q. All right. And, you know, collectively these
6 four exhibits we looked at, I mean, what are -- what
7 do you believe they show as to --

8 A. Well, the listings are under Chris's account,
9 and he's not involved in the listing, and it's
10 directing to his property manager for her to handle
11 the properties.

12 The listings are incomplete. I know for a fact
13 that the listings -- our information, floor plans --
14 there's pictures for it because I handled the leasing
15 before I left PrimeSouth for those companies, and all
16 of my listings had brochures and floor plans and
17 pictures and stuff like that.

18 Q. Okay. Under the current operating agreement
19 of the company, does the company need a reason to
20 change its manager?

21 A. It does not. It just needs majority interest
22 approval.

23 Q. Was there a decision by majority interest to
24 change the manager of the LLC?

25 A. Yes, there was.

1 Q. Okay. Was there a decision by the majority
2 interest to change the property manager of the LLC?

3 A. Yes, there was.

4 Q. Okay. To your knowledge, did the members
5 follow the provisions of the current operating
6 agreement in doing so?

7 A. We did, yes.

8 Q. Okay. The current operating agreement is
9 Exhibit 3, feel free to look at it. And how does that
10 operating agreement define majority interest?

11 A. At least 51 percent.

12 Q. And how does it define manager?

13 A. It's elected Chris Price as manager.

14 Q. If you'll refer to the actual --

15 A. Where is that?

16 Q. 1.2P.

17 A. Sorry. Did you say what --

18 Q. 1.2P as in Paul.

19 A. "Manager means Christopher L. Price until
20 such time as removed, replaced or additional managers
21 are elected."

22 Q. Okay. And does the operating agreement allow
23 for action other than action at a meeting?

24 A. It does.

25 Q. So generally for the Court, what generally

1 did -- excuse me. What action did a majority interest
2 take in 2023?

3 A. Over the course of several months, the
4 company adopted several resolutions. First resolution
5 was to replace Chris Price as manager. The second
6 resolution was adopted to engage Price Ventures as the
7 exclusive listing agent. The third resolution that
8 was adopted was to give authority to execute the lease
9 to fill the vacancy on the ground floor.

10 During that time we had Chris, through Charleston
11 Acquisition Group, that was contacting the tenant's
12 broker, the replacement tenant's broker, directly and
13 asking them not to sign the lease.

14 So we had interference going on. So the fourth
15 resolution that was adopted by the company was to keep
16 certain information confidential between the members
17 of the company.

18 The fifth resolution was to -- and at that time,
19 also, we learned that Charleston Acquisition Group
20 bought our loan. And we found that out about five
21 weeks after it was purchased.

22 And we decided at that time we needed some legal
23 counsel. And so the company -- pursuant to the
24 operating agreement, we had to -- we adopted
25 resolution to engage Jamie Khan's firm for the company

1 to help us with the legal matters that we had, also to
2 get the company's records and the money, the funds,
3 company funds.

4 Was able to resolve the funds, get the funds in.
5 Was not able to use the company bank account because
6 PrimeSouth Group would not turn over that account.

7 They turned over the funds, gave a cashier's
8 check, but would not give us access to the company
9 account. And so I had to go and open up a bank
10 account that was the sixth resolution that the company
11 adopted allowing and authorizing me to open a bank
12 account on behalf of the company so I could deposit
13 the funds.

14 And when the funds were deposited, we started
15 getting some records coming in from PrimeSouth. I was
16 -- the seventh resolution was to engage and to hire an
17 accountant for the company to go through and to
18 recreate the company's accounts. And so we hired
19 Streetman and Jones.

20 Q. Okay. If you will flip to Exhibit 5. Thank
21 you for that. You described all of that action.

22 There's several exhibits in Exhibit 5. But what
23 generally are the documents in Exhibit 5?

24 (PLAINTIFF EXHIBIT NUMBER 5 WAS ADMITTED INTO
25 EVIDENCE.)

1 A. The resolutions that were adopted.

2 Q. Okay. You mentioned one in particular about
3 keeping certain information confidential from Chris
4 Price. Was that authorized by the operating
5 agreement?

6 A. It was, yes.

7 Q. Okay. Was there a certain provision in the
8 operating agreement that allows members to do that?

9 A. There is, yes.

10 Q. Okay. All right. And so you described this
11 -- these actions, and were these actions taken by a
12 majority interest?

13 A. They were, yes.

14 Q. Okay. And was that information and action
15 sent to Chris Price?

16 A. Yes.

17 Q. Did Chris Price ever object?

18 A. No.

19 Q. Did he ever vote?

20 A. No, he did not.

21 Q. All right. Was Chris Price and PrimeSouth
22 Group complying initially?

23 A. No.

24 Q. So were those resolutions voted on again?

25 A. They were.

1 Q. Okay. If you'll see Exhibit 5G and explain
2 what that is.

3 A. This is when all of the amendments or
4 resolutions were readopted.

5 Q. Okay. Did Chris Price and PrimeSouth Group
6 cooperate then?

7 A. No.

8 Q. All right. Did he ever object?

9 A. He did not.

10 Q. Okay. Did he vote?

11 A. He did not.

12 Q. All right. Was there a special meeting
13 called of the members?

14 A. Yes, there was.

15 Q. All right. And if you'll see Exhibit 6. Who
16 called the special meeting and approximately when?

17 (PLAINTIFF EXHIBIT NUMBER 6 WAS ADMITTED INTO
18 EVIDENCE.)

19 A. I did. In December.

20 Q. Of what year?

21 A. 2023.

22 Q. All right. Was notice provided to
23 Christopher?

24 A. Yes.

25 Q. All right. Did the meeting take place?

1 A. It did.

2 Q. Who attended the meeting?

3 A. You, Dad, and Beth and me.

4 Q. And did Chris Price attend the meeting?

5 A. He did not.

6 Q. Did he object to the meeting?

7 A. He did not.

8 Q. What did the members do at the meeting?

9 A. Talked about the affairs of the company and
10 readopted the resolutions.

11 Q. Okay. And what is this in the first page of
12 Exhibit 6?

13 A. It's the meeting minutes of the company.

14 Q. Okay. And you signed those minutes?

15 A. Yes, I did.

16 Q. All right. In 2023, did Chris on occasion
17 send e-mails to the rest of the members?

18 A. He did.

19 Q. Okay. About the actions that they were
20 taking?

21 A. Yes.

22 Q. If you'll see Exhibit 7.

23 (PLAINTIFF EXHIBIT NUMBER 7 WAS ADMITTED INTO
24 EVIDENCE.)

25 Q. Explain just generally what this is.

1 A. E-mail from Chris basically saying he's
2 amazed of the actions that we've taken.

3 Q. Okay. And what about Exhibit 8? Similar?
4 (PLAINTIFF EXHIBIT NUMBER 8 WAS ADMITTED INTO
5 EVIDENCE.)

6 A. Yes.

7 Q. All right. Earlier you testified about why
8 this original suit was brought and then you told the
9 Court about why -- the effective noncompliance with
10 the company action roughly, correct?

11 A. Yes.

12 Q. And eventually was there compliance?

13 A. Eventually. We -- it was -- there was an
14 emergency injunction in front of Judge Scarborough
15 and. It was on the Friday before the Monday hearing.
16 And they turned over the funds and most of the
17 records.

18 Q. Okay. What type of activity was Chris or
19 PrimeSouth Group taking against the company in that
20 interim period, if you will explain to the Court?

21 A. They were interfering with getting the tenant
22 on the ground floor, getting the replacement, reaching
23 out to the broker for the tenant asking them not to
24 sign the lease, after the fact saying they were
25 disappointed they signed the lease, even though he

1 didn't object to them being the tenant. He just
2 didn't want them to sign.

3 And the objective for us was to fill the vacancy
4 and to regain and retain cash flow and to get the
5 money coming back into the company. We spent an
6 enormous amount of time, effort, and money trying to
7 get the records which came piecemeal. Took some time
8 to get the records in order to get our accounting up
9 and running so we could provide quarterly reporting to
10 all the members.

11 Q. Okay. If you'll flip to Exhibit 28 for me.

12 (PLAINTIFF EXHIBIT NUMBER 28 WAS ADMITTED INTO
13 EVIDENCE.)

14 Q. Was the CMLS listing by Chris still in place
15 with CMLS?

16 A. Yes, it was.

17 Q. Okay. And what is this document in Exhibit
18 28 roughly?

19 A. It's an e-mail that was sent to Chris and
20 Jackie Stokes, the property manager at PrimeSouth
21 Group, asking them to remove the unapproved listing in
22 CMLS and to remove the real estate signs off of the
23 building.

24 Q. Okay. And what about Exhibit 29?

25 (PLAINTIFF EXHIBIT NUMBER 29 WAS ADMITTED INTO

1 EVIDENCE.)

2 A. That's an e-mail that was sent to the broker
3 for the Makan, the tenant that signed the lease, and
4 saying that Chris was disappointed that they moved
5 forward with the lease.

6 Q. Okay. What about Exhibit 30? Was Chris
7 cooperating with the insurance transfer?

8 (PLAINTIFF EXHIBIT NUMBER 30 WAS ADMITTED INTO
9 EVIDENCE.)

10 A. No. We had a hard time getting the insurance
11 transferred over to the -- a different State Farm
12 representative.

13 Q. Okay. How about Exhibit 32?

14 (PLAINTIFF EXHIBIT NUMBER 32 WAS ADMITTED INTO
15 EVIDENCE.)

16 A. That's the correspondence that I had with the
17 head of CMLS, the Commercial Multiple Listing
18 Services.

19 Q. How about Exhibit 33?

20 (PLAINTIFF EXHIBIT NUMBER 33 WAS ADMITTED INTO
21 EVIDENCE.)

22 A. That's Chris's correspondence that he had
23 with the head of Commercial Multiple Listing Services.

24 Q. Explain to the Court about the sign wars that
25 were going on on the property.

1 A. The -- Chris's signs were up. He would not
2 have them removed. And so we had the sign company
3 come and actually remove the signs off of the
4 building.

5 And then Chris had those signs taken down and his
6 signs put back up, and then the sign company took
7 those down and refused any more sign orders on the
8 property.

9 Q. Exhibit 35, if you'll briefly explain what
10 that is.

11 (PLAINTIFF EXHIBIT NUMBER 35 WAS ADMITTED INTO
12 EVIDENCE.)

13 A. Jackie Stokes sent the listing agreement over
14 to CMLS.

15 Q. All right. Further back in 35 --

16 A. That is the exclusive right to lease listing
17 agreement that was ratified.

18 Q. Are you on 35?

19 A. I'm sorry.

20 Q. Yeah. 35.

21 A. It's an e-mail. It's an e-mail from Jackie
22 Stokes to CMLS.

23 Q. Are there e-mails in 35 with Brooks Signs?

24 A. Yes.

25 Q. Okay. And you were telling the Court about

1 -- did Brooks Signs effectively refuse to do work at
2 the property?

3 A. They did, yeah.

4 Q. Okay. And, eventually, as you said, after
5 time and expense, were the majority able to get
6 general compliance with the company action?

7 A. Generally, yes.

8 Q. Okay. The company got its funds?

9 A. We did, yes.

10 Q. Approximately how much was it?

11 A. 105,000 dollars.

12 Q. And did the company get all the records it
13 likely will get from PrimeSouth Group?

14 A. Most. We're still tracking some down but we
15 got most of them down.

16 Q. Okay. And you as manager, did you hire a CPA
17 firm?

18 A. I did, yes.

19 Q. Who did you hire?

20 A. Streetman and Jones.

21 Q. Okay. And what are they doing for the
22 company now?

23 A. They recreated the accounting software and
24 now on a quarterly basis are providing reports to the
25 company's members, profit and loss statements, general

1 ledgers, balance sheet, and we also are providing 24/7
2 access to all members for bank statements.

3 Q. Okay. Was there financial reporting under
4 Chris Price as manager?

5 A. No, not since the entirety of the company,
6 2002. He doesn't do -- he doesn't do financial
7 reporting.

8 Q. Okay. Are you in other partnerships with
9 your brother?

10 A. I am, yes.

11 Q. Do you get financial reporting in those?

12 A. None.

13 Q. All right. Do you believe since you were
14 elected manager that you've been fulfilling your
15 duties in a meaningful and profitable way?

16 A. Absolutely.

17 Q. Explain to the Court generally how you have
18 been doing that and what's been going on at the
19 company.

20 A. There were some deferred maintenance on the
21 property when I took over as manager. The tenants
22 that are paying the rates they were paying on that
23 property expected to be in a certain condition.

24 The roof hasn't been touched or painted since it
25 was put on in 2003. There was a leak that we've been

1 tracking down for years that kept leaking into the
2 ground floor tenant that I stripped off the siding and
3 had permanently fixed.

4 The paint was flaking off the building, and the
5 chimneys were literally crumbling and the brick was
6 falling onto the sidewalk, so we had to fix the
7 chimneys. I have finally gotten the property up to a
8 condition that I'm happy with, the company is happy
9 with, and that the tenants are expecting with the
10 rents they're paying that the property should be
11 maintained in that condition.

12 Q. Explain to the Court the new tenant on the
13 ground floor.

14 A. Rivayat just went on the ground floor. They
15 replaced -- when I filled the vacancy on the ground
16 floor, Makan, who was a Michelin-rated chef who came
17 out of DC, and he put about 350,00 dollars in the
18 building.

19 Unfortunately, he did not make it. Chefs don't
20 always make good business people. But he honored his
21 agreement to the company, and the company did not miss
22 any income. Had no disruption in cash flow. And we
23 worked quickly to replace Makan and signed the lease
24 over to the new tenant, Rivayat.

25 And they put another 300-something thousand

1 dollars in the building. And they pay rent timely
2 every month. Never been late. And they are rated 4.9
3 on Google. Rated one of the top restaurants in
4 downtown Charleston.

5 Q. Who are they? What is that?

6 A. Indian restaurant, coastal Indian.

7 COURT REPORTER: How do you spell that?

8 WITNESS: R-I-V-A-Y-A-T.

9 Q. Do the owners of that restaurant own another
10 restaurant in town?

11 A. They do. He owns Spice Palette in Mount
12 Pleasant. And then he's got one that he's opening up
13 in Nexton, and then he had three or four other
14 restaurants out of New York.

15 Q. And have you been there?

16 A. Spice Palette, I have, yes.

17 Q. Have you dined at the restaurant at
18 Cannonborough?

19 A. Yes.

20 Q. How are they doing?

21 A. Very well.

22 Q. Are they busy?

23 A. Yes.

24 Q. All right.

25 THE COURT: When did you get the lease with

1 Makan? And you said that was the lease that was
2 transferred to Rivayat?

3 WITNESS: Yes, sir. The original lease was
4 done November of 2023, November 1st of 2023. And they
5 were in there for about -- it took them about seven
6 months to get open, and they were open for about six
7 months. And then we replaced them. Signed the lease.

8 THE COURT: Okay.

9 Q. Did you as manager tender all the documents
10 to all the members related to this assignment?

11 A. I did, yes. And the company signed a
12 resolution authorizing the assignment of the lease as
13 required under the operating agreement.

14 Q. And so you put out the assignment for a vote
15 to the members?

16 A. I did, yes.

17 Q. Okay. Did Chris vote?

18 A. No.

19 Q. Okay. Did he object?

20 A. No.

21 Q. Okay. Did Price Ventures earn a commission
22 related to the Makan lease?

23 A. It did, yes.

24 Q. Okay. Did the company pay the cooperating
25 broker her commission?

1 A. It did, yes, in full.

2 Q. And who was that?

3 A. Mandy Coleman.

4 Q. Okay. Do you know what company she works
5 for?

6 A. National Restaurant Properties.

7 Q. Okay. Has Price Ventures been paid anything
8 related to the commission earned?

9 A. It has, about half.

10 Q. Okay. Is there still more to be paid?

11 A. Yes.

12 Q. Okay. Does Chris or PrimeSouth Group contend
13 that they're owed that commission rather than you?

14 A. Early on, they contended they were. I don't
15 know where that stands now with them.

16 Q. Okay. Explain briefly how it was that you
17 were contacted related to the Makan lease.

18 A. Mandy Coleman has been in the restaurant
19 business for a long time. We've done several deals
20 together. I have been a licensed broker since 2001,
21 so we just have a close relationship in the commercial
22 brokerage community.

23 My license was with PrimeSouth Group for over 20
24 years. My e-mail was patrick@primesouthgroup.com for
25 over 20 years.

1 She contacted me, e-mailed my PrimeSouth Group
2 e-mail. I had an auto responder that I set up before
3 I left PrimeSouth Group so anybody e-mailing my
4 PrimeSouth Group account would automatically get
5 notified that I'm no longer with PrimeSouth Group. I
6 left. And contact me at this new address.

7 So as soon as she sent that e-mail to PrimeSouth
8 Group saying, hey, I have this new tenant, Makan, that
9 would like to come and take a look at the building,
10 she turned around and sent me the same e-mail after
11 she got the auto responder.

12 But also, Jackie Stokes, the property manager at
13 PrimeSouth, was monitoring my e-mail account because I
14 was gone, and she forwarded that e-mail to me from
15 Mandy. So that was how I was originally contacted by
16 Mandy. She was looking for me.

17 Q. Did you pick it up with Mandy thereafter?

18 A. Yes.

19 Q. And you all made a deal?

20 A. We did.

21 Q. Was Jackie a licensed real estate agent at
22 that point?

23 A. No, she was not.

24 Q. Okay. Did Chris Price do anything to procure
25 the Makan tenant?

1 A. No, he did not.

2 Q. We looked at some e-mails earlier. Would you
3 say he was trying to interfere with it?

4 A. Yes, he was.

5 Q. Okay. And do you believe PrimeSouth Group or
6 Chris did anything to procure Makan as a tenant for
7 the company?

8 A. No. They were actually trying to thwart my
9 ability to put them in as a tenant.

10 Q. Okay. Okay. We talked about the case the
11 company filed and why. Are you aware that your
12 brother filed his own case that's been consolidated
13 with this one?

14 A. I am.

15 Q. All right. Have you reviewed it?

16 A. I have, yes.

17 Q. Have you participated in discovery in this
18 case?

19 A. Yes.

20 Q. Have you given a deposition?

21 A. I have, yes.

22 Q. All right. What do you believe Chris Price's
23 suit is based upon?

24 A. That we did not have the right to remove him
25 as manager of the company.

1 Q. Okay. And why? What is his position?

2 A. That the operating agreement in 2002 and the
3 subsequent resolution electing him as manager
4 supersedes the current operating agreement.

5 Q. Okay. Does he believe that his resolution is
6 still in effect?

7 A. He does, yes.

8 Q. Do you disagree with that position?

9 A. Yes, I absolutely do.

10 Q. Okay. Can you briefly explain to the Court
11 about the loan the company had with Encore Bank prior
12 to it being purchased by Charleston Acquisition Group?

13 A. It was a commercial real estate loan that was
14 put into place in 2022, and the company was servicing
15 that loan and never has missed a payment. Even as of
16 today, it's never missed -- been late or even missed a
17 payment.

18 Q. Okay. And if you'll flip to Exhibit 9. Are
19 these those loan documents?

20 (PLAINTIFF EXHIBIT NUMBER 9 WAS ADMITTED INTO
21 EVIDENCE.)

22 A. Yes, they are.

23 Q. All right. Somehow the schedule didn't get
24 in Exhibit 9. But if you'll flip to Exhibit 44, what
25 is that?

1 (PLAINTIFF EXHIBIT NUMBER 44 WAS ADMITTED INTO
2 EVIDENCE.)

3 A. That's the amortization schedule.

4 Q. Would you say the Encore loan, based on your
5 experience, was a standard real estate loan?

6 A. Yes.

7 Q. Okay. Did you see these loan documents prior
8 to Chris signing them with Encore?

9 A. I did not. I haven't seen these until
10 discovery.

11 Q. Okay. Did you and the rest of the members
12 sign a resolution authorizing Chris to take the Encore
13 loan?

14 A. We did.

15 Q. Okay. Would you, Patrick Price, have
16 consented to this loan if you were aware that it could
17 be called at any time?

18 A. No, not at all.

19 Q. Okay. Would that be customary for a real
20 estate loan?

21 A. No. I mean, you can't -- how do you plan on
22 that? You take a loan out one day and call it the
23 next day; that's unusual.

24 Q. All right. After the company changed the
25 manager from Chris to you, was Chris taking any

1 positions with the company as it related to Encore?

2 Was he telling you all anything about how Encore
3 may treat this activity?

4 A. He sent several letters from his attorneys
5 saying that the change in manager could be viewed as
6 an event of default.

7 Q. Okay. And did you receive a letter from
8 Chris's prior counsel as to this?

9 A. Yes, I did.

10 Q. All right. Take a look at Exhibit 11.

11 (PLAINTIFF EXHIBIT NUMBER 11 WAS ADMITTED INTO
12 EVIDENCE.)

13 A. It's a letter from Chris's prior counsel,
14 Dunn Hollingsworth, saying that -- notifying us that
15 the bank might have a problem with the loan.

16 Q. Okay. Did it say they may call it?

17 A. It said that they were talking about if the
18 guarantor attempts to terminate the personal
19 guarantee, if it deems itself insecure and if there
20 was a material adverse change in the financial
21 prospects of the LLC.

22 Q. Does it say they may call it or does it say
23 they may declare a default?

24 A. They may declare it an event of default.

25 Q. Okay. Did you personally visit with Encore?

1 A. I did, yes.

2 Q. Who did you visit with?

3 A. Fallon Meyer.

4 Q. And who is Fallon Meyer?

5 A. Vice president of the bank, and she was also
6 the loan officer who originated the loan.

7 Q. Okay. And after you met with her, did you
8 come away from that meeting with any impression that
9 the loan was in jeopardy?

10 A. Not at all.

11 Q. Did you send an e-mail to the members after
12 that meeting?

13 A. I did, yes.

14 Q. All right. Flip to Exhibit 12.

15 (PLAINTIFF EXHIBIT NUMBER 12 WAS ADMITTED INTO
16 EVIDENCE.)

17 Q. You don't have to read your whole e-mail, but
18 can you briefly describe your meeting and what you
19 conveyed to the members?

20 A. I wanted -- I got these notices from Chris's
21 attorneys saying that it could be seen as a event of
22 default, and I wanted to reassure her that there was
23 no issues with filling the vacancy. We're working on
24 it. We're close to getting the tenant in there and
25 getting cash flow back in and making the mortgage

1 payments without a problem. We had enough cash flow
2 to pay the mortgage. And that as long as the mortgage
3 was paid, that she viewed this as an internal matter
4 into the company and not really related to the bank at
5 this time as long as the note was paid for.

6 I also offered up that if her concern was about
7 the guarantee, Chris's guarantee being sole guarantor,
8 that Dad, Beth, and I would also agree to personally
9 guarantee the note if that would make the bank feel
10 comfortable if they weren't comfortable just having
11 Chris as the guarantor.

12 Q. What's the date of your e-mail?

13 A. August 24, 2023.

14 Q. All right. And did you know that Chris was
15 meeting or talking with Fallon Meyer?

16 A. No, I was not told.

17 Q. Okay. Did you receive a letter from
18 Mr. Gowder related to the note purchase?

19 A. I did.

20 Q. All right. If you'll look at Exhibit 13.

21 (PLAINTIFF EXHIBIT NUMBER 13 WAS ADMITTED INTO
22 EVIDENCE.)

23 Q. What's the date of that letter?

24 A. October 5th, 2023.

25 Q. Did that letter tell you when the note was

1 purchased?

2 A. It did. It was purchased on October --
3 August 29th, 2023.

4 Q. Okay. Did this letter surprise you?

5 A. Yes.

6 Q. Why?

7 A. Well, we had -- there was a minority member
8 that was acting hostile to the company. Now I find
9 out almost five weeks later that the company loan was
10 purchased by this minority member, and I didn't -- I
11 was concerned what that would mean for the company and
12 how was that going to be used. Like why would you buy
13 the loan? What reason for that? So, yes, I was
14 surprised.

15 Q. So did the letter of October 5th tell you --
16 tell the company that it needed to pay Charleston
17 Acquisition Group?

18 A. It did, yes.

19 Q. Okay. As of when?

20 A. There was no information on the -- where to
21 send payments. There was no -- it just said it bought
22 the loan. And it said effective September 1st, all
23 payments are to be paid to Charleston Acquisition
24 Group. And that was it. So it was actually
25 retroactive.

1 Q. So the letter of October 5th told you as of
2 September 1st to pay Charleston Acquisition Group?

3 A. Correct.

4 Q. Okay. Did it tell you where to send the
5 payment?

6 A. It did not.

7 Q. Okay. Did you know if the loan was even
8 current when you received this letter?

9 A. I didn't know. PrimeSouth Group was
10 servicing it.

11 Q. Okay. Did you send e-mails in this regard as
12 to the status of where to send payments?

13 A. I did, yes.

14 Q. All right. Could you look at Exhibit 20 and
15 21?

16 (PLAINTIFF EXHIBIT NUMBERS 20 AND 21 WERE
17 ADMITTED INTO EVIDENCE.)

18 Q. What were you trying to ascertain when you
19 were sending these e-mails?

20 A. Well, I requested to be able to pay
21 electronically so I could track the payments to the --
22 to Charleston Acquisition Group, and they wouldn't
23 take electronic payments. They wanted a check
24 delivered to a PO box, and I couldn't verify where the
25 checks were going, if they were being applied.

1 I asked for copies of the cashed checks. Is it
2 being applied? Several e-mails went around, and I
3 wasn't getting information to confirm that the actual
4 checks in the loan payments were being made and
5 applied appropriately.

6 Q. Were you trying to ascertain whether the
7 September or October payments were even made?

8 A. Yes.

9 Q. Were you getting an answer?

10 A. No.

11 Q. Was Clinton helping you?

12 A. No.

13 Q. What was he doing?

14 A. I don't know. He just wouldn't give me the
15 information I needed.

16 Q. Okay. And were you provided a copy of the
17 loan purchase agreement in discovery?

18 A. I was, yes.

19 Q. What is that in Exhibit 14?

20 (PLAINTIFF EXHIBIT NUMBER 14 WAS ADMITTED INTO
21 EVIDENCE.)

22 Q. What is that?

23 A. That's the loan purchase and sale agreement
24 where Charleston Acquisition Group purchased the loan
25 from Encore Bank.

1 Q. As of what day?

2 A. August 29th, 2023.

3 Q. Okay. If you'll look at Exhibit 15. Were
4 you produced an e-mail in discovery between Chris and
5 Fallon Meyer?

6 (PLAINTIFF EXHIBIT NUMBER 15 WAS ADMITTED INTO
7 EVIDENCE.)

8 A. Yes.

9 Q. All right. If you'll go to the last page of
10 that exhibit. Explain what Chris is explaining to
11 Fallon Meyer about a notice to the members.

12 A. That he was going to disclose and send a
13 notification letter to the partnership that he had --
14 his company had purchased the loan.

15 Q. Okay. And what was the date of that e-mail?

16 A. August 30th.

17 Q. All right. Did Cannonborough -- you were
18 testifying that there was a lack of payment
19 instructions, correct?

20 A. Yes.

21 Q. Was Cannonborough having to have checks
22 delivered to some other -- to Charleston Acquisition
23 Group's lawyer?

24 A. Yes. Had to. I didn't know if the loan was
25 being serviced, and I was concerned about, you know,

1 Chris creating an event of default as the lender.

2 So we wrote a cashier's check and didn't know
3 where to deliver it, so we had it sent over to Andy's
4 office.

5 Q. Who sent those?

6 A. You did.

7 Q. All right. Exhibit 23, would you look at
8 that?

9 (PLAINTIFF EXHIBIT NUMBER 23 WAS ADMITTED INTO
10 EVIDENCE.)

11 Q. Just briefly describe to the Court what these
12 letters are.

13 A. The first one is a letter from your firm
14 about where to send the information and how to pay the
15 loan. And that was on November 9, 2023. And then you
16 dropped off the certified check to Andy's office.

17 Q. Okay. And did that occur for several months
18 based on these records?

19 A. Yes, it did.

20 Q. Okay. Was that normal?

21 A. No. I can't imagine any bank not wanting to
22 accept mortgage payments.

23 Q. And how do you pay it today?

24 A. To make sure that they're paid on time and
25 since I can't pay electronically, I auto pay the

1 check. So I set up auto pay from the bank, and I send
2 it eleven days early just to make sure there's no
3 problem. And so I send it on the 1st. It's not due
4 until the 11th, but I can track it from when it left
5 the bank to when it hits Charleston Acquisition
6 Group's PO box.

7 So I have a paper trail of it was at least
8 delivered to the PO box instead of me writing a
9 company check over to them.

10 Q. Okay. Does Charleston Acquisition Group make
11 it easy for the company to pay?

12 A. Not initially. It's on auto pilot now.

13 Q. Was Charleston Acquisition Group -- that's
14 what I'm referring to as CAG -- were they applying the
15 payments you were making?

16 A. Not initially, no. It wasn't until a hearing
17 in front of Judge Scarborough that he directed them to
18 start depositing the checks.

19 Q. They were just holding them?

20 A. They were, yes.

21 Q. Okay. Has Cannonborough timely paid
22 Charleston Acquisition Group every month?

23 A. Yeah. I send it out eleven days early.

24 Q. Have you ever been told by Charleston
25 Acquisition Group that you were late or you were --

1 that you didn't pay?

2 A. No.

3 Q. All right. We talked about how most of those
4 things were resolved about this time. Were you and
5 your brother and his companies trying to resolve the
6 case that we filed?

7 A. Yes, we were.

8 Q. Okay. What were we doing?

9 A. We were going back and forth on a possible
10 settlement agreement.

11 Q. Were you reviewing a settlement agreement in
12 red lines?

13 A. Yes, we were.

14 Q. Okay. And then what happened?

15 A. Got a letter from Chris's attorney that --
16 actually from Chris, Charleston Acquisition Group,
17 that they called the loan due and full and to pay the
18 850,000 within 45 days to his PO box.

19 Q. Okay. If you'll look at Exhibit 26.

20 (PLAINTIFF EXHIBIT NUMBER 26 WAS ADMITTED INTO
21 EVIDENCE.)

22 Q. Is this the letter you received?

23 A. Yes, it is.

24 Q. Okay. Did that shock you?

25 A. Yeah, it absolutely did. We were working

1 trying to figure the settlement out, working through
2 that, and then out of the blue, I get this note from
3 Charleston Acquisition Group saying, you know, we've
4 got 45 days to remit full payment of 851,000 dollars,
5 and it's the first time that I ever heard that it's a
6 demand.

7 Q. Okay. Was there a contention of default in
8 this letter, Exhibit 26?

9 A. No. No.

10 Q. Has there ever been a contention of default?

11 A. No.

12 Q. Okay. And what is their basis for demanding
13 it?

14 A. Because they can. They said it's a demand
15 note now.

16 Q. Okay. In discovery, were you able to obtain
17 the underwriting files for this loan?

18 A. Through a subpoena, yes.

19 Q. Okay. Flip through to Exhibit 10.

20 (PLAINTIFF EXHIBIT NUMBER 10 WAS MARKED FOR
21 IDENTIFICATION.)

22 MR. GOWDER: Your Honor, this is where I
23 object.

24 THE COURT: All right.

25 MR. GOWDER: Hearsay, lack of foundation,

1 parol evidence, relevance.

2 THE COURT: All right. Mr. Khan?

3 MR. KHAN: Summarized it this morning. It's
4 our loan. It was obtained via subpoena through the
5 Court's order. There's no contention that it's
6 untrustworthy. It's part of the loan documents. It's
7 part of the commercial paper. It's instructive to
8 show what loan was applied for. It's not a question
9 of whether or not we're seeking to introduce any
10 commentary by the bank. It's just their documents.
11 And I understand the issue.

12 MR. GOWDER: Your Honor, they filed a motion
13 in limine to keep a bank officer from testifying.

14 THE COURT: I was sitting there wondering why
15 that was the case.

16 MR. GOWDER: So there's no foundation that
17 can be laid for these documents. I might object that
18 they're hearsay even if the bank officer were here
19 because they're out of court statements being offered
20 for the truth of the matter asserted. But
21 nevertheless, I think lack of foundation alone is
22 sufficient to keep them out.

23 They're also hearsay, and it's parol evidence
24 to the documents if they are intended to vary the --
25 or define or comment on the clear language of the

1 financial instruments on the note and loan documents.

2 THE COURT: Let's break that down a little
3 bit. So is it an authentication issue that you have?

4 MR. GOWDER: Yes.

5 THE COURT: And?

6 MR. GOWDER: Hearsay.

7 THE COURT: Hearsay. Out of court statement
8 offered for the truth of the matter. And the truth
9 being to vary the terms of the note?

10 MR. GOWDER: I don't yet know. Maybe
11 Mr. Khan can make a proffer, but I don't know. But
12 beyond that, it's also parol evidence of signed loan
13 documents.

14 THE COURT: All right. Let's get -- I will
15 let you get into the question and go from there.

16 MR. KHAN: We're not trying to vary the loan
17 documents. We're not trying to vary the loan
18 documents. This issue of term versus demand note is a
19 significant one. We're not trying to vary the
20 instruments. We have, as we have argued before,
21 motions with Your Honor. There's a host of
22 interpretation related to those, and they all need to
23 be read together.

24 And we have got course of performance. We
25 have UCC issues. I think this is solely an

1 authentication issue under the rule. I mean, it's --
2 I think it's a valid record of regularly conducted
3 activity under 803(6). I do not have a witness here
4 to authenticate them.

5 I think they are self-authenticating under
6 Rule 902(9) as commercial paper and related documents,
7 and I'm not seeking to ask Patrick Price what they
8 say. I want these documents before the Court as they
9 have been for months as the Court has already
10 considered them as to these issues of the case.

11 THE COURT: All right. Well, let's go ahead
12 and make your -- go ahead and ask your questions and
13 take me through it.

14 There are multiple documents here, correct?

15 MR. KHAN: Three separate documents.

16 MR. GOWDER: Your Honor, I would say just
17 because he raised the rule of evidence, this is not
18 commercial papers. These are notes.

19 THE COURT: These are underlying documents.

20 MR. GOWDER: Notations made by the bank back
21 and forth about the processing and underwriting of the
22 loan.

23 And my other point, Your Honor, and then I
24 know you wanted to go through the proffer, is if -- it
25 doesn't, but even if it said in these documents --

1 this is intended to be a term loan, not a demand note,
2 it wouldn't matter because the note says it's a demand
3 note.

4 And we'll disagree about that, but we
5 disagree about it on the face of the note.

6 THE COURT: Okay. I'm with you. All right.
7 Go ahead, Mr. Khan.

8 MR. KHAN: Thank you. I would point out
9 902(9) does not limit it to the commercial papers.
10 It's commercial papers and related documents,
11 documents related thereto.

12 BY MR. KHAN:

13 Q. So Patrick, you received this letter that we
14 looked at, correct, demanding the note be paid,
15 correct?

16 A. Yes.

17 Q. Did that surprise you?

18 A. It did.

19 Q. All right. Had you, in your experience, ever
20 seen a commercial real estate note with a due on
21 demand clause?

22 A. No.

23 Q. Did you review the loan documents after that?

24 A. After the demand was made by Charleston
25 Acquisition Group? Yes.

1 Q. Okay. Did we subpoena the records from the
2 bank?

3 A. We did, yes.

4 Q. Okay. Other than the actual note instrument,
5 did you see any other reference to the note being a
6 due on demand note?

7 A. No.

8 Q. In Exhibit 10, did you see any reference to
9 it being a due on demand note?

10 A. No. In contrary, it says everything --

11 MR. GOWDER: I'm going to object.

12 THE COURT: All right. On that basis, I'm
13 going to allow him to give his opinion based on what
14 he saw, but you're not moving the document into
15 evidence.

16 Q. Did you see anything in here about due on
17 demand?

18 A. No, sir.

19 Q. Mr. Gowder objected. You were about to say?

20 A. It's to the contrary. Everything in the
21 underwriting file is all about term loan. Fixed
22 principal and interest with a maturity date. There's
23 not any mention of it being a due on demand note
24 anywhere.

25 Q. Okay. And even when PrimeSouth Group was the

1 property manager and your brother Chris was the LLC
2 manager, was this paid monthly?

3 A. Yes.

4 Q. And after the change of manager of the LLC
5 and property manager, have you, as manager, paid it
6 monthly?

7 A. Yes.

8 Q. All right. To Charleston Acquisition Group?

9 A. Correct.

10 Q. Okay. And they've accepted those payments,
11 correct?

12 A. They have, yes.

13 MR. KHAN: Your Honor, under our previous
14 arguments, and I don't want to waste the Court's time,
15 we would move to move Exhibit 10 into evidence.

16 MR. GOWDER: Same objection.

17 THE COURT: All right. Let me take a look at
18 the document. I don't know what the first page is.
19 It's some sort of form discussing the value of the
20 business. States the officer on the note and goes
21 into the loan to value.

22 The second thing is a bank short form
23 memorandum prepared by -- apparently prepared by
24 Fallon Meyer who was proposed to be the witness but
25 was withdrawn. And have to be some memo, I assume,

1 for the bank, some records.

2 And then the third document looks to be a
3 loan summary. Again, that would be something prepared
4 for the bank's records.

5 Your motion is that these three documents be
6 admitted into evidence?

7 MR. KHAN: Yes, Your Honor.

8 THE COURT: And your objection is lack of
9 foundation, lack of authenticity?

10 Their argument is it's self-authenticating
11 under Rule 901.

12 MR. GOWDER: I don't agree.

13 THE COURT: I don't agree, either.

14 MR. GOWDER: And it's also hearsay. It's
15 also parol evidence.

16 THE COURT: Okay. I'm going to sustain the
17 objection as to hearsay and the 901 authentication.

18 These are internal bank documents, and I
19 don't believe they constitute commercial paper in and
20 of itself.

21 My recollection as to underlying documents
22 which is referenced in 902(9) has to do with, again,
23 authenticity. Those are generally signatures. I see
24 no signatures by anybody at Cannonborough that dealt
25 with these. These all appear to be internal bank

1 documents.

2 On that basis, I'm going to sustain the
3 objection. I will, however, let you proffer it so it
4 becomes a part of the record as Exhibit 10, but it's
5 not in evidence.

6 BY MR. KHAN:

7 Q. You testified about hiring Streetman and
8 Jones and you and that company obtaining records from
9 PrimeSouth Group, correct?

10 A. Yes.

11 Q. All right. And did Streetman and Jones have
12 to rebuild the finances of the company?

13 A. They did.

14 Q. Okay. And did you review all these financial
15 documents coming from PrimeSouth Group as well?

16 A. I did.

17 Q. Okay. Do you know if Chris Price personally
18 benefited from obtaining this loan from Encore Bank?

19 A. He did. He took a consulting fee, PrimeSouth
20 Group did.

21 Q. What do you mean by consulting fee?

22 A. There was an \$18,000 consulting fee that was
23 paid to PrimeSouth Group for obtaining the loan.

24 Q. And did you know about that at the time?

25 A. No.

1 Q. Did you find -- how did you find that out?

2 A. When we went through the records that were
3 transferred over to us.

4 Q. Look at Exhibit 17, please.

5 (PLAINTIFF EXHIBIT NUMBER 17 WAS ADMITTED INTO
6 EVIDENCE.)

7 A. It's an invoice from the PrimeSouth Group to
8 Cannonborough. And it says Cannonborough refile,
9 18,000, 2 percent of the loan.

10 Q. Okay. Did you ever know that your brother
11 was taking out fees for refinancing and things of that
12 nature?

13 A. No. I wasn't aware of this.

14 Q. Did the members approve this?

15 A. No.

16 Q. Okay. Since you took over, has Cannonborough
17 maintained -- in addition to paying Charleston
18 Acquisition Group, has it maintained insurance on the
19 building?

20 A. It has, yes.

21 Q. Has it performed other functions like pay
22 taxes?

23 A. It has, yes.

24 Q. What's generally the rate on this loan that
25 was obtained from Encore and that now is owned by

1 Charleston Acquisition Group?

2 A. What's the current rate?

3 Q. Correct.

4 A. 3.47 percent.

5 Q. Okay. And if this loan had to be refinanced,
6 what's the rate out there now generally?

7 A. 6.5 percent roughly.

8 Q. Okay. Would that harm the company if you had
9 to refinance?

10 A. Yes. It would more than double the rate.

11 Q. All right.

12 MR. KHAN: We're wrapping this up, Your
13 Honor.

14 Q. Explain to the Court what 475-479 King, LLC
15 is,

16 A. It's a company that was formed to purchase
17 property on King Street, and Cannonborough is a member
18 of that company.

19 Q. All right. What does the -- let's call it
20 King, but I'm referring to 475-479 King Street, LLC.

21 Okay. King. What does King own?

22 A. It owns three properties. 475 and 479 King
23 Street and then also 6 Radcliffe.

24 Q. Okay. And you mentioned Cannonborough, LLC
25 is a member of King?

1 A. Correct.

2 Q. All right. And you have known that for a
3 while; is that true?

4 A. Yes.

5 Q. All right. And since you have become the
6 manager of Cannonborough, have you endeavored to
7 understand the books and records of King?

8 A. Yes, I have.

9 Q. Do you believe Cannonborough has a right to
10 that information as a member?

11 A. Yes.

12 Q. Okay. What percentage interest should
13 Cannonborough be in King?

14 A. 30 percent.

15 Q. Okay. Could you please explain to Judge
16 Scarborough how it was that Cannonborough became a
17 member of King?

18 A. In 2010, Chris lent his former business
19 partner money, company funds, as a loan to his
20 business partner. That loan was backed up by his
21 interest in the King Street property, his 30 percent
22 interest in the King Street property.

23 His business partner defaulted on the loan, did
24 not pay it back, and assigned his 30 percent interest
25 over to Cannonborough at that time.

1 Q. Okay. If you'll look at Exhibit 42.

2 (PLAINTIFF EXHIBIT NUMBER 42 WAS ADMITTED INTO
3 EVIDENCE.)

4 A. That's the promissory note to pay back the
5 loan that was made from Cannonborough to his business
6 partner -- former business partner.

7 Q. Who was the note in favor of?

8 A. Philip Woollcott.

9 Q. Who is the recipient? Who is the lender?

10 A. Cannonborough.

11 Q. Okay. Not Christopher Price?

12 A. Correct.

13 Q. Okay. And look at Exhibit 41.

14 (PLAINTIFF EXHIBIT NUMBER 41 WAS ADMITTED INTO
15 EVIDENCE.)

16 A. That's the assignment of interest.

17 Q. Okay. Is this the security for the note?

18 A. Yes.

19 Q. And who is assignee of this instrument?

20 A. That would be Cannonborough.

21 Q. Okay. So money was lent from Cannonborough
22 documented by a note to Mr. Woollcott?

23 A. Correct.

24 Q. And at the same time, Mr. Woollcott signed an
25 assignment?

1 A. He did.

2 Q. All right. And you indicated earlier there
3 was a default?

4 A. Yes.

5 Q. All right. Did Cannonborough receive the 30
6 percent?

7 A. It did.

8 Q. Okay. What is the membership interest that
9 Cannonborough now has reflected?

10 A. 26 percent.

11 Q. Okay. Where did the other 4 percent go?

12 A. To Chris.

13 Q. Why the decrease?

14 A. There's no company authority to move 4
15 percent of Cannonborough's assets over to Chris. He
16 said he wanted to be paid for the loan.

17 Q. He wanted to be paid for lending
18 Cannonborough's money out?

19 A. Correct.

20 Q. Okay. And so what membership interest based
21 on these documents should Cannonborough have?

22 A. 30 percent.

23 Q. All right. Was there ever an agreement
24 amongst the members to allow Chris to have 4 percent?

25 A. No, there was not.

1 Q. Does Cannonborough contend it should have the
2 full 30 percent?

3 A. It does.

4 Q. What is the estimated value of all of the
5 property owned by 475-479 King Street, LLC?

6 A. About 14 million.

7 Q. Okay. Does that comport with Chris Price's
8 estimated -- estimate of value?

9 A. It does. Through a subpoena, we got his
10 personal financial statement dated 2023, and it had
11 his valuation of that property at 14 million.

12 Q. All right. Let's look at Exhibit 49 real
13 quick. This is a highly redacted version of that.

14 (PLAINTIFF EXHIBIT NUMBER 49 WAS ADMITTED INTO
15 EVIDENCE.)

16 Q. Just so the Court understands what it's
17 looking at, what entries -- might be a page number on
18 here. Bates number 1026. Maybe the second page.

19 What entries comprise the property of 475-479
20 King?

21 A. 475-479 King Street, value of 12,700,000.
22 And then 6 Radcliffe, value of a million-three.

23 Q. And those add up to what?

24 A. 14 million.

25 Q. Okay. And so not asking you to do the math,

1 but is 4 percent of that number a significant number?

2 A. Yes.

3 Q. Okay. Has Cannonborough received any
4 distributions from King?

5 A. No. It's gone -- I think the last
6 distribution to Cannonborough that we've been able to
7 find was in 2017.

8 Q. What about capital calls?

9 A. No, not that we've been able to see. No
10 capital calls, no distributions since 2017. So about
11 nine years.

12 Q. Has Cannonborough demanded records and
13 information from King?

14 A. Yes, several times through their office.

15 Q. If you look at Exhibit 43.

16 (PLAINTIFF EXHIBIT NUMBER 43 WAS ADMITTED INTO
17 EVIDENCE.)

18 Q. Are these the requests, demands?

19 A. Yes, they are.

20 Q. Okay. Have some things been provided?

21 A. Few.

22 Q. Okay. But not everything?

23 A. No.

24 Q. Okay. Again, when you eventually received
25 the records, had time to process them, did you

1 discover anything else in the Cannonborough financial
2 records?

3 A. There's an outstanding loan that's been on
4 the books since 2017.

5 Q. Explain that.

6 A. That loan was made from Cannonborough to King
7 Street in 2017 to purchase 6 Radcliffe, and there was
8 a one-time payment back on that loan in 2017, and that
9 balance on that loan has been \$113,995 since 2017.

10 Q. Okay. Has 475-479 King Street, LLC paid that
11 back to Cannonborough?

12 A. No, it has not.

13 Q. Has that been demanded by Cannonborough?

14 A. Yes, several times.

15 Q. Okay. We looked at the letters in Exhibit
16 43. Did you request those demands?

17 A. I did, yes. I did.

18 Q. Okay. Are there business records that show
19 this outstanding loan?

20 A. No, there's no -- there was no company
21 authorization, company approval for the loan, and
22 there's no loan documents.

23 There's -- the only thing I have been able to
24 find is a transfer of money from Cannonborough to King
25 Street at the time.

1 Q. Are there notations on the books of
2 Cannonborough showing this loan to King?

3 A. K1. The tax returns show it.

4 Q. Let's look at --

5 A. And the general ledger.

6 Q. Let's look at Exhibit 46. What is Exhibit
7 46?

8 (PLAINTIFF EXHIBIT NUMBER 46 WAS ADMITTED INTO
9 EVIDENCE.)

10 A. General ledger for Cannonborough.

11 Q. Okay. Does it show a loan to 475-479 King
12 Street, LLC?

13 A. Yes, it does.

14 Q. Okay. You mentioned a K1. If you'll look at
15 Exhibit 45. Second to last exhibit.

16 (PLAINTIFF EXHIBIT NUMBER 45 WAS ADMITTED INTO
17 EVIDENCE.)

18 Q. Is this loan also reflected on the K1 issued
19 to Cannonborough?

20 A. Yes, it is.

21 Q. Okay. And this appears to be the 2025 K1; is
22 that right?

23 A. Yes.

24 Q. Do you have any idea why it says recourse?

25 A. That King Street owes that money to

1 Cannonborough.

2 Q. Do you know why it's listed as recourse?

3 A. I don't.

4 Q. Who prepares this?

5 A. Webster Rogers, the accountant for the King
6 Street properties.

7 Q. And who is the LLC manager for King?

8 A. Chris Price.

9 Q. So is Cannonborough issued one of these every
10 year?

11 A. We are, yes.

12 Q. Do you have any say-so on what it looks like?
13 What the K1 looks like?

14 A. No. It just comes into the company.

15 Q. Exhibit 48, briefly describe what this is.

16 (PLAINTIFF EXHIBIT NUMBER 48 WAS ADMITTED INTO
17 EVIDENCE.)

18 A. It's the 2024 tax return for King Street.

19 Q. All right.

20 A. Complete tax return.

21 Q. Did you request a copy of it?

22 A. I did, yes.

23 Q. Did you obtain that?

24 A. I did.

25 Q. Is there -- did you find anything interesting

1 in here?

2 A. Yes.

3 THE COURT: Which number?

4 MR. KHAN: Exhibit 48.

5 Q. Bates numbers are hard to read, but I'll help
6 direct.

7 What did you find interesting in here?

8 A. The schedule K3.

9 Q. What page are you on?

10 A. On the actual tax return at the bottom
11 center. It says page 49. At the top right, it says
12 8883.

13 Q. Bates number 1044. Okay. What did you find?

14 THE COURT: Stop you right there. What page
15 number? I can't find that.

16 MR. KHAN: Actual page 49 of the tax return.

17 Q. What did you find here?

18 A. That the name of the lender is Christopher L.
19 Price.

20 Q. And does that same amount of loan comport
21 with the loan on Cannonborough's books to King?

22 A. Yes, it does.

23 Q. Okay. So do you have any understanding of
24 why this has Christopher Price as a lender?

25 A. No. It's always been classified and

1 characterized as a loan for Cannonborough, and now it
2 says Chris Price. I asked our accountant about this,
3 and he can't answer. He says I need to talk to Chris,
4 and I need to talk to his accountant.

5 Q. Okay.

6 A. For King Street.

7 Q. Okay. So we don't know what Christopher
8 Price means by putting himself as the lender here?

9 A. No.

10 Q. But this loan is on the books of
11 Cannonborough?

12 A. Correct.

13 Q. Okay.

14 MR. KHAN: Your Honor, I think that completes
15 my direct. I may have some things on redirect, but I
16 know I took a fair amount of time, so I apologize.

17 THE COURT: Okay. Let's take five minutes
18 and then just gather and come right back. Let's do
19 that.

20 (Recess.)

21 THE COURT: Mr. Gowder?

22 CROSS EXAMINATION

23 BY MR. GOWDER:

24 Q. Mr. Price, good morning.

25 A. Good morning.

1 Q. Mr. Price, you worked under the PrimeSouth
2 Group umbrella for many years before 2022, right?

3 A. Correct.

4 Q. PrimeSouth Group held your real estate
5 license until you left?

6 A. Correct.

7 Q. While PrimeSouth Group held your license,
8 PrimeSouth Group was the brokerage, right?

9 A. Brokerage?

10 Q. Company.

11 A. It was a brokerage.

12 Q. Holding your license?

13 A. Yes.

14 Q. Price Ventures existed during that period
15 since about 2010?

16 A. Correct.

17 Q. But during that period of time, Price
18 Ventures did not have your license, PrimeSouth Group
19 did?

20 A. Correct.

21 Q. And Price Ventures was paid the commissions
22 that you earned, but that was only a tax decision that
23 you made, right?

24 A. Correct.

25 Q. The license was with PrimeSouth Group and you

1 operated under PrimeSouth Group?

2 A. That is correct.

3 Q. There was no written contract between Price
4 Ventures and PrimeSouth Group, right?

5 A. Not that I'm aware of, no.

6 Q. And you didn't move your license to Price
7 Ventures until after you left PrimeSouth Group in
8 2022, right?

9 A. That is correct.

10 Q. Okay. Now, Jackie Stokes was mentioned in
11 your testimony. She has worked at PrimeSouth Group
12 for many, many years, right?

13 A. Yes.

14 Q. She is and has been PrimeSouth's property
15 manager and office manager, right?

16 A. Yes.

17 Q. Okay. And she managed all of PrimeSouth's
18 properties?

19 A. Yes.

20 Q. Okay. And she has long-handled management
21 leasing functions of PrimeSouth's assets?

22 A. Leasing --

23 Q. I'm sorry. Of Chris Price's assets?

24 A. Leasing functions?

25 Q. No, sir. I said -- yes, management and

1 leasing functions.

2 A. No.

3 Q. Just management?

4 A. Just the management.

5 Q. Okay. You did the leasing?

6 A. That is correct.

7 Q. Okay. And you did all the leasing?

8 A. That is correct, yes.

9 Q. And PrimeSouth Group had an existing
10 management and brokerage platform before Price
11 Ventures ever handled Cannonborough, right?

12 A. Yes.

13 Q. And while you were at PrimeSouth Group, that
14 was the platform through which you worked on Chris's
15 assets right, PrimeSouth Group?

16 A. Correct.

17 Q. Now, as of the time you sought to have Price
18 Ventures handle Cannonborough, Price Ventures had no
19 employees, right?

20 A. Correct.

21 Q. In fact, today, it doesn't have any
22 employees?

23 A. It does. My wife.

24 Q. Okay. When I took your deposition, you
25 didn't have any employees?

1 A. Right.

2 Q. So this is a recent development? You're the
3 sole member?

4 A. I am.

5 Q. Okay. At the time you sought to have Price
6 Ventures handle Cannonborough, Price Ventures didn't
7 even have a city business license, right?

8 A. Correct.

9 Q. Does it have one now?

10 A. No.

11 Q. Although you operate business in the city of
12 Charleston?

13 A. My office is not located in the city of
14 Charleston.

15 Q. But you conduct business in the city of
16 Charleston?

17 A. I do, yes.

18 Q. But you don't have a business license?

19 A. No, sir.

20 Q. All right. And you don't carry errors and
21 omissions insurance, right?

22 A. I do not.

23 Q. You don't carry liability insurance?

24 A. I do not.

25 Q. And as you said, your office is in your

1 house?

2 A. Correct.

3 Q. All right. So Price Ventures is not the same
4 kind of operating platform as PrimeSouth, is it?

5 A. I wouldn't say that. We do similar things.
6 We just work out of different environments.

7 Q. When you wanted Cannonborough to move from
8 PrimeSouth Group to Price Ventures, you were asking
9 the company to replace a long-standing commercial
10 platform with a one-person operation, right?

11 A. Correct.

12 Q. Okay. You've testified that while you were
13 at PrimeSouth Group, you handled over 90 percent of
14 Chris Price's brokerage or leasing work, right?

15 A. Correct.

16 Q. And that included Cannonborough?

17 A. It was part of it, yes.

18 Q. During those years, the brokerage on those
19 listings was PrimeSouth Group, right?

20 A. There's -- I'm not sure we had brokerage
21 agreements with PrimeSouth Group. I just handled the
22 leasing activities of that property for the company.

23 Q. Not what I asked you. I asked during those
24 years, the brokerage on those listings was PrimeSouth
25 Group?

1 A. The brokerage on those listings were
2 PrimeSouth Group, yes.

3 Q. And you personally handled the leasing under
4 the PrimeSouth Group umbrella, right?

5 A. I did.

6 Q. Okay. Other agents at PrimeSouth Group
7 handled third-party work, but Chris's assets were
8 generally handled by you, correct?

9 A. Any third-party work that came into
10 PrimeSouth Group, I would pick up that work as well.
11 So I handled Chris's properties and also handled
12 third-party assets or third-party assignments that
13 came into PrimeSouth.

14 Q. Fair enough. But Chris's assets were handled
15 largely by you?

16 A. Correct, yes.

17 Q. Okay. The only real difference in 2023 was
18 that you were no longer at PrimeSouth Group, right?

19 A. Correct.

20 Q. You were, at that time, with your own
21 business, Price Ventures, for which you are the sole
22 member and at that time had no employees, right?

23 A. Correct.

24 Q. Okay. If you got the listing, you, through
25 Price Ventures, would get the commission, right?

1 A. Right.

2 Q. Not PrimeSouth Group?

3 A. Correct.

4 Q. If you got control as the owner of
5 Cannonborough, you could replace PrimeSouth Group as
6 property manager and collect the property management
7 fees yourself, right?

8 A. Yes.

9 Q. And that's what you did, and that's what
10 you're doing today, right?

11 A. Yes.

12 Q. All the property management fees now go to
13 you?

14 A. They do.

15 Q. Through Price Ventures rather than to
16 PrimeSouth Group?

17 A. They do.

18 Q. Okay. Now, Cannonborough had been listed for
19 lease multiple times before 2023, correct?

20 A. Yes.

21 Q. There was not a formal member vote every time
22 PrimeSouth Group listed the property, was there?

23 A. No, but it should have been under the listing
24 agreement.

25 Q. Well, you say that, Mr. Price, but you were

1 there, weren't you?

2 A. Correct.

3 Q. You were a member?

4 A. Yes.

5 Q. Did you insist on a meeting and a vote on
6 every listing agreement?

7 A. I was not the manager of the company.

8 Q. You were a member of the company, were you
9 not?

10 A. Yes.

11 Q. When you replaced Mr. Price in 2023, you were
12 not a manager either, were you? You were a member?

13 A. Correct.

14 Q. And you, with the other member or membered
15 group, replaced Mr. Price at that time?

16 A. We did.

17 Q. You could have insisted on an approval of a
18 listing agreement at any time in the years leading up
19 to 2023, at least the six times that the property was
20 listed, and you didn't do it, did you?

21 A. No.

22 Q. Okay. Chris made these decisions as manager,
23 right?

24 A. What decisions?

25 Q. Any decisions. But listing decision, let's

1 say. He made the listing decisions as the manager,
2 right?

3 A. Yes.

4 Q. Okay. And you did not object to those
5 decisions when you were at PrimeSouth, did you?

6 A. I handled the leasing for the company.

7 Q. Exactly.

8 A. I didn't object.

9 Q. Okay. You knew what was going on? You
10 worked there?

11 A. Right.

12 Q. Your office was right down the hall, right?

13 A. Yes.

14 Q. Okay. In fact, you told me in your
15 deposition that the family just trusted Chris to do
16 the right thing, correct?

17 A. That was correct.

18 Q. Okay. If you'll look at Exhibit 4. This is
19 the corporate resolution that gave Mr. Chris Price the
20 ability to manage completely the affairs of this
21 company, right?

22 A. It did.

23 Q. It did. And did you agree to this?

24 A. I did, yes.

25 Q. You did. In fact, your signature is here,

1 right?

2 A. Uh-huh, yes.

3 Q. All right. And for 20 years, you didn't
4 object to that, did you?

5 A. No.

6 Q. No. And, in fact, even after the operating
7 agreement was amended in 2010, nothing changed, did
8 it?

9 A. No.

10 Q. Mr. Chris Price continued right on as the
11 manager, and you all trusted him to do that, right?

12 A. Correct.

13 Q. Okay. For 23 years.

14 A. I don't know exact time, but, yes, that
15 sounds about right.

16 Q. Okay. Let's look at Exhibit 50, please.

17 (PLAINTIFF EXHIBIT NUMBER 50 WAS ADMITTED INTO
18 EVIDENCE.)

19 Q. Do you recognize this e-mail?

20 A. Yes.

21 Q. You sent this e-mail?

22 A. Yes.

23 Q. On June the 15th, 2023, right?

24 A. Yes.

25 Q. By this time, you had been away from

1 PrimeSouth Group about a year, right?

2 A. Correct.

3 Q. Okay. And you were operating as Price
4 Ventures, and you were insistent that you be allowed
5 to list the property rather than PrimeSouth Group as
6 it had been done for the last 20 years, right?

7 A. It would have been a change for the company
8 to not use me and use someone else. That would have
9 been the change.

10 Q. Well, you had been operating as PrimeSouth
11 Group, had you not?

12 A. It's where the license is held, but the
13 actual broker for the property -- the company wanted
14 to continue using me to broker the property regardless
15 of if it was PrimeSouth Group or Price Ventures. They
16 wanted to continue on with me as the broker.

17 Q. Experience for 20-something years was at
18 PrimeSouth Group through you as its agent leased the
19 property, right?

20 A. My license was -- I have been licensed since
21 2001.

22 Q. Right.

23 A. And -- yes.

24 Q. With PrimeSouth Group?

25 A. Correct.

1 Q. Okay. And so for all those years, PrimeSouth
2 Group was leasing the property, right?

3 A. The company was, the agency that held my
4 license. I was the broker that was handling the
5 leasing activity.

6 Q. And what changed from 2022 to 2023 was that
7 you were no longer at PrimeSouth Group?

8 A. Correct.

9 Q. And you were at your own company, right?

10 A. Correct.

11 Q. And you wanted to bring that leasing
12 commission with you?

13 A. That's not uncommon for owners of properties
14 to follow the listing brokers as they move around from
15 company to company.

16 Q. Is the answer to my question yes?

17 A. Can you repeat your question?

18 Q. You wanted to bring the leasing relationship
19 with you to Price Ventures?

20 A. I would have liked to have had that.

21 Q. That's what you wanted?

22 A. Yes.

23 Q. And you wanted also control of the company so
24 that you could be the property manager, right?

25 A. The control came later. That was not

1 something that was originally decided.

2 Q. The control did come later, though, right?

3 A. It did come later, yes.

4 Q. And, in fact, you told me that the reason --
5 at your deposition that the sole reason you voted to
6 remove Chris Price as manager was because of the
7 listing agreement, right?

8 A. The company voted to remove Chris Price.

9 Q. Well, the company is you, right? You and the
10 other voting block with David and Beth voted to remove
11 him, and that was over who got the listing agreement?

12 You told me in your deposition -- we can look at
13 it. You said the sole reason --

14 A. Yes, sir.

15 Q. Do you agree with that?

16 A. Yes, sir.

17 Q. Okay. The sole reason that Chris was removed
18 was so that you could have the listing agreement,
19 right?

20 A. He was not complying with the company
21 demands.

22 Q. The company demand was that you have the
23 listing agreement?

24 A. Correct.

25 Q. Right. So your vote to remove Chris was not

1 based on any claimed -- for example, a default of the
2 Encore loan.

3 That was in good shape, right?

4 A. Yes, it was.

5 Q. Yeah. And it wasn't based on any long
6 history of Cannonborough losing money, was it?

7 A. No.

8 Q. No. It was not based on a claim that there
9 was deferred maintenance, even though we heard a lot
10 about deferred maintenance earlier, right? There was
11 no discussion of that?

12 A. No, I do believe that was part of it as well.

13 Q. No, sir. You can't have it both ways. You
14 told me and you told this Court that the sole reason
15 you removed him was because of the leasing agreement.

16 A. That's what kicked it off, yes, sir.

17 Q. Well, that was the sole reason, right?

18 A. Yes.

19 Q. And it was no consideration of deferred
20 maintenance or anything else until we got into this
21 lawsuit, right? Is that correct?

22 A. I have been with PrimeSouth Group for a long
23 time. I have seen how the properties are handled. I
24 have seen how the management is handled.

25 I don't have the ability in other companies I'm

1 involved with with Chris Price to do anything about
2 it. I'm a minority member.

3 Cannonborough, we're equal partners in that. I
4 know how the property could be run. And the company
5 made a decision to make a change like some companies
6 make changes to see what is different or what is
7 better.

8 Q. Here, the reason to make the change was so
9 that so you could get the listing agreement?

10 A. Correct. I felt I was the better choice to
11 market the property than Chris Price was.

12 Q. All right. Now, the context of all of this
13 is that a year earlier, you had left PrimeSouth Group?

14 A. Right.

15 Q. And you had left following a physical
16 altercation that you had with Clinton Chamness in the
17 office?

18 A. That is not correct.

19 Q. Is it not true, Mr. Price, that you left the
20 company within a week after having a fight with
21 Clinton Chamness and being asked not to come back to
22 the office?

23 A. I left the office before Chris sent a letter
24 to me saying that I needed to work remotely.

25 Chris was out of the country. Clinton Chamness

1 and I had a disagreement. It was not a fight. It was
2 a verbal altercation, and he pushed me and ripped my
3 shirt.

4 I did not go back to the office, and I used that
5 as a reason to finally leave PrimeSouth Group, which I
6 should have done earlier.

7 Q. And your brother asked you not to come back
8 to the office?

9 A. He said I needed to work remotely.

10 Q. And then you decided, rather than working
11 remotely, you would clear your office out and start up
12 as Price Ventures?

13 A. That decision was made before I left the
14 office. I did not get Chris's letter sent to me until
15 Saturday. I cleared out my office before I left the
16 country on Friday night with my son.

17 Q. Okay.

18 A. So that decision for me to leave PrimeSouth
19 Group, clean out my belongings, leave the company was
20 made prior to being notified via e-mail from Chris
21 Saturday morning when I was leaving the country for me
22 to work remotely.

23 Q. And after this fight in the office?

24 A. After a verbal altercation in the office.

25 Q. That involved clothes getting torn?

1 A. Yes.

2 Q. Now, also around the 2023 time when we see
3 this e-mail from you on June the 15th, 2023, there was
4 also a separate situation in which your father was
5 adverse to Chris and had a reason to replace him as
6 well, right?

7 A. I'm not -- what are you --

8 Q. Was Chris not involved in litigation with
9 your father at that time in Kentucky to secure
10 financial support for your mother?

11 A. That was four years and Chris decided to sue
12 my father, our father, about two weeks after he was
13 removed as property manager.

14 Q. Was not that litigation ongoing at this time?

15 A. No. Chris was removed as manager and
16 property manager and then Chris Price sued our father
17 after those events occurred.

18 Q. Based on failure to provide support to your
19 mother?

20 A. Well, that was four years ago. And our
21 father sent a letter to all of the kids saying he can
22 no longer provide financial support. And none of the
23 three kids, four years, said anything to that effect
24 until Chris Price was removed as manager -- as manager
25 of the company and as property manager. And then two

1 weeks after that event, two weeks after all of that,
2 then he turned around and filed a suit on something
3 that was four years previous.

4 So it's not like something just happened. It was
5 four years previously.

6 Q. Four years in the making, right?

7 A. It was a four year -- Dad in 2019 notified
8 the sons that he could no longer continue financial
9 support for our mother.

10 Q. And, in fact, the litigation was concluded
11 with the court ruling in favor of your mother in the
12 case brought by Chris, correct?

13 A. Correct.

14 Q. Yes.

15 A. But you had the timeframe backwards. It
16 was -- the litigation that Chris brought against our
17 father was not before. It was after he was removed.

18 Q. Cause was certainly before, was it not?

19 A. Yes.

20 Q. Yes. So when you and David and Beth voted to
21 remove Chris in June of 2023, you had reasons beyond
22 the listing for wanting to harm Chris and remove this
23 role from him?

24 A. No, we did not want to harm Chris.

25 Q. Now, other than Cannonborough, you have never

1 attempted to remove Chris or PrimeSouth Group from any
2 other ownership entity, have you?

3 A. No.

4 Q. Haven't tried to remove him from 475-479 King
5 Street, LLC?

6 A. No.

7 Q. Or any other --

8 A. No.

9 Q. -- company in which he's involved?

10 A. No.

11 Q. You have never gone around trying to persuade
12 others to remove Chris or PrimeSouth Group from any
13 other company, have you?

14 A. No.

15 Q. So Cannonborough is the only one?

16 A. Correct.

17 Q. And, again, it comes down to the listing,
18 right?

19 A. It's the only company that -- every other
20 company I'm involved in with Chris, any other real
21 estate deal, I'm a minority member.

22 The only other one we had was at 420 King Street,
23 which Chris was the minority member, and the majority
24 interest decided to sell the property. And we ended
25 up -- Chris bought us all out.

1 Q. Well, you're all majority interest in
2 Cannonborough except for when two get together, right?

3 A. Correct.

4 Q. You're not compensated as a managing member
5 of Cannonborough, correct?

6 A. No.

7 Q. But you are compensated as the property
8 manager of Cannonborough, right?

9 A. That's correct.

10 Q. It only has the one property?

11 A. Two properties. There are two tenants in 12
12 Rutledge.

13 Q. But it's the same property? It's the same
14 location?

15 A. It is, yes.

16 Q. Okay. And that compensation is a percentage
17 of the income on a monthly basis, correct?

18 A. It is.

19 Q. All right. So if Price Ventures became the
20 property manager, Price Ventures would be the one
21 receiving financial compensation?

22 A. Correct.

23 Q. You persuaded your father and Beth to approve
24 your compensation as property manager rather than
25 PrimeSouth Group?

1 A. It's the same rate that PrimeSouth Group was
2 charging.

3 Q. And PrimeSouth Group had been doing it for
4 the entire time that the company existed, right, up
5 until that time?

6 A. That's correct.

7 Q. Now, in your deposition, you testified that
8 your view is that the operating agreement required
9 majority approval to enter into a listing agreement,
10 right?

11 A. Correct.

12 Q. But in practice, that's not how Cannonborough
13 operated for years, was it?

14 A. No.

15 Q. You had said that, in your direct testimony,
16 Mr. Price, that you had sent an e-mail regarding the
17 Encore note and your conversation with Ms. Meyer and
18 that you gave your impressions of your conversation
19 with her, right? You sent an e-mail out --

20 A. Yes.

21 Q. -- about that. I want you to look, please,
22 at Exhibit 16.

23 (PLAINTIFF EXHIBIT NUMBER 16 WAS ADMITTED INTO
24 EVIDENCE.)

25 Q. Now, in this letter, Ms. Meyer expresses a

1 different opinion than the one you say she gave you, I
2 guess, right?

3 Doesn't she say, "Based on the loan documents,
4 any changes to the organizational structure or
5 guarantees could trigger a default of the note. We
6 would view this as a material change, especially right
7 now when there's a vacancy. We rely on your personal
8 guarantee" -- and this is directed to Mr. Chris
9 Price -- "and wherewithal to satisfy our underwriting
10 benchmarks. It's unlikely we would entertain any
11 changes to this loan without reviewing it as a full
12 refinance."

13 A. I was not looking at changing the loan. She
14 did state that it could trigger an event of default,
15 could trigger. And she did leave a word out that was
16 actually in the loan documents that we would -- it's
17 not material change. In the loan documents, it
18 actually states adverse material change. Something
19 adverse to the company or adverse, I guess, to the
20 collateral for the bank and the properties.

21 So she left out adverse material change could
22 trigger an event of default, and I wasn't looking at
23 changing anything with the loan structure. If
24 anything, I would offer to provide personal guarantees
25 to the bank to give them comfort.

1 Q. They never asked you for that, for a personal
2 guarantee?

3 A. No.

4 Q. The personal guarantee was given by Chris
5 Price. That's who they wanted the personal guarantee
6 from, right?

7 A. Correct. We personally guaranteed the loan
8 in the past. We just weren't asked to guarantee this
9 loan.

10 Q. And you say you offered to give a guarantee?

11 A. I did, yes.

12 Q. Where was that in any of those e-mails?

13 A. It was a conversation that I had with Fallon.
14 When I went to the bank, I offered that.

15 Q. She doesn't mention that in her letter, does
16 she?

17 This letter occurred after you met with her, did
18 it not?

19 A. No, that was before. I didn't meet with her
20 until the 15th of August or 18th of August. This is
21 August 10th, and this is what precipitated me to go
22 meet with her because I got this letter and I wanted
23 to assure her that there was no problems with the
24 company, that the concern -- the bank concern to fill
25 the primary vacancy, which was her concern to make

1 sure the mortgage payments were made on time, that we
2 had enough money coming in.

3 These are -- I put together a binder, and I had
4 seven LOIs, seven term sheets that I work with, seven
5 groups, bona fide prospects saying, hey, we're looking
6 to fill this. Makan was the most promising.

7 And I said if you're concerned about anything or
8 she mentioned the guarantee, if Chris tried to get off
9 the guarantee, we would be more than happy to sign on
10 as guarantors. We just were not asked. So Dad, Beth,
11 and I, all three of us, would sign on for that.

12 So this letter came before I met with Fallon
13 Meyer. This is the reason I went to go actually meet
14 with her.

15 Q. It's contrary to your e-mail, is it not?

16 A. What's my e-mail?

17 Q. The e-mail that you sent out that talked
18 about your impressions of your meeting with her.

19 A. No. She said it could trigger default, and
20 she is correct. I mean, it could -- it could trigger
21 default, but she did leave out in here, she said
22 material change. It actually states in the loan
23 documents an adverse material change. If a bank is
24 going to send a letter like this, they need to -- it's
25 not just a material change. It's an adverse material

1 change.

2 Q. Are you aware of any letter that she sent
3 after this one and after she met with you that
4 modifies in any way this position of Encore Bank?

5 A. Am I -- did she send me a letter after this
6 letter?

7 Q. Send anybody a letter?
8 After she met with you, did she say: Oh, gosh,
9 I'm sorry. I changed my mind. And issue a letter
10 that is different than the August 10th letter?

11 A. I don't recall getting a letter from her, no.

12 Q. Okay. Are you aware that any such letter
13 exists?

14 A. Other than what she stated?

15 Q. Yes, sir.

16 A. No.

17 Q. Okay. Now, let's go for a minute to the
18 475-479 King Street, LLC issue. You knew about this 4
19 percent allocation by Chris for the work that he did
20 on this property for years?

21 A. Correct.

22 Q. Did you ever state an objection to that?

23 A. No. We talked about it. Dad was adverse to
24 it. At that time, I didn't care whether he got, you
25 know, paid or not. If they do work, they should get

1 paid.

2 But the problem was is when I took over
3 management of the company and I started looking at the
4 affairs of the company, my job was to account for the
5 assets of the company, account for the documents of
6 the company, account for the financial stability of
7 the company.

8 What I have asked for is where is the
9 documentation? Where is the authority at that time to
10 transfer 4 percent of a company asset to himself?

11 There was no approval for doing that. I knew it
12 happened. That's how I even know to bring it up. If
13 I didn't know about it, I wouldn't have brought it up.

14 Q. You said nothing about it. In fact, you said
15 you thought people ought to get paid for the work they
16 do, right?

17 A. Exactly. That's why I want to get paid for
18 the property management that I'm doing. I want to get
19 paid for the leasing commission, for filling a vacancy
20 of the property as a broker. People need to get paid
21 for the work they do.

22 Q. Let's go to tab 5, please. These are all of
23 the resolutions from June and July and October of '23,
24 right?

25 A. Yes.

1 Q. And you talked about those, particularly this
2 first one, June 22nd, 2023.

3 First of all, I would like for you to confirm for
4 me the date. You had sent the initial e-mail on June
5 the 15th, did you not, stating this e-mail is to serve
6 as documentation that the majority ownership did not
7 consent to nor do we approve of Chris Price, Jackie
8 Stokes, or any other representative of PrimeSouth
9 Group engaging in any real estate marketing efforts
10 pertaining to the ownership's property.

11 That was June 15th. Seven days later on June the
12 22nd, Cannonborough meets in the form of you and David
13 Price and Beth Price and removes Chris Price as
14 manager, right?

15 A. Yes.

16 Q. Seven days later?

17 A. I don't know the date of that one.

18 Q. From June 15th to June 22, right?

19 A. If that's the date of the letter I sent,
20 then, yes.

21 Q. I mean, I can show it to you. It's Exhibit
22 50. It's right in front of you.

23 A. Yes.

24 Q. Okay. Now, who drafted this?

25 A. I did.

1 Q. You did? You didn't engage counsel?

2 A. No.

3 Q. All right. When did you start drafting this?

4 A. I don't know.

5 Q. How soon in advance of June the 15th before
6 you sent the notice did you plan with David and Beth
7 to remove Chris as the manager?

8 A. We talked about it after Chris was not
9 complying with the company demands. PrimeSouth Group
10 was not complying with taking the signs off the
11 building, taking the fraudulent listing out of CMLS.
12 They were not complying with that, so we discussed and
13 removed Chris as manager of the company.

14 Q. Well, wait a minute. When you say he wasn't
15 complying, he was continuing to list the property
16 through PrimeSouth Group as it had been listed for
17 more than 20 years, right?

18 A. The letter -- well, I was the broker on the
19 property.

20 Q. Working for PrimeSouth Group, right?

21 A. Independently. They were holding my license.

22 Q. Your license was with PrimeSouth Group?

23 A. Correct.

24 Q. You were acting as PrimeSouth Group; were you
25 not?

1 A. Correct.

2 Q. When the sign went up on the building, it
3 says PrimeSouth Group, see Patrick Price?

4 A. In the past, yes.

5 Q. For 20-something years?

6 A. Correct.

7 Q. Right. And Chris's failure to comply was
8 failure to comply with your demand that you move the
9 listing from PrimeSouth Group to your new company?

10 A. No, sir. It was a change. A change would
11 have been if the company did not continue with me as
12 marketing the property. The company wanted Patrick
13 Price to continue marketing the property as Patrick
14 Price has always done.

15 So the company, as in other clients that I've had
16 since I left PrimeSouth Group, they didn't stay with
17 PrimeSouth Group. They followed me as the broker.

18 So the company wanted to retain me. I was the
19 most -- I have done the leasing. That's what I did.
20 I am an active broker. Chris Price is not an active
21 broker. He is semi-retired. He travels, and he's not
22 around.

23 So the company made a decision. Do they want
24 Chris Price to lease the property, or do they want
25 Patrick Price to lease the property?

1 Q. The company made the decision. You and David
2 and Beth made the decision?

3 A. That is the company majority interest under
4 the operating agreement.

5 Q. For years, Mr. Price, Cannonborough used
6 PrimeSouth Group for management and leasing, right?

7 A. That is correct.

8 Q. And during those years, you personally
9 handled most of that leasing through PrimeSouth Group,
10 right?

11 A. I handled all the leasing.

12 Q. All of it?

13 A. Yes, sir.

14 Q. You didn't object to that arrangement while
15 you were at PrimeSouth Group, did you?

16 A. No.

17 Q. And after you left PrimeSouth Group, you
18 wanted Price Ventures to have the Cannonborough
19 listing?

20 A. The majority interest decided to have that
21 done, yes.

22 Q. You and David and Beth, right?

23 A. That is the company, yes. That's majority
24 interest of the company, yes, sir.

25 Q. Chris made the decision, business decision,

1 to keep the listing with PrimeSouth Group where it had
2 been for 20-something years, right?

3 A. Yes.

4 Q. That was his business decision?

5 A. Yes.

6 Q. As the manager?

7 A. At the time, yes.

8 Q. Okay. But because you wanted the listing,
9 the commission, and the property management revenue,
10 you, David, and Beth voted to remove Chris as the
11 manager of this LLC, right?

12 A. Removing him as the manager of the company is
13 a different timeframe than removing him as property
14 manager.

15 The property manager, we could not have a
16 minority member that bought the loan that was hostile
17 to the company to pay themselves. We could not get an
18 understanding of where the payments were being made,
19 if they were being applied.

20 So how could we, as a company, keep the existing
21 property manager in place? PrimeSouth Group, in order
22 to -- the rents came in, and Chris was responsible for
23 paying essentially himself the mortgage payment.

24 We couldn't get an understanding if that was
25 being applied correctly. They weren't even depositing

1 the checks.

2 So they made -- it's not the same timeframe of
3 removing him as manager of the company until removing
4 him as property manager. Those were two different
5 timeframes.

6 Q. You removed Chris Price as the manager of the
7 corporation solely to take the listing with you,
8 right?

9 MR. KHAN: Objection. Same question has been
10 asked about 15 times already. I think it's
11 established.

12 THE COURT: I think he's answered that. I'll
13 sustain that.

14 MR. GOWDER: With that, Your Honor, I will
15 end. Thank you.

16 MR. KHAN: Maybe one or two questions.

17 THE COURT: Sure.

18 REDIRECT EXAMINATION

19 BY MR. KHAN:

20 Q. Patrick, you and Mr. Gowder had a long
21 discussion about all of this talk of why there was a
22 change, correct?

23 A. Yes.

24 Q. Why do this, years of status quo. You
25 recall?

1 A. Yes.

2 Q. Okay. Is any reason under the operating
3 agreement required at all?

4 A. No. There's no reason you need to provide
5 under the operating agreement to remove a manager.

6 Q. Or what about no reason at all?

7 A. No reason at all.

8 Q. Okay.

9 MR. KHAN: That's all I have, Your Honor.

10 MR. GOWDER: Nothing further.

11 THE COURT: All right.

12 WITNESS: Am I able to say something or are
13 we done?

14 MR. KHAN: We're done. There's no question.

15 THE COURT: Best just to stick with the
16 question and answer. You may step down. All right.

17 Is that plaintiff's case?

18 MR. KHAN: That is the plaintiff's case.

19 MR. GOWDER: Your Honor, I will move for
20 directed verdict on the three causes of action for the
21 record.

22 I understand the Court may want to take
23 argument later, but for the record, I will move for
24 directed verdict.

25 THE COURT: Let's just take -- I will note

1 the motion. Just take them under advisement for now.
2 It's quarter to 1:00 Why don't we come back about an
3 hour to 2:00 to start back and start in on defense
4 case at that time.

5 Thank you very much. All right.

6 (Recess.)

7 THE COURT: Mr. Gowder?

8 MR. GOWDER: Thank, you Your Honor. We would
9 call Mr. Christopher Price to the stand.

10 THE COURT: Mr. Price, come on around.

11 CHRISTOPHER PRICE, having been duly sworn to
12 tell the truth, the whole truth, and nothing but the
13 truth, was examined and testified as follows:

14 THE COURT: Thank you, sir. Give us your
15 full name and address.

16 WITNESS: Christopher L. Price, 1075 Ripley
17 Drive, Charleston, South Carolina, 29412.

18 THE COURT: James Island. Very good. Thank
19 you sir. All right.

20 DIRECT EXAMINATION

21 BY MR. GOWDER:

22 Q. Good afternoon. Would you tell the Court
23 again what you do for a living?

24 A. Commercial real estate, management brokerage
25 development, particularly development in -- recently

1 the company has kind of endeavored into asset
2 management, and that's primarily what we do now.

3 Q. All right. And what company do you operate
4 through generally?

5 A. PrimeSouth Group.

6 Q. All right. And what is PrimeSouth Group?

7 A. PrimeSouth Group is a company established in
8 the '90s. And over the years what has made us
9 different than most other development companies is
10 that we buy, we build, and we hold properties.

11 And so over 35 years in business, we have morphed
12 into more of an asset-management based company.

13 Q. Very good. Are you the owner of PrimeSouth
14 Group?

15 A. Yes.

16 Q. Are there other owners?

17 A. No.

18 Q. And is PrimeSouth your principal occupation
19 and source of business?

20 A. Yes.

21 Q. What kind of -- you talked a little bit about
22 it. What kind of work specifically does PrimeSouth
23 Group perform?

24 A. I would say our specialty is office and
25 retail type products and, you know, we've done

1 probably 50 projects and majority of them were
2 downtown Charleston.

3 And we still hold most of them, but our specialty
4 if you had to say it is mixed-use type product,
5 retail, office, maybe some condominiums or
6 residential. But very light on the industrial side or
7 manufacturing side.

8 Q. Very good. How long have you been in the
9 commercial real estate business?

10 A. 35-plus years.

11 Q. Does PrimeSouth Group have employees?

12 A. Yes.

13 Q. How many employees?

14 A. Two full-time employees.

15 Q. And who are they?

16 A. Jackie Stokes and Clinton Chamness.

17 Q. And what do Jackie and Clinton do?

18 A. Jackie is jack of all trades, but primarily
19 property management, and she does a lot of
20 construction management for us now.

21 And Clinton is all the financial. He's my CFO.
22 But in addition to that, we have probably five
23 third-party brokers underneath my shield. One of them
24 is Margaret Brockington who does a lot of my retail
25 work, and she's been around -- probably the best

1 retail broker in town.

2 Q. And these brokers all have their licenses
3 with you and do commercial real estate through you?

4 A. Correct, yeah.

5 Q. More generally, do you own interest in other
6 real estate LLCs and single asset entities besides
7 Cannonborough?

8 A. Yes.

9 Q. And about how many of those are you involved
10 with would you say?

11 A. Probably currently have over 30 buildings,
12 parcels, and 20 different partnerships. You know,
13 we're very fortunate that we're super majority owners
14 in all of these LLCs.

15 And the structure is that PrimeSouth Group is the
16 operating company and then each individual asset is an
17 LLC, a single-asset LLC.

18 Q. All right, sir. And in those entities, what
19 role do you typically play with respect to financing
20 and management development?

21 A. All of the above. So I'm the developer. I'm
22 the finance guy. I negotiate the contracts. I do a
23 lot of leasing myself.

24 This year, I know we've -- everybody thinks I'm
25 retired now, but I'm not. We've had the busiest year

1 we've had and probably done 60, 70,000 square feet on
2 King Street. We're very active. I do a lot of
3 leasing myself, too.

4 Q. I was going to follow up on a little
5 testimony we heard this morning.

6 Are you semi-retired?

7 A. No. Working more now than I ever have.

8 Q. Okay. Turning to Cannonborough, who are the
9 original members when it was formed?

10 A. David Price, Patrick Price, and myself.

11 Q. All right. And at some point, as we heard
12 earlier, was Beth Price added as part of David Price's
13 part of the ownership?

14 A. Correct, yes.

15 Q. And who was the attorney you worked with?

16 A. Originally, it was James Suddeth and then
17 Jamison Cox was the superseding attorney after James.

18 Q. Okay. And what role did you play in forming
19 and organizing Cannonborough?

20 A. I found the project, I formed the project,
21 bought the project, and then I actually developed the
22 project. So any capacity of that project was done by
23 me solely by me.

24 Q. Okay. Did that include, you know, putting
25 the financial deal together?

1 A. Correct. Always. Always has.

2 Q. Right. And arranging for the financing?

3 A. Correct.

4 Q. Okay. Was that the reason that you served as
5 the company's manager?

6 A. Correct, yes.

7 Q. All right. And we looked earlier today at
8 both Exhibits 1 and 2. You have documents in front of
9 you?

10 A. I do.

11 Q. Okay. If you'll look very quickly at Exhibit
12 1.

13 A. Yes.

14 Q. Do you recognize that as the operating
15 agreement of Cannonborough dated February 28th, 2002?

16 A. Yes.

17 Q. And then was that document created at the
18 formation of the company?

19 A. Yes.

20 Q. Okay. And then there was Exhibit 2, the
21 first amendment to the operating agreement. That's
22 what we heard about earlier where Mrs. Beth Price was
23 added as part of the ownership structure?

24 A. Correct.

25 Q. All right, sir. Next, let's look please at

1 Exhibit 4. What is this?

2 A. This document is -- so when we formed the
3 company -- and this is very important. This is a
4 control document for the LLC. I mean, it controls
5 everything.

6 And the reason that -- it's viewed as a
7 structural document for the company. And when I say
8 structural, I'm talking about articles of
9 incorporation. This controls the partnership. And
10 the reason this was put in place and everybody has
11 agreed to it is that I am the responsible party for
12 everything on this project.

13 And in order for this project to move forward at
14 the time, I did require everybody to say, you know,
15 I'm going to control it. And if we're going to do it
16 and I'm going to be responsible for it and guarantee
17 the loans and do the development, I don't want to be
18 bogged down in any decision making. This is how it's
19 going to be, and everybody has agreed to this
20 structure, and it's always been that way.

21 Q. Why was it important for you to have this
22 level of control through this document?

23 A. Well, in all of our partnerships, we're
24 typically super majority role. But there are two or
25 three partnerships that we do not have voting control.

1 And so I will put in a mechanism like this that
2 garners the operational or the structural portion of
3 the project.

4 So in other words, I can't be outvoted if this
5 type of instrument is in place for the structural
6 integrity of the partnership.

7 And this is done because I don't want to be in a
8 minority position to get in a quagmire on refinancing
9 hence causing default -- causing issues, causing
10 guarantee issues, et cetera, et cetera. So that's why
11 this structural document is in place.

12 Q. At the acquisition of the property, did you
13 have to go to a lender to obtain financing?

14 A. Absolutely.

15 Q. Okay. And as part of that financing, were
16 you required to be a guarantee?

17 A. Yes.

18 Q. Did anyone else in the company give a
19 guarantee other than you?

20 A. Not at the time.

21 Q. And so did the fact that you were the sole
22 guarantor have something to do with this agreement?

23 A. Correct, yes.

24 Q. All right.

25 A. Even if -- I don't recall -- I think we

1 stopped doing guarantees. We might have added people
2 at some point.

3 But at the end of the day, the financial
4 wherewithal came from me, not anybody else in the
5 partnership.

6 Q. Okay. I'm looking at the second paragraph in
7 the consent, and it said that: As managing member,
8 Christopher Price shall have full authority and power
9 solely and alone to execute on behalf of the company
10 without the necessity for execution by or prior
11 consent of any other member.

12 Was that intentional language?

13 A. Yes.

14 Q. Okay. And then it also said further in the
15 paragraph that the -- I'm sorry, in the next
16 paragraph: Christopher L. Price shall continue to
17 hold the power and authority of the managing member
18 hereby granted until such time as he shall elect to
19 resign such authority by written notice to the
20 company.

21 Was that intentional?

22 A. Yes.

23 Q. All right, sir. And it means what it said?

24 A. Correct.

25 Q. All right, sir. Now, we heard discussion

1 this morning about the 2010 first amended operating
2 agreement.

3 Would you go to tab 3, please?

4 Were you involved in having this document
5 prepared?

6 A. Yes.

7 Q. And did all the members sign it?

8 A. Yes.

9 Q. Okay. And why was this 2010 agreement
10 prepared?

11 A. My recollection would be that the bank was
12 wanting an updated operating agreement. So I drafted
13 it and updated some of the -- you know, our original
14 operating agreements were, at this point, eight years
15 old.

16 We updated them to obviously add some provisions
17 to it. But certainly there was -- you know, the way
18 we did this was the operating agreement here
19 supersedes the previous operating agreement and
20 nothing else.

21 The structural document that maintains control of
22 the partnership is there in a separate document. And
23 that's -- that was on purpose and, you know, if --

24 MR. KHAN: Your Honor, I object to the
25 intentions as we talked about this morning.

1 THE COURT: Okay.

2 MR. GOWDER: Well, Your Honor, again, it goes
3 to, you know, we talked a lot about intentions through
4 the entire morning, and I think the first witness was
5 asked a number of questions about his belief about or
6 opinion of documents.

7 And I think it all goes to everyone's state
8 of mind, everyone's good faith, everyone's performance
9 under these documents. So I think that context is
10 important.

11 Again, we're not offering it to change any
12 language or modify any language, but we think the
13 context is important.

14 MR. KHAN: I think any continued testimony
15 about what his intentions were as it relates to this
16 control document as he calls it and the current
17 operating agreement is parol evidence.

18 There hasn't been a ruling that the documents
19 are ambiguous and, therefore, it's a problem.

20 THE COURT: I'm going to allow him to give
21 his opinion as to what he thinks it means, but I'm
22 going to be the one making the decision. Let's see if
23 we can press forward.

24 BY MR. GOWDER:

25 Q. At the time this document was prepared, did

1 you understand that your role as the person
2 responsible for the financing and guarantee of the
3 company remained the same?

4 A. Absolutely.

5 Q. Okay. And did you understand that Exhibit 4,
6 the unanimous consent, we'll call it, survived and
7 reflected the intended management structure?

8 A. Correct. It would survive. And, you know,
9 in putting together the new operating agreement or
10 revised or updated operating agreement, why would
11 anybody take away their control aspect if they're
12 responsible for the partnership, all aspects of the
13 partnership. I just wouldn't do that.

14 Q. Okay.

15 A. Yeah.

16 Q. Mr. Price, once Cannonborough was up and
17 operating, how was the property managed on a regular
18 basis?

19 A. Jackie Stokes in my office is the property
20 manager. And so basically PrimeSouth Group would come
21 in, and not just this partnership, but any
22 partnership, and would manage the property.

23 And when I say manage the property, day-to-day
24 operations, repairs. We do all the accounting, not
25 the tax prep, but, you know, receiving of rents,

1 paying bills, et cetera that any property manager
2 would do. Yeah.

3 Q. All right. And what role did PrimeSouth
4 Group play in all of that?

5 A. It was the property manager, yeah, and has
6 always been the property manager from day one
7 continuously for 20, 21 years. Yeah.

8 Q. In fact, until 2023?

9 A. Until 2023.

10 Q. Over the years, were there complaints from
11 the members of Cannonborough about how Cannonborough
12 was being managed?

13 A. Never.

14 So I can put it concisely for you that when we
15 began this LLC, there was not one complaint from
16 anybody in this partnership until June 15th of 2023
17 when I was notified that they wanted to change the
18 listing. Yeah.

19 Q. All right, sir. How would you describe the
20 business relationship among the members during the
21 first 23 years?

22 A. We had no issues. I mean, there's documents
23 in this court case that have circulated that have --
24 you know, I hate to say praised, but we've been very
25 fortunate with the partnership. But praised our

1 ability to manage it the way it was and, you know,
2 thank you. And there's documents for that.

3 Q. Before 2023, had PrimeSouth's role in leasing
4 and management of Cannonborough been seriously
5 challenged by the other members?

6 A. Never.

7 Q. Did PrimeSouth Group maintain a Cannonborough
8 operating account?

9 A. Yes.

10 Q. What expenses were typically paid from that
11 account?

12 A. All expenses. Day-to-day operating expenses,
13 the mortgages, anything would be coming out of that
14 account. It's a third party, arm's length account
15 that anybody can take a look at.

16 Q. Before Charleston Acquisition Group acquired
17 the Encore note, how were the monthly Encore payments
18 tracked and made?

19 A. We have an internal software program that
20 tracks all of our payments, and it's all electronic.
21 The actual note is based on a amortization schedule
22 that the bank originally put together.

23 We followed that. And when we transferred it
24 over to CAG. Again, we followed that, but all out of
25 the same account.

1 Q. In the ordinary course of accounting terms,
2 was PrimeSouth Group using its own money to pay
3 Cannonborough's debt or was it using Cannonborough's
4 funds to pay Cannonborough's debt?

5 A. Cannonborough's funds.

6 Q. Okay. Now, while Patrick Price was working
7 with or through PrimeSouth Group, what role did he
8 play in leasing activity for Cannonborough?

9 A. For Cannonborough or in general?

10 Q. In general first.

11 A. Patrick was an agent for PrimeSouth Group.
12 He was a leasing agent.

13 And typically most of our internal projects, I
14 would assign him a project, you know, a space to
15 lease. He would do that as an agent of PrimeSouth.

16 You know, that all goes back to agency
17 relationships, and PrimeSouth Group is the brokerage
18 company. Patrick or anybody else who is doing the
19 leasing is an agent of that brokerage firm, and that's
20 the way it was set up. That's the way Cannonborough
21 was handled.

22 You know, I guess 20 years of Cannonborough, we
23 maybe have had two or three turnovers, and they were
24 actually internal turnovers.

25 When we say internal, we had people ready to go

1 to take over some of these leases, so we would both
2 work on these transactions.

3 Q. Was he working independently from PrimeSouth
4 Group or under the PrimeSouth Group structure?

5 A. Under the PrimeSouth Group structure.

6 Q. Okay. Did PrimeSouth Group and Jackie Stokes
7 support the leasing activity?

8 A. Absolutely, yeah.

9 Q. How did that arrangement work in practice?

10 A. Well, you know, at Cannonborough or any of
11 the projects?

12 Q. Let's use Cannonborough.

13 A. So I would typically assign Patrick a project
14 to work on, like a Cannonborough. And any resources
15 that he would need from accounting, from property
16 management, or anything that we can provide -- and we
17 do.

18 So, you know, typically, some of these leases
19 would have triple net charges, taxes, insurance, and
20 CAMS, and all these things that tenants want to look
21 at.

22 Patrick would commonly go to Jackie and get those
23 figures and maybe go to Clinton for clarification of
24 tax bills and, you know, those kind of things. But
25 absolutely a hundred percent supportive.

1 Q. Okay.

2 A. Yeah.

3 Q. Turn your attention to the relationship with
4 Patrick at PrimeSouth.

5 When did the relationship with him begin to
6 change in a meaningful way?

7 A. It was changing over the years, but really
8 probably -- and I'm going to get the dates wrong.

9 But probably 2018, 2019, you could see a
10 continually anger management issue, and he flipped
11 over my desk in my office. That was '18, '19.

12 But the big fall out was probably when I removed
13 him from the office in 2022 for assaulting my CFO.
14 Yeah. That was the big premise of the fall out
15 between the two of us.

16 Q. And soon thereafter, did Patrick leave
17 PrimeSouth Group?

18 A. Yes. I think the event happened on a
19 Monday/Tuesday, and I immediately said do not come
20 back into the office, and then I drafted a letter to
21 where I removed him from the office for those reasons,
22 and he received it on a Friday, and he removed all his
23 things and left town on Saturday.

24 Q. Okay. After Patrick left PrimeSouth Group,
25 when did you first learn he wanted Price Ventures to

1 handle the Cannonborough leasing?

2 A. You know, I want to clear the dates up here
3 for the judge.

4 April, May, and June of 2023, we were all working
5 together. Patrick, myself, Jackie, Clinton. We were
6 all working together to lease the building.

7 There was never a vacancy. Never, ever a vacancy
8 at the property. We were working with a tenant that
9 was rolling out of the building.

10 We had four to five months of depository funds
11 that if they did roll out, we're still going to get
12 paid. And that's sitting in the bank.

13 So there's never a gap of this so-called vacancy.
14 April, May, June, we were working on the potential
15 roll out of this client.

16 So during that time, probably six to eight
17 prospects from me, six to eight prospects from Patrick
18 were available. So realistically, we don't have to go
19 and put this on the market. Most property, good
20 property, it is done behind closed doors.

21 So these are called dark listings. It's really
22 all about relationships, and we had that space filled
23 before I told Patrick on the 13th that he cannot have
24 the listing.

25 He came to me with a client, a tenant, Makan, and

1 he wanted to work Makan, period. And I said that's
2 fine. You can get paid, but you're not going to have
3 the listing and put your signs up on this building
4 because this is the way we've operated for 20 years.

5 So two days after I sent that e-mail that he will
6 not get the listing is when all of this kind of came
7 about.

8 So keep in mind that listings are not all about
9 pretty pictures and pretty brochures. What sells
10 property is location. Location, period. You know,
11 these wonderful pictures that we saw with these
12 listings that I had today, there's three of them, two
13 of the three have been leased. Done. Off the table.

14 The third is a development project that I had
15 Jackie put her name up there for for just receiving
16 calls. It is very, very common in the real estate
17 industry for a busy broker like I am to have an
18 assistant or to team up with people.

19 So, you know, yes, the 15th was the first time I
20 thought or had any notion that we're going to have an
21 issue on the project.

22 Q. How many listings had Cannonborough handled
23 before June 15th, 2023?

24 A. Same as always. Has for the entire life of
25 the entity. PrimeSouth Group leases it. It manages

1 and leases it.

2 And I would say: Patrick, you know, we're
3 getting ready to have a turnover. This guy's lease is
4 up. Go handle this.

5 Q. What was different, then, about June of 2023?
6 What made it different?

7 A. Patrick was no longer in the office, and he
8 had his own company and separated from me. So that
9 was the big difference.

10 Q. Did he disagree with PrimeSouth Group having
11 the listing?

12 A. Not until the 15th.

13 Q. But at that time, was that his objection?

14 A. Yes. And prior to that, you know, he was
15 working with my staff on the project.

16 Q. Okay. Was this the first time that you heard
17 that Price Ventures would be in the mix when Patrick
18 was declined?

19 A. Yes. Now, when I say that, Patrick's always
20 been paid through Price Ventures, yeah.

21 Q. Take a look, if you would, at Exhibit 37.

22 A. Okay.

23 Q. Is this the -- I will ask you. What is this?

24 A. This is a listing agreement -- not a listing
25 agreement but a listing in the MLS system.

1 Q. And what property is it for?

2 A. 210 Rutledge.

3 Q. Okay. The Cannonborough property?

4 A. Yes.

5 Q. And is this a typical listing agreement? Is
6 this typical of the way Cannonborough and PrimeSouth
7 Group had worked together in the past?

8 A. Yes.

9 Q. Okay. And did you make the decision to list
10 it?

11 A. Correct.

12 Q. And --

13 A. As we always have.

14 Q. At this time when you listed it, were you the
15 managing member?

16 A. Yes.

17 Q. As you had been since 2002?

18 A. Yes.

19 Q. Did you believe you had authority to list it?

20 A. Absolutely.

21 Q. Had you listed -- did you ask permission of
22 the other members to list this?

23 A. No. We have always operated where I have
24 sole authority.

25 Q. Had you asked their permission for any of the

1 prior listings?

2 A. No.

3 Q. And had anyone ever objected to that?

4 A. No.

5 Q. All right. Why did you believe that the
6 effort -- you received the notice, the June 15th
7 notice, to remove you as the managing member, correct?

8 A. Yes.

9 Q. Do you believe that was a proper exercise of
10 those members' authority?

11 A. Of course not.

12 Q. Why not?

13 A. They didn't have the authority to do it,
14 first of all.

15 Q. Why did they not have the authority? They
16 outvoted you, right?

17 A. Well, I am -- the overriding control document
18 states that I make all decisions for the partnership,
19 period.

20 Q. In addition to that, do you believe that it
21 was a proper business decision?

22 A. Absolutely not. 20 years of uninterrupted
23 business, profitable business, that came to a
24 screeching halt over a listing agreement on the 13th
25 of June.

1 Q. Okay.

2 A. And there's no complaints. You know, there's
3 no vacancies. There's none of that that was occurring
4 on the project.

5 Q. What was your understanding of the motivation
6 behind the vote to replace you?

7 A. It's crystal clear that he wanted the
8 listing. He had a tenant. He wanted the listing. He
9 wanted the payment. That is crystal clear.

10 I had a competing tenant -- we both had six to
11 eight tenants or prospects on both sides. So leasing
12 the building was not an issue. That was the easy
13 part.

14 My tenant was The Archer, which is still in
15 business and had deep, deep financial capabilities.
16 The Makan prospect that was pushed -- and, actually,
17 the lease and the LOI was done -- you know, I mean, it
18 was done within probably a month after all of this
19 took place.

20 So all of this was going on when they didn't have
21 the authority to do it. But the problem with the
22 Makan potential lease, and I have told them out of the
23 gate in writing, that financially, they were not --
24 they were not good for the property. They didn't have
25 the pockets. Period. And that is point blank.

1 So they were in -- I mean, literally six months
2 later, they're out of business. But they, again,
3 would not listen.

4 You know, I've got 35 years of experience. 35
5 years of managing properties and scouring tenants.
6 Opposing counsel's clients have never managed property
7 before, never made those decisions. And they just
8 chose not to listen to me on this, and that's
9 documented over and over again.

10 Q. Thank you. Turning, Mr. Price, to the Encore
11 loan, who obtained that loan for Cannonborough?

12 A. I did.

13 Q. Did you negotiate the terms of the loan?

14 A. Absolutely.

15 Q. And did you sign the loan documents for
16 Cannonborough?

17 A. Yes.

18 Q. Okay. Were you also the guarantor?

19 A. Yes.

20 Q. Who at Encore did you work with?

21 A. Fallon Meyer.

22 Q. And had you worked with her before on other
23 financing matters?

24 A. Several projects, yes.

25 Q. All right. This morning, there was a mention

1 of the \$18,000 financing fee. Would you tell the
2 Court about that, please?

3 A. That's a 2 percent financing fee that I
4 charged the partnership for refinancing the loan. And
5 keep in mind that I never charged a yearly guarantee
6 fee, which on most projects, there's a 1.5, 2 percent
7 fee that's charged yearly. I didn't do that.

8 So simply the \$18,000 fee was a refinancing fee
9 that everybody was aware of. It's on all of our
10 financial documents.

11 You know, counsel's client told me to take it.
12 You know, you get paid for your services. That's what
13 I do for a living.

14 I refinance things. I manage things. I develop
15 things. And that's my occupation. That's how I am
16 making a living.

17 So, I guess, previous testimony today, yeah, you
18 should get paid for your work. Simple as that.

19 Q. Thank you. Would you turn to Exhibit 16,
20 please.

21 Do you recognize this letter?

22 A. Yes.

23 Q. Okay. Who is it from?

24 A. Fallon Meyer at Encore Bank.

25 Q. All right. And did you receive it in the

1 ordinary course of business with Encore Bank?

2 A. Yeah. I think -- let's see here. This is a
3 letter. I'm trying to explain to my partners of this
4 project that a material change in management --
5 there's a long list of items that could trigger
6 defaults on notes.

7 And nobody would listen to me. Nobody would
8 believe me. As typical, Patrick would, you know, go
9 in and talk to somebody and listen. And he wants to
10 listen and hear exactly what he wants to hear but not
11 really what's being said.

12 So I asked them can you just please give us a
13 letter that I can pass along to all partners about
14 this event and could it trigger a default. And
15 obviously, it could trigger a default.

16 Q. All right. And why was that important to
17 you?

18 A. Because the change of management was
19 incorrect to begin with. They didn't have the
20 authority to do it.

21 But at this time, banks were always looking --
22 you know, I've got, again, 35 years of financing
23 properties. And banks are looking to reallocate their
24 funds.

25 So if they can take a loan at 3.5 percent and

1 release it -- excuse me, reallocate it at a higher
2 rate, they're going to try to do that, especially if
3 you don't have a relationship with them.

4 I'm dealing with Wells Fargo on an issue right
5 now. Same situation. But they could -- the actions
6 that have been taken at Cannonborough, there are
7 several default mechanisms in that loan that have
8 already been triggered.

9 Now, obviously the note has not been defaulted,
10 but they have been triggered, and that's black and
11 white.

12 Q. Well, when the note was with Encore Bank, why
13 were you concerned -- what was your concern about the
14 note either being called or held in default?

15 A. The biggest concern for me is my guarantee,
16 number one. Number two is my relationship with the
17 bank and all parties involved. And then number three
18 is my credit.

19 So in this business, if I have a -- any kind of
20 black mark on my history or financial statements, I'm
21 cooked. And I have been at this game for 35 years.
22 And I have never had a default. I've never had a
23 bankruptcy or anything like that.

24 And it was very important for me to understand
25 how the bank is going to look at this, and they were

1 extremely happy not to be involved in any litigation
2 or potential litigation.

3 They are ecstatic to get rid of this loan.
4 That's point blank. But it was all about me
5 protecting my guarantee.

6 Q. What is Charleston Acquisition Group, LLC?

7 A. It's an LLC that has -- that owns this loan.

8 Q. Are you the sole member of it?

9 A. Yes.

10 Q. Why did you decide to purchase the Encore
11 loan?

12 A. I'm sorry?

13 Q. Why did you decide to purchase the loan from
14 Encore?

15 A. To protect my guarantee and to keep the bank
16 out of all these issues. You know, typically what
17 would happen is the local relationships -- I mean,
18 that's what deals are built upon.

19 It's always the higher ups in these banks that
20 come in and say get rid of that loan, get rid of this
21 loan. And I just didn't want the bank to be in that
22 position. They didn't want to be in that position.
23 But, again, it's all about my guarantee, period.

24 Q. Did Charleston Acquisition Group pay full
25 value --

1 A. Yes, sir.

2 Q. -- for the note?

3 A. Uh-huh.

4 Q. All right. And where did that money come
5 from?

6 A. My personal funds. I funded CAG, which
7 bought the loan.

8 Q. Did it come from Cannonborough?

9 A. No.

10 Q. Would you go to Exhibit 13, please.

11 A. Yes, sir.

12 Q. Do you recognize this letter?

13 A. Yes.

14 Q. And did this letter notify the Cannonborough
15 members that CAG had purchased the note?

16 A. Yes.

17 Q. Was this the formal notice that future
18 payments should go to CAG?

19 A. Correct.

20 Q. Why was there a delay -- we heard about it
21 this morning -- delay in notification between the
22 purchase of August the 29th and the notice of October
23 5th?

24 A. Yeah, when was the purchase date?

25 Q. August the 29th, 20 --

1 A. There was about a four to five week delay.
2 And the reason we did that was our mother was in the
3 hospital, and she was having a major issues. And so
4 we pushed back that notification by four or five
5 weeks.

6 Q. Was there some ulterior motive to
7 disadvantage Cannonborough?

8 A. Not at all.

9 Q. Okay.

10 A. I mean, we never defaulted the loan or
11 anything of that sort.

12 Q. Okay. Has CAG purchased the note -- or since
13 CAG purchased the note, has Cannonborough remained
14 current?

15 A. Yes.

16 Q. And is there any present payment performance
17 issue?

18 A. None whatsoever.

19 Q. Where do the Cannonborough payments go?

20 A. To a PO box.

21 Q. Okay.

22 A. Clinton processes it.

23 Q. And what account does it go in to?

24 A. CAG. CAG, LLC.

25 Q. Okay. And you said Clinton maintains the

1 accounting for that?

2 A. Yes.

3 Q. All right. After CAG acquired the Encore
4 note, how is the payment history accounting done?

5 A. Well, that's kind of his responsibility
6 but . . .

7 Q. Does he maintain a spreadsheet?

8 A. Yeah. It's all electronic. It's all
9 computerized. He will pick up the note payment,
10 process it, take it to the bank, that kind of thing.
11 Ledgers, balance sheets, you know, PNLs, whatever you
12 want. It's a typical accounting information.

13 Q. Right. And earlier, we saw in evidence
14 there's an amortization schedule, and you used that
15 amortization schedule?

16 A. Yes, sir.

17 Q. All right. Are payments capable of being
18 made available at their request?

19 A. Yes, sir.

20 Q. Turn to Exhibit 26, please. Do you recognize
21 this letter?

22 A. Yes.

23 Q. What is it?

24 A. We sent a demand, a request for payment of
25 the note, and, you know, that's what it is. 851,000.

1 Q. Why did you send this letter?

2 A. At the time, it was -- you know, we have --
3 well, two reasons we sent it. Number one, we wanted
4 to reallocate the funds to a higher return investment.
5 But number two, it became very apparent that we're not
6 going to resolve any kind of litigation, and these
7 funds are going to be tied up for quite some time.

8 And they were tied up for quite some time. So
9 that's when we did the demand on the note.

10 Q. Okay. Is this something that --

11 A. Been sitting there for a year, year and a
12 half.

13 Q. Is this something that you believe through
14 the loan documents you were entitled to do?

15 A. Crystal clear, yes.

16 Q. Once this dispute became a legal matter in
17 the fall of 2023, what did PrimeSouth Group do with
18 Cannonborough's records and funds?

19 A. Turned everything over.

20 Q. Why did you do that?

21 A. The advice of my counsel.

22 Q. Were you trying to resolve the suit?

23 A. Yes.

24 Q. Is there any meaningful Cannonborough money
25 still being held by PrimeSouth Group?

1 A. No. Not unless you want to talk about the
2 \$20 account that was held and -- I guess since
3 discovery, but we have closed that \$20 account, and
4 those funds were refunded to me because they were my
5 funds. Yeah.

6 Q. \$20?

7 A. 20.

8 Q. How do you describe your general practice
9 with members in your partnership regarding access to
10 records and financial information?

11 A. All they have to do is request.

12 Q. Was Cannonborough --

13 A. Totally open.

14 Q. Was Cannonborough any different?

15 A. No. Huh-uh.

16 Q. If a member wanted information, was it
17 available?

18 A. Yes.

19 Q. We saw some back and forth between the
20 lawyers about documents.

21 Was that all in the context of this litigation?

22 A. Yes.

23 Q. Did Patrick, while he was at PrimeSouth
24 Group, work in close proximity to those books and
25 records?

1 A. Very close. He was aware of every single
2 action at Cannonborough. Period. Every action.

3 Q. Let's turn, if you would, to 475-479 King
4 Street, LLC.

5 Are you familiar with a transaction involving 6
6 Radcliffe Street and 475-479 King Street?

7 A. Yes.

8 Q. What was your involvement?

9 A. Again, I was the super majority owner of the
10 project, and this was a property on Radcliffe Street
11 that Patrick was trying to acquire on behalf of the
12 partnership at my instructions. And eventually we did
13 the transaction and got paid the commission. He's
14 aware of the transaction, as he did it.

15 When we purchased the property, Cannonborough
16 lent 123,000 or so dollars, and we treated it really
17 as a equity infusion to purchase the property, but I
18 recorded it as a loan. But it was an equity infusion
19 to purchase the property.

20 Q. Okay. And you said Patrick was involved in
21 that transaction?

22 A. Correct.

23 Q. In what way was he involved?

24 A. He did the buy/sell agreement to purchase the
25 property on my behalf.

1 Q. Okay. And in terms of this loan that the
2 counterclaim in this claim refers to, you say that was
3 reflected as a loan, but in your --

4 A. It was a equity infusion to purchase the
5 property which would roll into 475-479 King Street,
6 LLC.

7 Q. Do you know why it was booked that way?

8 A. I do not.

9 Q. Was that a decision made by the accountants?

10 A. Probably accountants, yeah.

11 Q. Was that accounting entry hidden from
12 anybody?

13 A. Not at all. It's been on the books for -- I
14 believe we closed that property '17, '18. '17, '18 or
15 something like that. It's been on the books ever
16 since.

17 Q. And have those books been maintained in the
18 ordinary course of business?

19 A. Absolutely.

20 Q. Now, there was a tax return that was shown
21 this morning that showed your name next to that entry
22 for that --

23 A. That is --

24 Q. -- was that --

25 A. That's the first time -- that was a surprise

1 to me.

2 Q. Do you know why it was done that way?

3 A. I have no idea, but I think all the
4 previous -- was that a 2025 tax return? Doesn't make
5 a difference.

6 It's always been on our books as a loan to
7 Cannonborough Holdings. And why? That's obviously an
8 accounting mistake. I don't have any recollection to
9 that.

10 Q. All right. Now, the counterclaim alleges you
11 took 4 percent of the 475-479 interest for yourself.

12 What's your understanding of that issue?

13 A. So -- and, again, I want to make sure this is
14 crystal clear, too.

15 I did a loan from Cannonborough to a partner of
16 mine a long time ago.

17 Q. Mr. Woollcott?

18 A. Mr. Woollcott. And I commonly do loans like
19 this, but I would also make sure that my collateral is
20 guaranteed.

21 So in other words, I would do the assignment of
22 ownership first, then we loan him the money.

23 So he defaulted. We got the 30 percent
24 ownership. And for me doing that transaction, I would
25 receive 4 percent more ownership.

1 That transaction was fully aware by everybody
2 involved and it's on every single tax return, every
3 single financial document. There are e-mails that I
4 have sent the partners that show this. I mean, it's
5 everywhere since 2010.

6 There's actually e-mails in discovery where
7 Patrick is asking about the 26 percent ownership and
8 acknowledging that 4 percent went to me as a
9 transaction fee.

10 And in addition to that, I sold at one point -- I
11 don't know the dates -- 4 percent to a third party.
12 And I've since bought that 4 percent back. And all
13 those documents and operating agreements were signed
14 by Cannonborough's people.

15 Q. Okay.

16 A. So, you know, the notion that this was not
17 known or it was discovered is totally not accurate.

18 Q. All right, sir. And at the time, were you
19 manager both of Cannonborough and King Street?

20 A. Yes.

21 Q. Were you making those decisions based on that
22 role?

23 A. Correct.

24 Q. Okay. Were the 475-479 books and records
25 maintained in the same open-book fashion that you

1 mentioned earlier?

2 A. They always are.

3 Q. Are those records maintained in a way that
4 allows them to be reviewed?

5 A. Yes.

6 Q. Was there anything about the transactions
7 involving this case that are off the books?

8 A. No.

9 Q. Are all of those relevant tax records,
10 schedules, and ledgers available?

11 A. Yes. And I'm assuming have all been
12 provided.

13 Q. Mr. Price, in 2025, you filed your own
14 lawsuit related to Cannonborough, correct?

15 A. Yes.

16 Q. Why did you file that action?

17 A. I filed that action -- well, number one, all
18 of the attempted takeovers of Cannonborough were
19 inappropriate. And there is a structural control
20 document that garners the project, period.

21 So I sued on behalf of Cannonborough because that
22 partnership has been mismanaged from day one. They
23 have racked up \$250,000 in fees, attorney's fees,
24 accounting fees, et cetera, et cetera.

25 It's -- we will never get that money back for

1 years. And so we had to stop. We had to stop the
2 misuse of funds.

3 And, I mean, there's examples of hiring people
4 that are not insured. Now, what happens if somebody
5 falls off a ladder or chops off a leg and we get sued?
6 Cannonborough is going to be responsible for that.

7 And ultimately, they're not coming to these guys.
8 They're coming to the strength. And it's just
9 improper management. So anyway, that's why we filed
10 the suit.

11 Q. When you were removed as manager,
12 practically, what effect did that have on you and your
13 role and regarding the management of the company and
14 the leasing of the company?

15 A. I had no control whatsoever. Yeah. They
16 were full steam ahead with a tenant that was not a
17 strong enough tenant to replace our space there, and I
18 put that in writing, and it was just ignored.

19 Q. Are you included in the decision making
20 regarding the operation of the company now?

21 A. No. No. I mean, have I been copied on
22 resolutions? Absolutely. But, again, you know, once
23 we went the legal route on all of this -- I still
24 stand today that all of this was all about a
25 commission and taking over this partnership for self-

1 motivating reasons. And it's very apparent because
2 it's a leasing fee and a management contract.

3 Q. Before filing the 2025 action, did you seek
4 consent or cooperation from the other members of
5 Cannonborough to sue them?

6 A. Consent?

7 Q. Did you ask their permission to sue them --

8 A. No.

9 Q. -- on behalf of Cannonborough?

10 A. No.

11 Q. Why didn't you do that?

12 A. They certainly would not agree to that. I
13 filed suit on behalf of Cannonborough from a minority
14 position. That would have been fruitless to go to
15 three partners that were against me.

16 Q. In fact -- go ahead. You finish your answer.

17 A. I was going to say there's a resolution, 12
18 or something, that basically states that the existing
19 members at Cannonborough cannot be sued. They're
20 indemnified from any of their actions. Everybody in
21 the partnership except me.

22 Q. Please go to tab 27.

23 (PLAINTIFF EXHIBIT NUMBER 27 WAS ADMITTED INTO
24 EVIDENCE.)

25 Q. And go to page 12 within that exhibit. It's

1 Cannonborough 000906.

2 A. I have it, yes, sir.

3 Q. Is this what you were referring to?

4 A. Yes, sir.

5 Q. It says the action filed by Christopher L.
6 Price. Resolution 12.

7 A. Yes, sir.

8 Q. All right. Mr. Price, would you please read
9 the last sentence of number one?

10 A. "Christopher L. Price shall not be
11 indemnified nor shall any company funds for
12 Christopher L. Price to prosecute the case filed as it
13 lacks merit."

14 The issues are already pending in the case
15 brought by the company. It's not brought in
16 connection with the business of the company.

17 Q. And earlier in the paragraph it says, though,
18 that the company hereby authorizes, directs, and
19 approves of the company by and through its manager,
20 Patrick Price, to have the company indemnify Patrick
21 Price, David Price, Beth Price in the lawsuit filed by
22 Christopher Price?

23 A. Correct.

24 Q. Did you agree for the other members to be
25 indemnified?

1 A. No.

2 Q. Did they ask your permission for this?

3 A. No.

4 Q. Is this fair?

5 A. I would say not.

6 Q. Is it in the best interest of the LLC?

7 A. No, certainly not.

8 Q. In your view, overall, Mr. Price, what action
9 started this dispute?

10 A. It is crystal clear. 20-some-odd years of,
11 you know, literally not one peep from anybody or
12 complaint about how this company was run, and it's
13 simply all about Patrick not having the ability to
14 list the property. And I clarified that if he brought
15 a tenant, he would be paid, but that was not
16 sufficient.

17 It's clear. It was a clear path for 20-plus
18 years. And then when he was told no on June 13th, and
19 within that week, all hell breaks loose. Pretty
20 crystal clear in my mind.

21 Q. Why did you purchase the Encore note?

22 A. To protect my guarantee, my reputation, and
23 my credit.

24 Q. Since --

25 A. And relationships.

1 Q. Since this dispute arose, have you tried to
2 preserve Cannonborough's business and protect your own
3 guarantee and credit?

4 A. Absolutely, yeah, for sure.

5 MR. GOWDER: Those are all the questions I
6 have for this witness.

7 THE COURT: All right. You want to take a
8 break?

9 (Recess.)

10 THE COURT: All right. Mr. Khan?

11 CROSS EXAMINATION

12 BY MR. KHAN:

13 Q. Good afternoon, Mr. Price.

14 A. Counsel.

15 Q. I'm going to try to just follow up on some
16 things you testified with Mr. Gowder and get to my
17 questions. Try to abbreviate things.

18 Earlier, you testified that -- you weren't
19 bashful about it -- you have 35 years of experience in
20 the industry, correct?

21 A. Correct.

22 Q. And I believe you're in at least 20 different
23 partnerships or more; is that correct?

24 A. Correct.

25 Q. And through those entities, you own an

1 interest in 30-plus properties in town or beyond,
2 correct?

3 A. Correct.

4 Q. All right. And this one really bothers you,
5 this one commission really bothers you; isn't that
6 correct?

7 A. This one commission?

8 Q. Yes.

9 A. Not whatsoever. I was very happy to pay it.

10 Q. Okay.

11 A. Yeah. Offered to pay it.

12 Q. And earlier, multiple times, you said that
13 Patrick wanted to handle the leasing or obtain this
14 commission; isn't that correct?

15 A. Sure. Yes.

16 Q. Okay. But isn't it more specifically that
17 the majority interest wanted Price Ventures to handle
18 it?

19 A. No.

20 Q. You disagree?

21 A. I disagree with that.

22 Q. Okay.

23 A. The only reason that they attempted this coup
24 if you want to call it that was for him to have the
25 listing and to get a full commission.

1 Q. Okay.

2 A. Period. That's it.

3 Q. Earlier --

4 A. This deal -- the deal -- a leasing deal could
5 have been structured and probably was already
6 structured before any of this happened with Makan and
7 a lease commission would have been paid to Price
8 Ventures.

9 Q. Earlier, you referred over here to "opposing
10 counsel's client" twice; isn't that right?

11 A. Yes.

12 Q. But just to clarify, in the middle here, this
13 is your brother, correct?

14 A. Yes.

15 Q. And this is your father, correct?

16 A. We have not had DNA testing, but, yes, we
17 believe so.

18 Q. Okay. You were speaking about this letter in
19 Exhibit 16 from Encore Bank; do you recall?

20 A. Yes.

21 Q. You can look at it. Exhibit 16.

22 A. 16?

23 Q. Yeah.

24 A. Yes.

25 Q. Okay. And Mr. Gowder's question was did the

1 bank provide that to you in the ordinary course of
2 business; do you remember his question?

3 A. Yes.

4 Q. But, in fact, you asked Fallon Meyer to write
5 that letter, correct?

6 A. I asked her to document what a material
7 change in management would mean or potentially would
8 mean to Cannonborough in the note. And that's what I
9 asked her to do. Put it in writing so everybody can
10 see it. And the potential default that it could
11 occur.

12 Q. You asked her to write that letter to you,
13 correct?

14 A. To the partnership.

15 Q. But they wrote it to you?

16 A. Correct.

17 Q. And then you sent it to your family members,
18 correct?

19 A. Yes.

20 Q. Okay. You are the majority voting interest
21 holder in every other LLC you are involved in other
22 than Cannonborough, correct?

23 A. That's incorrect. I'm a super majority owner
24 in 95-percent-plus of the partnerships. There are a
25 couple that I am not a super majority, but I have a

1 overriding structural document that states that I have
2 full authority exactly like the one we had at
3 Cannonborough in 2002.

4 Q. Okay. And earlier with Mr. Gowder, you
5 looked at the original operating agreement in Exhibit
6 1?

7 A. Correct.

8 Q. You looked at the amended to add Beth Price
9 at Exhibit 2?

10 A. Correct.

11 Q. You looked at the current operating agreement
12 at Exhibit 3, correct?

13 A. Correct.

14 Q. You looked at the consent document that you
15 called the control document at Exhibit 4, correct?

16 A. Correct.

17 Q. And isn't it true that all of those documents
18 were drafted at your direction by your counsel?

19 A. I assume so, yes. No. They were not drafted
20 at the authority of my counsel. They were probably
21 directed to me from a third party like a bank would
22 request or if we added a member like we did Beth
23 Price. I would have directed that to counsel. But,
24 yes, counsel drafted these items upon somebody's
25 direction.

1 Q. I understand the distinction, but it's not
2 exactly my question. My question is you and your
3 counsel prepared these documents, correct?

4 A. Yes, but it's counsel for Cannonborough, not
5 Chris Price. Big difference there.

6 Q. All right. And it's your position that the
7 unanimous consent documented in Exhibit 4 still
8 controls, correct?

9 A. Correct.

10 Q. Okay. Let's look at that, please. Exhibit
11 4. At the top of this document, it says unanimous
12 written consent, correct?

13 A. Yes.

14 Q. All right. I think it's the last sentence of
15 that large paragraph. I'm going to read this.

16 Okay. "By this resolution, Christopher L. Price
17 solely and alone shall have the power to undertake any
18 action reserved to the members by the operating
19 agreement of the company." Correct?

20 A. Correct.

21 Q. "To the extent necessary, this resolution
22 shall be deemed to be an amendment to the operating
23 agreement of the company dated February 28th, 2002 and
24 last amended July 3rd, 2002." Correct?

25 A. Correct.

1 Q. Okay. So it uses the words "unanimous
2 written consent," correct?

3 A. Correct.

4 Q. It uses the word "resolution," correct?

5 A. Correct.

6 Q. And it also states that it shall be deemed an
7 amendment to the operating agreement, correct?

8 A. Correct.

9 Q. Okay. If you'll go to Exhibit 3 for me,
10 which is the current operating agreement.

11 And the first paragraph, I will read it. "The
12 first amended operating agreement herein after
13 referred to as 'agreement' of Cannonborough Holdings,
14 LLC, dated as the date last written below is adopted
15 by the members and executed and agreed to for good and
16 valuable consideration by the members." Correct?

17 A. Correct.

18 Q. All right. This agreement supersedes and
19 replaces any and all prior operating agreements and
20 amendments of the company, correct?

21 A. Correct.

22 Q. Additionally, this agreement supersedes any
23 resolutions or written consents of the members to the
24 extent such resolutions or consents are contrary to
25 the terms and conditions of the agreement, correct?

1 A. Correct.

2 Q. All right. And, again, we looked at earlier.
3 Exhibit 4 uses the term "written consent resolution
4 and amendment to the operating agreement," correct?

5 A. Correct.

6 Q. Cannonborough is the most profitable it's
7 ever been under the management of your brother,
8 Patrick Price, isn't that right?

9 A. Very incorrect.

10 Q. Okay. You disagree?

11 A. Absolutely.

12 Q. Okay.

13 A. Shall we discuss the distributions the last
14 three years? I was on average distributing \$55,000 a
15 year for several years. And in the last three years,
16 we've had one distribution of \$4,000.

17 Q. And it's likely because of all this
18 litigation?

19 A. Correct.

20 Q. And we talked about Exhibit 1, 2, 3, 4.
21 Those agreements we just looked at?

22 A. Yes.

23 Q. All right. And you agreed to the terms of
24 all those documents, right?

25 A. Yes.

1 Q. I mean, you signed them, correct?

2 A. Correct. With in mind that the control
3 document stands. And the control document also states
4 that I can't be removed until I remove myself.
5 Period. And that was never done.

6 Q. Okay. You agree with me the operating
7 agreement that we looked at at Exhibit 3 is the
8 current operating agreement of the company, correct?

9 A. That was done in 2010.

10 Q. Whatever it says. But you agree that's a
11 current operating agreement?

12 A. I assume so, yes.

13 Q. Okay. You would agree with me that a member
14 can vote their voting interests how they see fit,
15 correct?

16 A. Correct.

17 Q. And you would agree with me that members are
18 free to vote and decide the future of a company in a
19 manner they see fit in accordance with their voting
20 interest, right?

21 A. Unless it is a -- to a detriment of the
22 company, yes.

23 Q. And if a member is voting in accordance with
24 their voting interests, there's nothing improper about
25 that; is that correct?

1 A. In this case, yes.

2 Q. Are you telling this Court that a member is
3 not free to vote in accordance with their voting
4 interest?

5 A. What I'm telling you is that a control
6 document controls the partnership as a structural
7 document. Period. Because I am the responsible party
8 for this partnership, that document stands. And
9 that's the way I have always felt and that's been the
10 whole issue.

11 Q. Mr. Price, I understand your position with
12 your control document. Okay. The Court is going to
13 make that decision.

14 A. Sure.

15 Q. Just as you said, you would turn it into the
16 Court's hands to make that decision.

17 A. Absolutely.

18 Q. Okay. Now, you have looked at all of the
19 resolutions this morning with your lawyer, and you
20 referred to some this afternoon with Mr. Gowder; isn't
21 that true?

22 A. Correct.

23 Q. And you received a copy of all of those
24 resolutions as you indicated in your testimony,
25 correct?

1 A. Yes.

2 Q. And you didn't sign any of them, right?

3 A. No.

4 Q. You didn't vote at all, right?

5 A. No.

6 Q. Okay. Patrick, David, and Beth did sign and
7 vote, correct?

8 A. To my knowledge, yes.

9 Q. And you received them? You looked at them?

10 A. Yeah.

11 Q. Were they signed?

12 A. I haven't looked at all of them. I'm
13 assuming they all signed.

14 Q. All right. And you received a notice of the
15 special meeting of members in 2023, correct?

16 A. For what date?

17 Q. Towards the end of 2023, did you receive
18 notice --

19 A. I'm sure I did, yes.

20 Q. Okay. And you did not appear at that special
21 meeting, right?

22 A. No.

23 Q. And you did not vote at that special meeting,
24 right?

25 A. No.

1 Q. You chose not to go, right?

2 A. Correct.

3 Q. And as you talked about with Mr. Gowder,
4 eventually, in this multi-year operation, PrimeSouth
5 Group, you did turn over all the records we're going
6 to get and the company funds, correct?

7 A. Correct.

8 Q. Okay. And earlier with Mr. Gowder, you had
9 indicated that the bank account that you still
10 maintained for the partnership has now been closed;
11 isn't that right?

12 A. Correct.

13 Q. When was that done?

14 A. I would say March of last month.

15 Q. Okay. And Fallon Meyer, you had borrowed
16 money from her on previous occasions, correct?

17 A. Yes.

18 Q. When she was at Wells Fargo, correct?

19 A. Correct.

20 Q. And then Encore?

21 A. Yes.

22 Q. I think you had told me it was about four to
23 seven loans, right?

24 A. Right.

25 Q. And you told me you're friends with her,

1 right?

2 A. Yes.

3 Q. And you obtained this loan from Cannonborough
4 or for Cannonborough from Encore. We looked at the
5 loan document earlier. They're in the record, right?

6 A. Correct.

7 Q. All right. And you signed them for the
8 company, right?

9 A. Uh-huh.

10 Q. And as you said with Mr. Gowder, PrimeSouth
11 Group took an \$18,000 commission to obtain that loan,
12 correct?

13 A. Correct.

14 Q. And then after obtaining the loan, the
15 PrimeSouth Group serviced the loan for Cannonborough
16 by paying Encore every month, right?

17 A. As we do with all the partnerships, correct.

18 Q. And then you, through Charleston Acquisition
19 Group, purchased the loan from Encore in August of
20 '23, right?

21 A. Correct.

22 Q. Okay. And you testified earlier, you used
23 personal funds to do that, right?

24 A. Uh-huh.

25 Q. You used your cash, right?

1 A. Yes.

2 Q. Okay. And if you'll flip to Exhibit 19 for
3 me.

4 (PLAINTIFF EXHIBIT NUMBER 19 WAS ADMITTED INTO
5 EVIDENCE.)

6 Q. This is an e-mail from you to Clinton
7 directing him to write a check to Encore for
8 \$872,825.22, correct?

9 A. Correct.

10 Q. You say: I made two deposits into Charleston
11 Acquisition. 200,675. Both international transfers
12 at Southern First Bank.

13 Correct?

14 A. That should be "internal transfers" but . . .

15 Q. But it says "international"?

16 A. Yes.

17 Q. So you, Chris Price, had \$872,000 to go ahead
18 and fund CAG and buy the loan?

19 A. Correct.

20 Q. And prior to you and CAG purchasing this
21 loan, Fallon Meyer never told you that Encore Bank was
22 concerned about the performance of the Cannonborough
23 loan; isn't that right?

24 A. Prior to this?

25 Q. Prior to your acquisition.

1 A. No.

2 Q. She never told you that?

3 A. No.

4 Q. You were not concerned, either, about
5 Cannonborough's performance on the Encore loan,
6 correct?

7 A. Well, not until we lost the first tenant six
8 months in. But, no, I was -- at this point, I was not
9 concerned about it, no.

10 Q. You're not concerned today, are you?

11 A. I could be very concerned today.

12 Q. We had this discussion at your deposition.

13 You are not concerned today in this courtroom
14 about the performance on the loan, correct?

15 A. The way I will answer that is I'm concerned
16 today if we do not maintain our tenants.

17 Q. Okay. So long as the tenants are maintained,
18 you're not concerned?

19 A. Correct.

20 Q. Have you been to Rivayat?

21 A. Yes.

22 Q. What did you think of it?

23 A. Lovely restaurant.

24 Q. Okay.

25 A. But I also, too, can add that Charleston,

1 South Carolina, the hottest city in America right now,
2 you can't get reservations on a Friday and Saturday
3 night. You can get them at Rivayat.

4 Q. Okay.

5 A. That tells you a lot.

6 Q. Fair enough.

7 A. Banks don't like restaurants, by the way.
8 Any restaurants.

9 Q. Isn't it true that the partnership was paid
10 by the Makan tenant in full until the assignment to
11 Rivayat?

12 A. Now, that, I don't know.

13 Q. Okay. As you sit here today, do you have any
14 information to suggest that the partnership was not
15 paid in full by Makan?

16 A. No. I don't have any information on the
17 transaction of Rivayat.

18 The only comment I can make on the loss of Makan
19 and going to the new tenant is you asked me in
20 depositions -- again, it goes back to 35 years of
21 experience in managing properties versus one property
22 and no experience.

23 And the question you asked me was would you have
24 just accepted this new tenant because they're there?

25 And I said, no, I would have stepped back,

1 allowed all the offers to come in and then make a
2 decision.

3 Because if Makan was continuing to make payments,
4 there's no rush to put another tenant in there. But
5 apparently, there was a rush to get somebody in there.

6 But I personally would have waited and waited and
7 waited until I found the best tenant possible.

8 Q. Okay. You reminded me of something.
9 Earlier, you referred to yourself as the strength;
10 isn't that right?

11 A. Correct.

12 Q. All right. Is that to imply that they're the
13 weak?

14 A. I'm not implying anything. I know that I'm
15 the strength.

16 Q. Okay. So you refer to yourself as the
17 strength in this partnership?

18 A. Correct.

19 Q. So are you implying that the other members
20 are the weak?

21 A. I would imply that they are weaker than I am.
22 How is that? And the banks also would feel that way.

23 Q. Okay. And earlier with Mr. Gowder, you were
24 talking about how you had six to eight prospects for
25 the space and Patrick had six to eight prospects for

1 the space.

2 A. Right.

3 Q. And you said that there was no reason to list
4 it; isn't that right?

5 A. Correct.

6 Q. All right. But you did list it; isn't that
7 true?

8 A. Correct.

9 Q. Okay. There were some issues with CAG not
10 depositing Cannonborough's loan payments after you
11 acquired the loan from Encore; isn't that right?

12 A. Correct.

13 Q. Okay. Charleston Acquisition Group was not
14 applying Cannonborough's payments to the loan; isn't
15 that right?

16 A. Yeah, I don't know why that was done that
17 way. Obviously, they were all deposited. The loan
18 was in good standing.

19 You know, obviously we didn't default the loan.
20 I don't know where the issue is there. But they
21 obviously transferred the payment system to CAG as
22 opposed to Encore. Took 30, 60 days.

23 Q. Okay. The loan is in good standing today?

24 A. Absolutely, yes.

25 Q. And with Mr. Gowder, you looked at Exhibit

1 26. That's the letter you wrote on behalf of CAG
2 demanding that the loan be paid, right?

3 A. Yes.

4 Q. Paid in full?

5 A. Correct.

6 Q. And the reason you demanded that payment as
7 you said was to devote the funds you spent on
8 acquiring the loan to a higher and better use,
9 correct?

10 A. After sitting there, the three and a half
11 percent interest for a year, year and a half, yes.

12 Q. You want to reallocate --

13 A. I want to reallocate.

14 Q. You want to reallocate those funds, correct?

15 A. Correct.

16 Q. And with Mr. Gowder, you said, well, this
17 process, this court case, is dragging on a little bit,
18 and therefore you wanted to send that letter at that
19 time?

20 A. That's correct.

21 Q. You did not call the loan because you were
22 concerned about the prospect for repayment; isn't that
23 true?

24 A. At the time, no.

25 Q. Well --

1 A. I'm not concerned --

2 Q. What about today? Are you concerned about
3 the prospect of repayment?

4 A. Like I said earlier, I could be. If we lose
5 tenants, I could be concerned. But I'm not concerned
6 as of today because all the tenants are in place.

7 Q. Okay. And you did not call the loan in
8 Exhibit 26 because you were concerned about the
9 prospect of repayment, correct?

10 A. I'm sorry?

11 Q. You did not write Exhibit 26 because you were
12 concerned about the prospect of repayment, correct?

13 A. Correct.

14 Q. You own the majority of 475-479 King?

15 A. Yes.

16 Q. And you outvote Cannonborough in that
17 partnership, correct?

18 A. Correct.

19 Q. And there's nothing fundamentally wrong about
20 that, correct?

21 A. No.

22 Q. You vote your membership interest; they vote
23 theirs, correct?

24 A. Correct.

25 Q. And you're going to win every time?

1 A. Correct.

2 Q. It's simple math, right?

3 A. Correct.

4 Q. We talked earlier about this loan, correct,
5 on the books of Cannonborough in favor of 475-479
6 King?

7 A. Yes.

8 Q. All right. We talked about it at your
9 deposition --

10 A. Which loan are we talking about?

11 Q. We're talking about the \$113,995, right?

12 A. Right.

13 Q. It's on the books as Cannonborough's loan to
14 475-479 King, right?

15 A. Correct.

16 Q. Meaning King owes Cannonborough that amount,
17 correct?

18 A. Correct.

19 Q. And you agreed with me that it will be repaid
20 to Cannonborough, correct?

21 A. Like I said earlier, the intent of what we
22 did was that was going to be an equity infusion to
23 purchase Radcliffe, but we booked it as a loan.

24 Q. Come back to that.

25 The CAG loan, right, the one you own through CAG,

1 that obviously has to be repaid by Cannonborough to
2 CAG, correct?

3 A. Correct.

4 Q. And they are making those payments timely and
5 in the proper amount, correct?

6 A. Yes.

7 Q. And one day, that loan has to be paid off
8 completely, correct?

9 A. Correct.

10 Q. And you agree with me that day is the
11 maturity date in the loan, correct?

12 A. It has to -- ultimately, yes, the maturity
13 date is the dead end, yes.

14 Q. All right. That, too -- 475-479 King with
15 the other loan, the \$113,995, I heard your testimony
16 with Mr. Gowder about now this is an equity infusion
17 versus a loan.

18 Is that the position today?

19 A. Correct.

20 Q. Okay. So your position today is the loan on
21 the books does not have to be repaid back to
22 Cannonborough; is that right?

23 A. Well, there's no documentation for any of
24 that at this point.

25 Q. Okay. Isn't it true there's a loan on the

1 books of Cannonborough to King in that amount?

2 A. Yes.

3 Q. Okay.

4 A. We booked it that way. Why the accountant
5 did it that way, really have to refer to Webster
6 Rogers of why we did it that way. Because it was an
7 equity infusion to purchase that property, and we
8 booked it as a loan, and I don't know why we did that.

9 Q. And you have received not one, not two, but
10 three demands from Cannonborough to have that loan
11 repaid; isn't that true?

12 A. Correct.

13 Q. You've received those letters?

14 A. Yes.

15 Q. And those letters are in Exhibit 43 if you
16 want to take a quick look. I know I asked you at your
17 deposition. You told me you received them. I'm not
18 saying you didn't.

19 But you've received all of those letters?

20 A. Yeah, sure.

21 Q. And in every one of those letters, one, we've
22 asked for records to, right?

23 A. And you've received them.

24 Q. Okay. To your knowledge?

25 A. To my knowledge.

1 Q. So in those letters, first, we asked for
2 records; two, we asked for the loan to be repaid,
3 correct?

4 A. Right.

5 Q. Isn't it true not once, not twice, not three
6 times, you have not responded as to paying the loan;
7 isn't that true?

8 A. Correct.

9 Q. Okay. Isn't it true you never said, oh, no,
10 that's an equity infusion?

11 A. I always stated it's an equity infusion.

12 Q. And isn't it true that you and your lawyer
13 have never responded to those letters?

14 A. I don't know if we've responded to it or not.

15 Q. So today in this courtroom, it's your
16 testimony that that's not a loan and that's an equity
17 infusion and it will not be repaid; is that right?

18 A. I'm not saying that, either. But it's
19 definitely an equity infusion. That was the intent.

20 Q. Do you remember giving a deposition to me in
21 June of last year?

22 A. Yes.

23 Q. Do you remember that?

24 A. Sure.

25 Q. Do you remember having different testimony

1 from the one you're giving today?

2 A. My testimony was that this was a loan on the
3 books, but the intent was always an equity infusion.
4 Period. And I have always said that from day one.

5 Q. Do you recall testifying that it was a loan
6 and that it would be repaid at your deposition?

7 A. No. Huh-uh.

8 Q. Do you recall testifying that you solely
9 decide when it gets repaid?

10 A. Well, I do outvote everybody, yes.

11 Q. Okay.

12 A. So I can make that decision, correct.

13 Q. But if your testimony is it's a loan, then it
14 wouldn't be repaid, would it?

15 A. My testimony is that it's equity infusion.
16 That's the intent.

17 Q. So if your testimony is it's an equity
18 infusion and not a loan, then it wouldn't be repaid?

19 A. We can happily -- if I choose to pay it back,
20 we can happily do a capital call where everybody has
21 to put up their money. So that means Cannonborough is
22 going to have to come up with their portion of it.

23 Q. Well, I'm still struggling with the fact that
24 as you sit here today, I'm unsure of whether you
25 classify it as a loan or as an equity infusion.

1 A. So -- no. Let me make it crystal clear that
2 I view it as a equity infusion and that's the intent.

3 On the books, we put it on as a loan. I cannot
4 answer that question, as I stated, because the
5 accountants did it that way. That has to be referred
6 to Webster Rogers who did it that way. And I have
7 always stated that, depositions and here.

8 Q. Well, at your deposition, you told me it was
9 a loan.

10 A. On the books.

11 Q. Okay. So you're the manager at 475-479 King?

12 A. Correct.

13 Q. And you're a super majority member, correct?

14 A. Correct.

15 Q. You control the books?

16 A. Yes.

17 Q. You control everything?

18 A. Correct.

19 Q. That's the way you like it?

20 A. Absolutely.

21 Q. And so I guess what you're telling the Court
22 is that the \$113,995 today is an equity infusion per
23 Christopher Price and will not be repaid; is that
24 correct?

25 A. No, I never said that. I said it is -- the

1 intent was the equity infusion. On the books, it's a
2 loan.

3 Q. Okay. And whose intent --

4 A. There is no intent here whatsoever.

5 Q. And your --

6 A. The company does not have the money to pay
7 it, first of all.

8 Q. And the intent you speak of is Christopher
9 Price's intent, correct?

10 A. And everybody -- when we purchased the
11 building, that was the intent. Your client knows
12 that.

13 Q. And that's an assumption, correct?

14 A. That's an assumption, yes.

15 Q. Okay. And you probably looked at it earlier.
16 You saw the K(1) I was referring to, correct?

17 A. Uh-huh.

18 Q. You saw the books of Cannonborough, correct?

19 A. Correct.

20 Q. On the Cannonborough K(1) that you issued as
21 super majority manager to Cannonborough, there's a
22 loan reflected, correct?

23 A. Correct.

24 Q. On the books of Cannonborough, there's a loan
25 reflected, correct?

1 A. Correct.

2 Q. On the tax return from last year, as you
3 discussed with Mr. Gowder, that loan now somehow is in
4 favor of you, correct?

5 A. That is a mistake, and I can't answer that.

6 Q. Okay. So you agree with me that you are not
7 owed 113?

8 A. Totally. Absolutely.

9 Q. Okay. And 475-479 King Street, LLC has never
10 made any payments on this loan to Cannonborough,
11 correct?

12 A. I think there's one payment that we made
13 quite some time ago because the original loan or
14 equity infusion was 120,000. Now it's down to 113 or
15 something to that sort.

16 So I think we had made a payment to that. And
17 why we did that, I don't recall.

18 Q. Okay. And so if it truly is an equity
19 infusion, a payment on an equity infusion would be
20 inconsistent -- a payment to Cannonborough would be
21 inconsistent with your position that it's an equity
22 infusion, correct?

23 A. No, no. You know, when you book -- again,
24 this is out of my expertise, and you need to ask
25 Webster Rogers this.

1 But if we put it on the books as a loan, the
2 partnership has the choice to pay it back or not pay
3 it back as a loan in that equity payback and then tax
4 issues and all that kind of stuff.

5 Again, that's an accounting issue that Webster
6 Rogers has to answer, and I can't answer that for you.

7 Q. All right. We talked about these letters in
8 Exhibit 43, and your position is every single thing
9 has been provided, correct?

10 A. To my knowledge, yeah.

11 Q. The first document, Exhibit 43, is a letter
12 written April 9, 2026. You did receive that, correct?

13 A. Yes.

14 Q. All right. And do you know if there's been a
15 response to it?

16 A. I do not know.

17 Q. Okay.

18 A. I know we've provided a lot of information
19 and a lot of it's been repetitive, so I don't know. I
20 mean, this information has been out there for years.

21 Q. Okay. And you agree Cannonborough is a
22 member of King, right?

23 A. Yes.

24 Q. And Cannonborough is entitled to the
25 information, correct?

1 A. Absolutely.

2 Q. And so if Cannonborough hasn't been provided
3 the information, that would be improper, correct?

4 A. The information that you request that is
5 normal, in normal business practice, yeah.

6 A. Absolutely. Tax returns, K(1)s, not a problem. All
7 financials.

8 But when it comes to proprietary information, I'm
9 not going to release that kind of thing. But I don't
10 think you've asked for that.

11 Q. So if we haven't been provided it, that would
12 be against your open book policy, correct?

13 A. What would be?

14 Q. The failure to provide the information.

15 A. We'll make sure you get it.

16 Q. But my question is if it hasn't been
17 provided, it would be against Christopher Price's open
18 book policy at PrimeSouth Group for partners?

19 A. But it will be provided, so that's not going
20 to be an issue. And I'm assuming it has all been
21 provided to y'all.

22 Q. And you testified earlier you -- your
23 position is you do operate your companies as an open
24 book?

25 A. Correct.

1 Q. And that if members and partners need things,
2 all they have to do is ask, right?

3 A. Correct.

4 Q. And then I assume it's not Chris Price
5 sending that information; it's probably one of your
6 two employees, mainly Clinton, that would provide that
7 information, correct?

8 A. Correct.

9 Q. And you don't know if Clinton actually does
10 provide that information, correct?

11 A. I am sure Clinton does what is requested and
12 what's normal, and he does report those things to me.

13 So, you know, one of your requests are tax
14 returns. Well, you know, we've provided them to y'all
15 two or three times now. So you request them again, I
16 mean, I don't know how many requests you need and how
17 many times we need to provide it. Those things, I can
18 assure you, have been provided to you.

19 Q. Okay.

20 A. So if there's gaps there, no question, we can
21 fill them in if it's reasonable.

22 Q. It would be inconsistent and a waste of time
23 for me to write a letter asking for information that
24 we already have; isn't that true?

25 A. I don't know how to answer that without being

1 sarcastic. You've requested a lot of information
2 several times, and that information has been provided.

3 Q. It's been provided to your knowledge,
4 correct?

5 A. To my knowledge, yes. And I'm generally
6 confident on the information that flows out of my
7 office.

8 Q. Okay. You lent a former partner in King,
9 Mr. Woollcott, money from Cannonborough's bank
10 account, correct?

11 A. Correct.

12 Q. You lent him \$40,000, right?

13 A. Correct.

14 Q. You secured it with the document we looked
15 at, the assignment of interest, right?

16 A. Yes.

17 Q. You said I do that first, we get that signed,
18 and then we lend the money, right?

19 A. Right.

20 Q. And that's Exhibit 41 and 42 if you want to
21 look at it. Parties to that agreement are
22 Cannonborough Holdings, LLC, correct?

23 (PLAINTIFF EXHIBIT NUMBER 42 WAS ADMITTED INTO
24 EVIDENCE.)

25 A. Correct.

1 Q. And Mr. Woollcott, correct?

2 A. Right.

3 Q. And, unfortunately, Mr. Woollcott defaulted,
4 correct?

5 A. Correct.

6 Q. And his 30 percent interest was assigned,
7 right?

8 A. Correct.

9 Q. And so Cannonborough, under the documents,
10 was to be the recipient of that 30 percent, correct?

11 A. Right.

12 Q. And you testified with Mr. Gowder that -- you
13 said, well, everyone knew about this. There's e-mails
14 out there about me taking the 4 percent, right?

15 A. The 30 percent, yes.

16 Q. Well, you only took 4 percent.

17 A. I'm sorry?

18 Q. 30 percent in the documents was supposed to
19 go to Cannonborough Holdings, correct?

20 A. Correct.

21 Q. But in actuality, Cannonborough Holdings only
22 ended up with 26 percent, correct?

23 A. Well, actually, Cannonborough got the 30
24 percent. And what we did, as a commission to me for
25 structuring the deal, I got 4 percent --

1 Q. Okay.

2 A. -- of that.

3 Q. Okay.

4 A. So as we all know, I mean, that's what we do
5 for a living and that's how I get paid.

6 Q. Well, you lent Cannonborough's money to
7 Mr. Woollcott, correct?

8 A. I did.

9 Q. And Mr. Woollcott defaulted, correct?

10 A. Yes, he did.

11 Q. Chris Price didn't lend money to
12 Mr. Woollcott, correct?

13 A. No.

14 Q. So Chris Price takes Cannonborough's \$40,000
15 and gives it to Mr. Woollcott, correct?

16 A. Uh-huh.

17 Q. And he doesn't pay it back, and so that 30
18 percent under the documents was supposed to go to
19 Cannonborough, correct?

20 A. Right.

21 Q. And you just said, well, you know, I generate
22 fees; that's how I make money.

23 A. Right.

24 Q. But what did you do to earn that?

25 A. Counsel, I drafted a collateralized \$40,000

1 note that we collateralized before we lent the money
2 so it was safeguarded.

3 So I was working on behalf of Cannonborough,
4 you're absolutely correct. He defaulted. We got the
5 30 percent.

6 But for that transaction -- your client knows
7 this -- I was paid 4 percent equity for doing that
8 transaction. That has been in every single document
9 that we have since -- I guess the loan was 2010.

10 And over and above that, all the operating
11 agreements state that that 4 percent, it was broken
12 out and Cannonborough was a 26 percent owner, period.
13 Those operating agreements are signed by your clients
14 acknowledging that.

15 Now, since 2010, I sold that 4 percent or a 4
16 percent and additional operating agreements were
17 signed showing the 26 percent ownership by
18 Cannonborough.

19 So for 16 years, everyone has known this. And
20 it's on all your tax returns, all your documents, all
21 the operating agreements. You name it.

22 Q. You said there's all these documents and
23 e-mails earlier when you were testifying with
24 Mr. Gowder, correct?

25 A. Correct.

1 Q. And in front of you, you have about 52
2 documents. Those e-mails and records are not in this
3 binder, are they?

4 A. I don't know.

5 Q. So sitting here today at this trial, you
6 cannot show the Court that there are these e-mails
7 where there's 4 percent was going to Christopher
8 Price, correct?

9 A. I can't answer that question because I don't
10 know all the documents in the book.

11 Q. In 2023, you personally estimated the value
12 of the properties at 475-479 King at \$14 million,
13 correct?

14 A. Uh-huh, on my financial statement.

15 Q. And that was in 2023, correct?

16 A. Correct.

17 Q. We looked at it. I'm happy to look at it
18 again. Do you want to look at it?

19 A. No, I don't need to.

20 Q. Exhibit 49. The only ones remaining are the
21 two for 475-479 King, right, the 6 Radcliffe and --

22 A. Yes.

23 Q. And then Cannonborough, correct?

24 A. Uh-huh.

25 Q. For 475-479 King, you state that you own 82.7

1 percent of that partnership, correct?

2 A. Yes.

3 Q. Is that accurate?

4 A. So on my personal financial statement, what I
5 did to get a accurate value is -- I own 74 percent,
6 and the Cannonborough one-third is -- what I did is
7 add the Cannonborough one-third to my ownership in
8 475-479 to get an accurate reading of the valuation of
9 it.

10 Q. I understand.

11 A. Because ultimately, I'm assuming that we will
12 all part ways and everybody's ownership will be in
13 their own name. We would hope for that. So that's
14 the discrepancy on the 82.7 percent on that.

15 Q. Okay. Just got a couple more questions.

16 If you'll flip to Exhibit 34, and there's two
17 listing agreements here. One with Price Ventures and
18 behind that is PrimeSouth Group, right?

19 (PLAINTIFF EXHIBIT NUMBER 34 WAS ADMITTED INTO
20 EVIDENCE.)

21 A. Okay.

22 Q. I'm interested in the PrimeSouth Group one.
23 You signed this yourself, correct?

24 A. I'm assuming so. 35? Yeah.

25 Q. 34.

1 A. Got it.

2 Q. Okay. So you signed it yourself, correct?

3 A. Yes.

4 Q. You were talking with Mr. Gowder about kind
5 of the timing and how you, you know, developed this
6 project and guaranteed it and brought everyone
7 together. I mean, they paid in, correct?

8 A. Yes.

9 Q. Okay. Your control document, do you happen
10 to remember when you had them sign that? That's
11 Exhibit 4.

12 A. 2002, I believe, the control document.

13 Q. Looks like July and August of 2002?

14 A. Yeah.

15 Q. Okay. And if you'll flip to Exhibit 51, do
16 you recall when Cannonborough purchased the property?

17 A. I would say February of 2002, but I don't
18 know exactly.

19 Q. The deed is in Exhibit 51.

20 A. 51?

21 Q. Yes, sir.

22 A. March 2002.

23 Q. Okay.

24 A. Yep.

25 Q. So the property was purchased prior to the

1 signing of the control document, correct?

2 A. Yes.

3 Q. All right. Jackie Stokes did not get her
4 license by the Real Estate Commission until January of
5 2025, correct?

6 A. Correct.

7 Q. All right. That's Exhibit 52?

8 A. Yeah, I don't need to look at it. That's
9 fine.

10 (PLAINTIFF EXHIBIT NUMBER 52 WAS ADMITTED INTO
11 EVIDENCE.)

12 Q. Guarantees. You had, I think, indicated in
13 your testimony with Mr. Gowder that your family
14 members are currently not guarantors, correct?

15 A. Correct.

16 Q. They may have not been initial guarantors on
17 the first loan, correct?

18 A. I assuming not.

19 Q. And isn't it true they have guaranteed loans
20 for this property in the past?

21 A. I think there was a period in the past when
22 we did add them to one of the loans. I mean, again,
23 it's been refinanced several times.

24 Q. Okay.

25 MR. KHAN: That's all the questions I have.

1 THE COURT: Mr. Gowder?

2 MR. GOWDER: No questions, Your Honor.

3 THE COURT: Mr. Price, I think I had a couple
4 of questions. Bear with me.

5 You talked -- just so I'm clear, you talked
6 in terms of the 475-479 King property. You said that
7 the money, I think it was originally \$120,000, was
8 intended as an equity infusion, which would be a
9 purchase in interest in the property, correct?
10 Purchase interest in whatever that deal is. Is that
11 what you mean by the equity infusion?

12 WITNESS: Correct. To clarify that, 475-479
13 King owns some property on King Street. There was an
14 additional piece adjacent. It was a duplex. And so
15 475-479 wanted to buy the duplex, and it didn't have
16 the money to do it.

17 So we had money in Cannonborough to do it,
18 and that was a equity infusion from Cannonborough to
19 do that transaction.

20 THE COURT: Into that LLC in order to
21 purchase 6 Radcliffe, correct?

22 WITNESS: Yes.

23 THE COURT: Okay. All right. So they
24 purchased an interest in the LLC?

25 WITNESS: No, they purchased -- they

1 purchased an interest in -- the 475-479 purchased
2 Radcliffe. And what we did with that transaction is
3 we used it as equity to do that, then we booked it as
4 a loan.

5 THE COURT: So I'm trying to distinguish.
6 It's either an ownership right or a debt right, one or
7 the other. I'm trying to figure out which one you're
8 telling me it is.

9 WITNESS: I can't answer that. That's more
10 of an accounting -- I don't know why they did it that
11 way.

12 THE COURT: Okay. All right. Back to one of
13 the burning issues here. The first amended operating
14 agreement, Exhibit 3, that was dated, I think, April 1
15 of 2010. Why was that entered into? Why was that
16 necessary?

17 WITNESS: So I think -- and, well, I will
18 answer the question best as I can. There was an
19 original operating agreement.

20 THE COURT: Was that all member-managed at
21 the time?

22 WITNESS: I don't know. It was an operating
23 agreement that was signed by David Price, Patrick
24 Price, and myself. And then we amended that to add
25 Beth Price to David Price's portion. So then it was

1 Chris Price, Patrick Price, David Price, and Beth
2 Price.

3 And then we did the control document because
4 we -- I would not move forward with developing the
5 property, borrowing all the additional money, blah,
6 blah, blah unless I had sole control moving forward.
7 And that was done in July of 2002 also.

8 And then in 2010, what we did is the bank
9 wanted an updated operating agreement, which I did to
10 satisfy the bank and update the operating agreement
11 and some provisions in it, but never to alter the
12 structural integrity of the control document.

13 I just would not have taken that authority
14 and power away from myself and, you know, it -- that
15 control document states that I have to remove myself,
16 period. And I never did that, ever.

17 THE COURT: The initial operating agreement was a
18 member-managed company. That was February 2002. And
19 then April 2002, you amended it. James Suddeth was
20 the attorney on both of those, right?

21 WITNESS: Yes, sir.

22 THE COURT: And still a member -- that's
23 still a member-managed company best I can tell. And
24 then you had the next item to come up was the
25 unanimous written consent of which you became manager,

1 managing member. And then the amended operating
2 agreement entered into in 2010 reads that it
3 supersedes or replaces all prior agreements and
4 resolutions or consents that may be contrary to the
5 terms.

6 And the parties have done that. But looks to
7 me like y'all went from a member-managed company to a
8 manager-managed company that you then became the
9 manager of the company, and that's how you operated
10 from 2002 on?

11 WITNESS: Forever, yes. No one challenged my
12 decision making on the project, either. So, yeah.

13 THE COURT: All right. That was one of the
14 issues before the Court. The other one had to do with
15 the note and what type of note it was.

16 What is your basis for the demand that the
17 note be called and repaid? What's that basis?

18 WITNESS: Well, at this point, my money has
19 been tied up for three years, and I would like to
20 reallocate those funds. I'm getting ready to build a
21 house. So, you know, it's really about reallocating
22 funds, and I have given them plenty of time to
23 refinance the project.

24 THE COURT: Okay. I think that's all the
25 questions I have. I wanted to make sure I have that

1 clear.

2 You also -- back to that 475-479 King, is all
3 of that information documented? You explained how it
4 got to be 82.7 percent. That made sense to me.

5 But you picked up the 4 percent, and that's
6 documented somewhere along the line?

7 WITNESS: Yeah.

8 THE COURT: And certainly shows on the tax
9 returns.

10 WITNESS: All of the tax returns, operating
11 agreements, references to the partnership. It's all
12 documented.

13 THE COURT: Got it. Okay. CAG is the
14 current holder of that note, correct? CAG, LLC?

15 WITNESS: Yes.

16 THE COURT: Charleston Acquisition Group.
17 Okay. Got it. All right. That's all the questions,
18 gentlemen, if you have any follow up.

19 MR. KHAN: Not for me.

20 MR. GOWDER: Nothing.

21 THE COURT: You may step down. Thank you.
22 All right. Defense rests?

23 MR. GOWDER: Yes, defense rests.

24 THE COURT: Very good. Anything in reply?

25 MR. KHAN: Nothing in reply, Your Honor.

1 Just have a couple of things before we conclude.

2 THE COURT: I will be glad to hear from you.

3 MR. KHAN: Your Honor, on Exhibit 10 that was
4 not admitted into evidence but taken up as, I guess, a
5 Court's exhibit for now --

6 THE COURT: Well, it's not a Court's exhibit.
7 You made a proffer though, right? So it will be in
8 the record but it won't be evidence in the record.

9 MR. KHAN: Okay. I am happy to try and
10 obtain, you know, an affidavit of authentication from
11 the bank if that would help the Court with this and
12 submit it.

13 MR. GOWDER: Your Honor, the trial is today
14 to begin with in terms of the authentication.

15 Secondly, even if a witness were here, I
16 would still have a hearsay objection and parol
17 evidence objection.

18 THE COURT: I'm just going to exclude it. It
19 will be in the record for review by appellate court,
20 but it's not in evidence. I understand what you're
21 doing and why, but I'm just not going to allow it.

22 Anything else?

23 MR. KHAN: I was just going to talk about
24 proposed orders. Briefing, if you would like briefing
25 on legal issues and how you would want to proceed.

1 MR. GOWDER: Can you consider both directed
2 verdict motions made and under advisement?

3 THE COURT: Made and under advisement.
4 Certainly. Glad to do that as well.

5 Let me tell you that -- let me share with you
6 some of my thoughts. I don't think I knew anything
7 about this 475-479 King. If y'all talked about it
8 before, just didn't remember anything about it. Sort
9 of went off on a tangent about that.

10 But I am of the opinion at this point in time
11 that despite the disagreements going on here, there's
12 no attempt to disassociate or to terminate or wind up
13 this LLC. It's extant. It's a question of who is in
14 control is what I hear. That's the number one issue
15 that's before the Court.

16 And I'm going to tell you that I have been
17 unbelievably involved with Title 33 of the South
18 Carolina Code in the last two weeks because I have
19 been trying nothing but cases in the last two weeks.

20 Nonprofit Act. This is a Limited Liability
21 Company Act case, and then of course you've got
22 limited partnerships that just came in here late
23 yesterday afternoon and fought until about 4:30 or
24 5:00 yesterday. So I have been looking at the
25 statutory scheme, and I suggest that to you each.

1 So in order for me to make a decision is
2 really where I'm going there, and so I'm going to turn
3 your attention to 33-44-404 which talks in terms of
4 management of limited liability companies. Okay?
5 That's where I want you to go. I have looked it up
6 both in my code book and in my supplement. I don't
7 find any statutory changes, so should be
8 straightforward as what's there. And that's under
9 article 4. Rights of members to each other and to the
10 company.

11 So that's where I would suggest y'all get a
12 starting point of question number one of management of
13 a company. All right. I think whatever those terms
14 are, they would need to be in compliance with State
15 law, and that's what the statutory scheme is there
16 for.

17 As to -- so that's issue number one. That's
18 the control question. Who is in charge of the LLC?

19 And then on the other issue, which is the
20 note, and I know that y'all briefed that before. I
21 will be glad to hear from you now if you like on it,
22 but I need to know -- from Chris Price's perspective,
23 he holds the note in his Charleston Acquisition Group,
24 LLC and has submitted his demand that it be repaid. I
25 can't remember what date. Sometime in '25.

1 MR. GOWDER: In '24, Your Honor.

2 THE COURT: October of '24. And then from
3 the standpoint of Cannonborough, current manager of
4 Cannonborough, they say it's a term note and it's a
5 seven year term. And I think it was in '22 taken out.
6 So '22 plus seven would be 2029 is my math.

7 So I would like some authority on that is
8 what I'm getting at. What's the law on that? What
9 constitutes a demand versus a term note?

10 Those are the questions that I understood I
11 had before me when I came in. A number of causes of
12 action were taken care of right out of the shoot this
13 morning.

14 Had Ms. Meyer come into court, I was
15 scratching my head why y'all were trying to make sure
16 she didn't come in. But had she come in here, you
17 might have gotten that document in, but I don't know
18 if you can get it in this way. It was still going to
19 be a struggle that Mr. Gowder was going to fight you
20 on.

21 Are there any other issues? Before I get out
22 of the courtroom, I always like to make sure we're all
23 on the same wavelength as far as what has to be
24 decided. And I know this has been going on for a
25 while and needs to get an answer and will get y'all an

1 answer as quickly as I can, but that's my question for
2 you.

3 MR. GOWDER: I think those are the two
4 issues. I think it's the control issue and the note.

5 THE COURT: Okay. Mr. Khan?

6 MR. KHAN: I agree, Your Honor, at least from
7 our perspective. The control and the note. I mean, I
8 know Mr. Gowder has brought this other case and
9 brought these causes of action, but if Your Honor's
10 decision was in accord with our argument, I think that
11 takes care of his case.

12 MR. GOWDER: Yeah, I think that's right. I
13 mean, conversely, I think if the taking of control is
14 wrongful then I think there could be some liability
15 there.

16 THE COURT: Yeah. Unfortunately, I don't
17 think that ends our case. That's really why I threw
18 out there -- sounded like y'all were discussing
19 settlement.

20 MR. GOWDER: We did mediate. We just have
21 not been able to get there.

22 THE COURT: That was with whom?

23 MR. GOWDER: Chief Justice.

24 THE COURT: Can't do much better than that.
25 I'm assuming you got close. Always leave out some

1 sort of hope for that.

2 I know about family. I got one myself.

3 MR. KHAN: We mediated just this past fall.
4 Andy and I have talked. It just doesn't look like we
5 can --

6 THE COURT: Okay.

7 MR. KHAN: But I don't think any claims have
8 been thrown out, Your Honor. What you were just
9 mentioning, that may be a different case.

10 THE COURT: Talking about your causes of
11 action. That was all I was referring to. My
12 understanding was you did abandon those.

13 MR. KHAN: This morning, yes.

14 THE COURT: Whatever numbers, I wrote it
15 down. Went forward with the other three and basically
16 had three as I recall.

17 So my standard practice is to ask y'all to
18 submit orders within 30 days. Is that sufficient time
19 for y'all? You can do it sooner. And my goal is to
20 get you an answer within 30 days of that.

21 How about y'all get me orders by Friday the
22 29th of May, and I will certainly plan to get you an
23 answer by the end of June. That would be my goal.

24 MR. KHAN: So Your Honor doesn't need any
25 argumentative briefing? You just want us to put our

1 positions in our orders?

2 THE COURT: That's what I would do. Give me
3 something to read, and I will read it.

4 Whatever case law you have, I'm really
5 looking for that on the note. I think the statutory
6 scheme and any cases under there, and there are not
7 many cases under the LLC Act for the State, as you
8 know. Couple of those are mine.

9 MR. GOWDER: Not surprised.

10 MR. KHAN: As Your Honor may remember from
11 the motions, especially as to the note, a lot of our
12 arguments and positions are under the UCC statutes and
13 things of that nature. So from our position, those
14 would be in our proposed order.

15 THE COURT: That's the other code section I
16 have been looking at a lot. I don't know why, but
17 that's what I'm doing.

18 I want to thank you for being civil with one
19 another because that makes my job a lot easier. All I
20 can tell you is I will give it the attention it
21 deserves, and I understand it's an important issue for
22 everybody in the courtroom. So I look forward to
23 giving y'all an answer and moving forward from there.

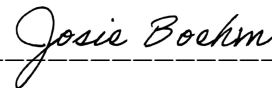
24 (Off the record at 4:19 p.m. on April 28th,
25 2026.)

1 COURT REPORTER'S CERTIFICATE

2
3 I DO HEREBY CERTIFY THAT THE TESTIMONY
4 CONTAINED IN SAID HEARING WAS, BY ME, REDUCED TO
5 WRITING IN THE PRESENCE OF SAID WITNESS BY MEANS OF A
6 COMPUTERIZED TRANSCRIPTION. THE SAID HEARING IS A
7 TRUE AND ACCURATE TRANSCRIPT OF THE WHOLE OF THE
8 TESTIMONY GIVEN BY SAID WITNESS, AS AFORESAID.

9 I DO FURTHER CERTIFY THAT I AM NOT CONNECTED
10 BY BLOOD OR MARRIAGE WITH ANY OF THE PARTIES OR THEIR
11 ATTORNEYS OR AGENTS, AND THAT I AM NOT AN EMPLOYEE OF
12 EITHER OF THEM, NOR INTERESTED DIRECTLY OR INDIRECTLY
13 IN THE MATTER OF CONTROVERSY EITHER AS COUNSEL,
14 ATTORNEY, AGENT, OR OTHERWISE.

15 SIGNED THIS THE 8th DAY OF MAY 2026.

16 -----

17 JOSIE ALLEN BOEHM

18 My Commission Expires 10/18/32
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23
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25