

STATE OF NORTH CAROLINA
MOORE COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
23 CVS 334

RONNIE OXENDINE,

Plaintiff,

v.

LUMBEE TRIBE HOLDINGS, INC.,

Defendant.

ORDER ON DESIGNATION

1. **THIS MATTER** is before the Court pursuant to the Determination Order issued on 14 March 2023 by the Honorable Paul Newby, Chief Justice of the Supreme Court of North Carolina, directing the undersigned to determine whether this action is properly designated as a mandatory complex business case in accord with N.C.G.S. § 7A-45.4(a). (Determination Order, ECF No. 1.)

2. Plaintiff Ronnie Oxendine (“Oxendine”) filed a Verified Motion Under N.C.G.S. § 1-569.8(a) for Injunctive Relief Pending Arbitration (the “Motion”) in the Moore County Superior Court on 9 March 2023, seeking to enjoin Defendant Lumbee Tribe Holdings, Inc. (“LTH”) from exercising an alleged buyout option prior to arbitration. (Pl.’s Verified Mot. Under N.C.G.S. § 1-569.8(a) for Inj. Relief Pending Arbitration Prayer for Relief ¶ 1 [hereinafter “Pl.’s Mot.”], ECF No. 2.)

3. On 13 March 2023, LTH filed a Notice of Designation (the “NOD”), contending that designation as a mandatory complex business case is proper under N.C.G.S. § 7A-45.4(a)(1). (Notice of Designation 1, 3 [hereinafter “NOD”], ECF No. 5.) Designation under this section is proper if the action involves a material issue related to “[d]isputes involving the law governing corporations, except charitable and

religious organizations qualified under G.S. 55A-1-40(4) on the grounds of religious purpose, partnerships, and limited liability companies, including disputes arising under Chapters 55, 55A, 55B, 57D, and 59 of the General Statutes.”

4. In light of the Court’s resolution of the Determination Order as set forth below, the Court will assume without deciding that a motion seeking injunctive relief under the North Carolina Revised Uniform Arbitration Act, N.C.G.S. §§ 1-569.1–.31, constitutes a pleading for purposes of seeking designation to the Business Court, *see* N.C.G.S. § 7A-45.4(d)(3).

5. In support of designation under section 7A-45.4(a)(1), LTH argues that the matter “arises out of a dispute regarding the interpretation and implementation of the operating agreement of Lumbee Tribe Enterprises, LLC (‘LTE’),” a North Carolina limited liability company of which both Oxendine and LTH are members. (NOD 3.) Oxendine initiated arbitration proceedings against LTH on 8 March 2023 to challenge LTH’s “purported exercise of an option to ‘buyout’ [his] LTE [membership interest].” (Pl.’s Mot. ¶¶ 5–6.) Both LTH’s alleged buyout option and the alleged agreement to arbitrate are contained in one or more versions of LTE’s operating agreement. (*See* Pl.’s Mot. ¶ 6; NOD 3.) Because “[t]his Court must engage in some analysis of the LTE operating agreement,” LTH argues, “such analysis is squarely within the purview and jurisdiction of the Business Court.” (NOD 4.)

6. Although the relief requested may involve a determination of the parties’ rights under LTE’s operating agreement, it is clear that resolution of Oxendine’s Motion requires only a straightforward application of contract law principles and does

not implicate the law governing limited liability companies under N.C.G.S. § 7A-45.4(a)(1). *See Parker v. Brock*, 2021 NCBC LEXIS 49, at *3–4 (N.C. Super. Ct. May 7, 2021) (declining to designate under (a)(1) where plaintiff sought a determination as to the parties’ membership interests in a limited liability company because resolution only required application of contract law principles); *Mayberry v. Baker*, 2021 NCBC LEXIS 40, at *3 (N.C. Super. Ct. Apr. 13, 2021) (same); *Grindstaff v. Knighton*, 2020 NCBC LEXIS 98, at *2–3 (N.C. Super. Ct. Sept. 1, 2020) (declining to designate under (a)(1) where plaintiff’s claims involved only breach of contract).

7. Based on the foregoing, the Court determines that this action shall not proceed as a mandatory complex business case under N.C.G.S. § 7A-45.4(a) and thus shall not be assigned to a Special Superior Court Judge for Complex Business Cases.

8. Consistent with the Determination Order, the Court hereby advises the Senior Resident Superior Court Judge of Judicial District 19D that this action is not properly designated as a mandatory complex business case so that the action may be treated as any other civil action, wherein the parties may pursue designation as a Rule 2.1 exceptional case with the Senior Resident Superior Court Judge.

9. The Court’s ruling is without prejudice to the right of the parties to otherwise seek designation of this matter as a mandatory complex business case as may be provided under section 7A-45.4.

SO ORDERED, this the 14th day of March, 2023.

/s/ Louis A. Bledsoe, III
Louis A. Bledsoe, III
Chief Business Court Judge