

**CIVIL CASE INFORMATION STATEMENT
CIVIL CASES**

FILED

IN THE CIRCUIT COURT OF KANAWHA COUNTY, WEST VIRGINIA

2021 JAN 20 PM 2:05

CATHY S. CATSON, CLERK
KANAWHA COUNTY CIRCUIT COURT

I. CASE STYLE

21-C-60
Judge Salanga

Plaintiff(s)

RONALD LANE

v.

Defendant(s)

CHRISTOPHER LANE,

Days to
Answer
20

Type of Service
Personal

NORMAN LANE,

Days to
Answer
20

Type of Service
Personal

**RONALD LANE, INC.,
a West Virginia Corporation,**

Days to
Answer
20

Type of Service
Personal

CIVIL CASE INFORMATION STATEMENT
CIVIL CASES IN THE CIRCUIT COURT OF KANAWHA COUNTY, WEST VIRGINIA

PLAINTIFF: RONALD LANE DEFENDANT(S): CHRISTOPHER LANE, NORMAN LANE, and RONALD LANE, INC., a West Virginia Corporation,	CIVIL ACTION NO.:
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II. TYPE OF CASE:

TORTS	OTHER	CIVIL
<input type="checkbox"/> Asbestos	<input type="checkbox"/> Adoption	<input type="checkbox"/> Appeal from Magistrate Court
<input type="checkbox"/> Professional Malpractice	<input checked="" type="checkbox"/> Contract	<input type="checkbox"/> Petition for Modification of Magistrate Sentence
<input type="checkbox"/> Personal Injury	<input type="checkbox"/> Real Property	<input type="checkbox"/> Miscellaneous Civil
<input type="checkbox"/> Product Liability	<input type="checkbox"/> Mental Health	<input type="checkbox"/> Other
<input type="checkbox"/> Other Tort	<input type="checkbox"/> Appeal of Administrative Agency	

III. JURY DEMAND ☒ Yes ☐ No
CASE WILL BE READY FOR TRIAL BY: September 2021

IV. DO YOU OR ANY OF YOUR CLIENTS OR WITNESSES IN THIS CASE REQUIRE SPECIAL ACCOMMODATIONS DUE TO A DISABILITY OR AGE ☐ Yes ☒ No

☐ Wheelchair accessible hearing room and other facilities

☐ Interpreter or other auxiliary aid for the hearing impaired

☐ Reader or other auxiliary aid for the visually impaired

☐ Spokesperson or other auxiliary aid for the hearing impaired

☐ Other: _____

Attorneys Names: R. Booth Goodwin II (WVSB #7165)
Richard D. Owen (WVSB # Bar No. 2794)
Tammy J. Owen (WVSB # Bar No. 5552)

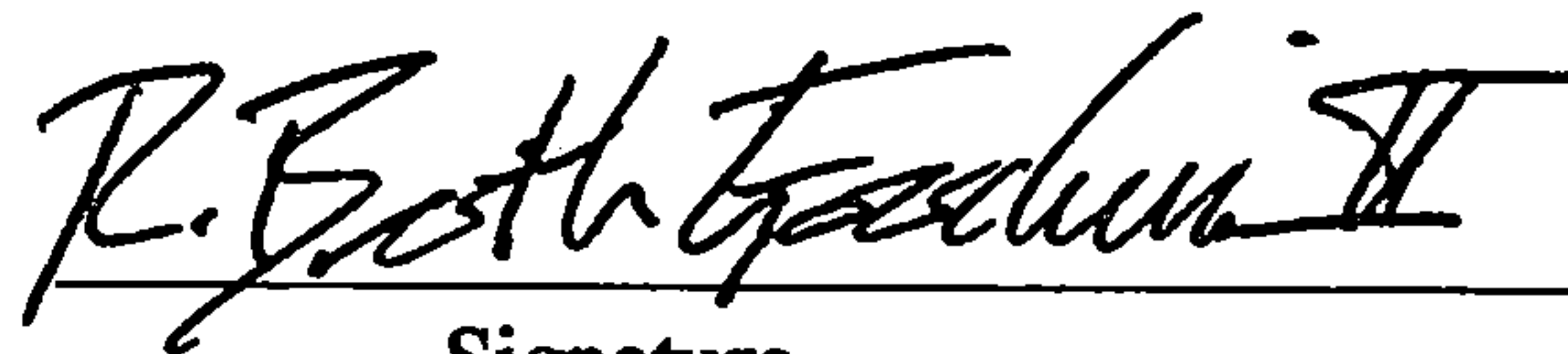
Firm: GOODWIN & GOODWIN, LLP ☒ Plaintiff(s) ☐ Defendant
300 Summers Street, Suite 1500 ☐ Cross-Complainant ☐ Third-Party Defendant
Charleston, WV 25301
(304) 346-7000

And

L. Dante' diTrapano (WVSB # 6778)

Firm: Calwell Luce diTrapano, PLLC
Law and Arts Center West
500 Randolph Street
Charleston, WV 25302

Representing: PLAINTIFF RONALD LANE

A handwritten signature in black ink, reading "R. Both Freeman II", written over a horizontal line.

Signature

FILED

IN THE CIRCUIT COURT OF KANAWHA COUNTY, WEST VIRGINIA

RONALD LANE,

Plaintiff,

2021 JAN 20 PM 2:05

CATHY S. GATSON, CLERK
KANAWHA COUNTY CIRCUIT COURT

v.

Civil Action No. 21-C-60

CHRISTOPHER LANE,
NORMAN LANE, and
RONALD LANE, INC.,
a West Virginia corporation,

Defendants.

COMPLAINT

Plaintiff, Ronald Lane, by and through counsel, for its Complaint against Defendant, Ronald Lane, Inc., states and alleges as follows:

1. This action arises from and relates to an agreement entered into in Charleston, Kanawha County, West Virginia, by and between Plaintiff, Ronald Lane ("Plaintiff") and Defendants Christopher Lane, Norman Lane, and Ronald Lane, Inc.
2. Plaintiff is an individual and a resident of the State of West Virginia.
3. Defendants Christopher Lane and Norman Lane ("Individual Defendants") are individuals and residents of the State of West Virginia. The Individual Defendants have transacted business in Kanawha County, most notably negotiation and mediation leading to the agreement by and among Plaintiff and Defendants that is the subject of this action.
4. Ronald Lane, Inc. ("RLI") is a corporation organized and existing under the laws of the State of West Virginia with its principal place of business in Harrison County that owns property and transacts business in Kanawha County, including negotiation and mediation leading to the agreement by and among Plaintiff and Defendants that is the subject of this action.

5. Plaintiff incorporated RLI in 1981. Until 2014, he owned all 100 shares of voting stock and all 900 shares of non-voting stock. In 2014, Plaintiff gifted 100 shares of non-voting stock to each of his brother, Norman Lane, and his children, Eric Lane, Tracy Lane Lancaster, and Christopher Lane. In 2016, RLI bought back the non-voting stock held by Eric Lane and Tracy Lane Lancaster. On November 24, 2018, Plaintiff then gifted thirty-three shares of voting stock to each Individual Defendant.

6. In the summer of 2020, a dispute arose among the shareholders, and on or about October 26, 2020, Individual Defendants voted to remove Plaintiff as President of RLI. As part of a partial resolution of disputes among the shareholders and RLI, on November 17, 2020, Plaintiff for consideration conveyed the remainder of his voting and non-voting stock to Christopher Lane and Norman Lane.

7. On October 28, 2020, the parties entered into a Standstill and Tolling Agreement (the “Standstill Agreement”). As part of the Standstill Agreement, the parties agreed to engage in mediating with G. Nicholas Casey, Esq., a lawyer/mediator located in Charleston, West Virginia. Further, the parties agreed that mediation would take place at the offices of Goodwin & Goodwin, LLP, in Charleston. Subsequently the parties and their respective counsel participated in negotiations and mediation in Charleston.

8. Counsel for the parties participated an in-person conference with Mr. Casey on November 3, 2020. The parties appeared in person for mediation on November 11, 12, and 13, 2020.

9. At the conclusion of the mediation, the parties entered into two agreements: (a) a “Term Sheet” (attached hereto as Exhibit A) and (b) an Amended and Revised Standstill and Tolling Agreement (“Revised Standstill Agreement”).

10. At the mediation the parties reached agreement on certain issues and memorialized these agreements in the Term Sheet.

11. The Term Sheet includes an agreement whereby a portion of property known as the “Alpaca Property” would be transferred from RLI to Plaintiff. The Term Sheet expressly states that the portion to be conveyed would include “the area containing the current security gate and the triangle depicted on the attached map[.]” The inclusion of the area containing the security gate and the area depicted as “A” was material to Plaintiff for purposes of ensuring privacy and providing an area for construction of a building to store vehicles that Plaintiff agreed to move from properties claimed by RLI. In exchange for this area, Plaintiff agreed to convey up to three acres in the area depicted as “B.”

12. The Term Sheet provides that the two areas, depicted as “A” and “B” would be determined by a survey. Subsequently a survey was prepared by Michael Hyman, a licensed surveyor. The survey reflects the subdivision of the tract into two parcels, one to be conveyed to Plaintiff and the other to be retained by RLI. Both tracts are accessible across a right of way referred to as “Alpaca Way.” The Harrison County Planning Commission approved the subdivision as shown on the survey.

13. Counsel for Plaintiff prepared a deed reflecting the parcel as shown on the survey and comporting with the Term Sheet.

14. Defendants, through counsel, have refused to execute the deed. Rather, RLI’s counsel has tendered a deed that varies in significant and material respects from the Term Sheet and the survey. In particular, the deed presented by and on behalf of Defendants allows RLI to use property within the bounds of the security gate and maintain a right of way over the portion depicted as “A.” This proposed right of way interferes with Plaintiff’s development and enjoyment

of the property, in particular preventing him from constructing a building as he intended and allows others access beyond the security gate.

15. Even without a right of way through the security gate and through the portion depicted as “A”, RLI would continue to have access to the parcel that the parties agreed would be retained by RLI.

16. In exchange for Defendants’ promise to convey the portion of the Alpaca Farm described in the Term Sheet, Plaintiff released and waived claims to monies principally in the form of rents due and owing to him by RLI through November 13, 2020, and for reimbursement of amounts Plaintiff expended to improve the Alpaca Farm. The value of the rents exceeds \$650,000, and the amount of monies expended exceeds \$45,000.

17. As a result of Defendants’ failure to abide by the terms of the Term Sheet, Plaintiff has sustained damages in the amount of lost rents and monies expended on improvements to the Alpaca Farm.

COUNT ONE – BREACH OF CONTRACT

18. All allegations and statements contained above are incorporated by reference as if restated herein verbatim.

19. The Term Sheet constitutes a binding agreement by and between Plaintiff and Defendants.

20. Plaintiff has performed and/or tendered performance of all of his obligations under the Term Sheet.

21. Defendants have failed to perform their obligations under the Term Sheet and have repudiated the agreement.

22. As a direct and proximate result of Defendants' breach, Plaintiff has suffered damages by virtue of having released his claims to rents due and owing and claims for monies expended on improvements to the Alpaca Farm.

COUNT TWO – UNJUST ENRICHMENT

23. All allegations and statements contained above are incorporated by reference as if restated herein verbatim.

24. Defendants are attempting to retain rents collected by RLI on properties owned by Plaintiff that are due and owing to Plaintiff.

25. Plaintiff expended monies for improvements on the Alpaca Farm which inure to the benefit of Defendants as a result of their failure and refusal to execute the deed that comports with the terms and conditions of the Term Sheet.

26. As a direct and proximate result of the foregoing, Plaintiff is entitled to restitution so as to prevent Defendants from being unjustly enriched at Plaintiff's expense.

COUNT THREE – TORTIOUS INTERFERENCE WITH CONTRACTUAL RELATIONS (Defendant Christopher Lane)

27. All allegations and statements contained above are incorporated by reference as if restated herein verbatim.

28. Defendant Christopher Lane is aware of the existence of Plaintiff's valid and enforceable contract rights under the Term Sheet.

29. Defendant Christopher Lane has caused and induced RLI to breach the agreement.

30. Defendant Christopher Lane is acting with malicious intent to deprive Plaintiff of his rights under the Term Sheet and to force Plaintiff to expend attorney's fees to litigate his rights under the Term Sheet.

31. Defendant Christopher Lane is acting in his own self-interest with purpose of harming Plaintiff and not in the interests of RLI.

32. As a direct and proximate result of Defendant Christopher Lane's actions, Plaintiff has suffered monetary damages, anguish and inconvenience, and expenses.

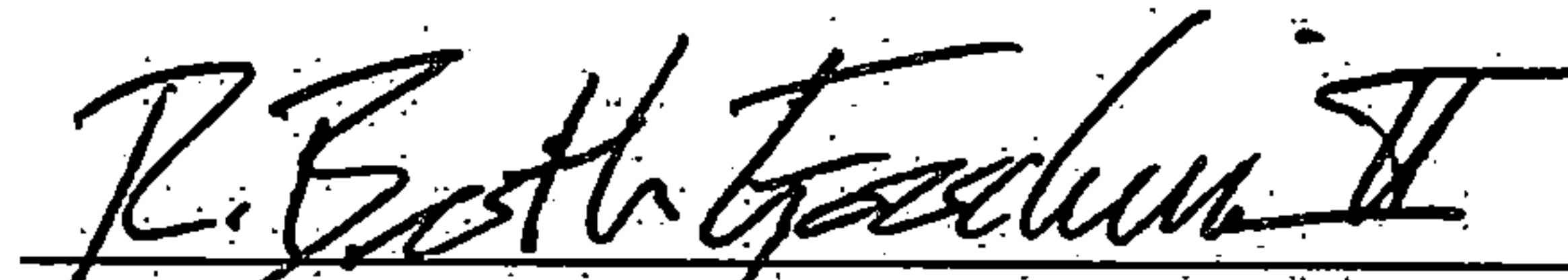
WHEREFORE, Plaintiff, Ronald Lane, prays for the following:

- (1) Judgment in the amount of \$695,000 or such amount as may be established at trial;
- (2) An award of attorney's fee and costs; and
- (3) such further relief as the Court may deem appropriate.

Plaintiff demands a jury trial on all issues triable by jury.

RONALD LANE,

By Counsel:



R. Beeth Goodwin II (WVSB #7165)

Richard D. Owen (WVSB # Bar No. 2794)

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TERM SHEET

1. Ron Lane will sell his stock in RLI to Christopher Lane and Norman Lane for \$7,738,349.51 with payment terms being a 10% down payment (\$773,835) at closing, and delivery of a promissory note bearing interest at the rate of .89% per annum for the balance secured by a deed of trust and assignment of rents (each in form customarily acceptable to lending institutions) on the RLI real property in Ritchie County. RLI, Chris Lane and Norman Lane will indemnify Ron Lane for any claim made by Jim Shafer for failure to pay Shafer under that certain promissory note between Chris Lane and Jim Shafer made on or about August 25, 2020. If the parties fail to pay on the promissory note as provided, the rents from said real property shall be immediately paid to Ron Lane as provided for in the assignment of rents and the tenants shall then be directed to pay such rents directly to Ron Lane for so long as the default is not cured.
2. The closing shall occur at Gianola, Barnum, Bechtel & Jecklin, L.C. on November 17, 2020 at 1:00 pm. Parties and attorneys may attend virtually.
3. The 24 acre more or less "top portion" of the Alpaca property (including the area containing the current security gate and the triangle depicted on the attached map marked "A", less an area not to exceed 3 acres from the portion of the map marked "B" to be definitively determined by survey) is transferred to Ron Lane personally in exchange for

waiving rents due owing to Ron Lane through November 13, 2020 under the "80/20 Split" rental agreement between the parties. The deed to the Alpaca property shall be delivered within two business days from delivery of the survey thereof to counsel for RLI. The costs of survey and transfer taxes shall be split evenly between Ron Lane and RLI. Property taxes shall be prorated at closing on a calendar year basis.

The deeds will include access right of ways and utilities (electric, water, sewer, gas, communications) easements for Ron Lane and RLI in a location and manner reasonably agreed upon by RLI and Ron Lane.

4. Ron Lane retains his cellular phone and phone number shall be transferred to a personal account as directed by Ron Lane.
5. The 1994 Ford F-150 (RLI asset number L183) previously used by the father of Ron Lane and Jeep Scrambler will be transferred to a family trust.
6. Ronald Lane, Inc. will transition to a new company name within ninety (90) days.
7. Indemnify and hold harmless agreement to the benefit of Ron Lane for financial obligations of RLI and all litigation against RLI excluding claims arising from Ron Lane's gross negligence or willful misconduct; notwithstanding any of the above, such exclusion shall not apply to any currently pending litigation of RLI RLI shall maintain or require tenants to maintain existing CGL coverage with RLI named as an additional insured.

8. The Huntington Bank debt, which Ron Lane has personally guaranteed, shall be paid by November 30, 2020.
9. Mutual releases of all claims between and among all shareholders and RLI except for appropriate ownership and claims related to real property.
10. Ron Lane shall have exclusive access to the "car room" for a reasonable period of time not to exceed 365 days after all real property issues are resolved. Ron Lane agrees not to access any other portions of headquarters or interact with company employee during business hours. No party shall pay nor be entitled to rent for said access and usage for the first 180 days after which reasonable monthly rent shall be paid.
11. Waiver of the non-compete and non-solicitation provision of the Amended and Restated Shareholder Agreement with respect to Ron Lane concerning any business other than pipeline construction work.
12. Retain Ron Lane on RLI health insurance through December 31, 2020 under the same terms he has currently.
13. The parties acknowledge and agree the sole outstanding issues between them are limited to the appropriate ownership and claims related to the following pieces of property:
 - a. Sun Valley Development in the name of Ron Lane;
 - b. Wilsonburg Corporate Headquarters and adjacent properties;
 - c. Ellenboro/Ritchie Center property;
 - d. Cairo Property; and


- e. Prior Company Headquarters including land with storage buildings and former used car lot properties at Arnoldsburg.
14. Any rent paid or payable following the execution of this agreement due for the following properties shall be collected by RLI and apportioned and paid 80% to RLI and 20% to Ron Lane under the "80/20 Split" rental agreement between the parties monthly until the resolution of the issues identified in Paragraph 13. The properties subject to this agreement are:
- a. Sun Valley Development held in the name of Ron Lane;
 - b. Wilsonburg properties held in the name of Ron Lane;
 - c. Ellenboro/Ritchie Center property held in the name of Ron Lane;
 - d. Cairo Property; and
 - e. Prior Company Headquarters and former used car lot properties at Arnoldsburg.
15. RLI and its remaining principals shall cooperate to effectuate any and all of the above.
16. The Amended and Revised Standstill and Tolling Agreement shall in all other respects be extended until January 15, 2021 until replaced by mutual agreement of the parties.
17. RLI operations may continue to have unimpeded access to and use of the Wilsonburg Corporate Headquarters and adjacent properties, including, but not limited to, use and access of the paint shop, concrete pad, "7-11 yard," "pipeyard," and fuel/wash/environmental facility, for a reasonable

time not to exceed 365 days following the resolution of the disputes identified in Paragraph 13.

18. Wherever currently situated, RLI personal property may remain and/or be stored at its present location until a reasonable time not to exceed 365 days following the resolution of the disputes identified in Paragraph 13. No party shall pay nor be entitled to rent for said access and usage for the first 180 days after which reasonable monthly rent shall be paid.


 11-13-20
Ron Lane


Christopher Lane


Norman Lane

John Gianola by
permission

Ronald Lane, Inc.

By: 

Its: President

