

STATE OF NORTH CAROLINA
COUNTY OF WAKE

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
15 CVS 15141

UJAS PATEL, KETKI PATEL, and ELITE)
WAREHOUSING, LLC,)
Plaintiffs,)

v.)

MICHIGAN HOSPITALITY HOLDINGS, LLC;)
K ADRIAN HIE, LLC; K MARSHALL HIE,)
LLC; and K MARSHALL NO. 2, LLC,)
Defendants.)

ORDER REGARDING DESIGNATION

THIS MATTER is now before the Court pursuant to a December 3, 2015 Order of the Honorable Mark Martin, Chief Justice of the North Carolina Supreme Court (“Determination Order”), which directed the undersigned “to determine whether this action meets the designation requirements of a complex business case.”

The record reflects the following:

1. Plaintiffs filed the Complaint in this action on November 9, 2015;
2. The Complaint seeks to enjoin a pending arbitration to which Plaintiffs in this action were joined as parties, and in which Plaintiffs have filed an answer agreeing that the arbitrator may determine whether Plaintiffs are bound to arbitrate claims;
3. The claims presented in arbitration arise from a written purchase agreement between Defendant Michigan Hospitality Holdings, LLC and A Royal Touch, Inc. (“ART”), governed by North Carolina law.
4. While Plaintiffs are not signatories to the purchase agreement, Defendants in this action have claimed in the arbitration that Plaintiffs may be joined and may be charged with liabilities of ART on various grounds, including their control of ART and their participation in an unlawful distribution in contravention of N.C. Gen. Stat. §55-6-40.
5. Defendants filed a Notice of Designation on November 13, 2015, contending that the matter is properly designated as a mandatory complex business case pursuant to N.C. Gen. Stat. §7A-45.4(a)(1).
6. Following the Determination Order, on December 4, 2015, the undersigned issued an Order requiring that any opposition to designation be filed on or before December 11, 2015.

7. Plaintiff has not opposed designation.

Based on the foregoing, and review of all matters of record, the undersigned concludes that the matter is a mandatory complex business case as defined by N.C. Gen. Stat. §7A-45.4(1), The Notice of Designation was proper. Therefore, the undersigned recommends that the Chief Justice issue an order designating the matter as a complex business case and directing the undersigned to assign the case to a Business Court judge for further handling.

This the 28th day of December, 2015.

/s/ James L. Gale

James L. Gale
Chief Special Superior Court Judge for
Complex Business Cases