9945 S.W. 82<sup>nd</sup> Avenue Portland, OR 97223 Telephone: (503) 781-7441 Fax: (503) 961-1931 Email: eric@postentry.com

Deschutes	County	Oregon
Described	Country	OTCEOH.

3

5

6

7

8

10

11

12

13 14 15

16 17

18

19 20

21 22

2324

2526

4.

Defendant CATRINA BIEAR is the mother of defendant Kaitlyn Biear, and at all material times resided in Deschutes County, Oregon.

5.

The acts giving rise to this Amended Complaint occurred in both Deschutes County and Washington County within the State of Oregon.

6.

This Court has Jurisdiction over the parties and subject matter.

7.

In February of 2012 Defendant Kaitlyn Biear kept several horses at a boarding facility near Bend and paid the expenses for their upkeep. The boarding facility had little in the way of equipment and supplies necessary for the training and maintenance of quality show jumping horses, and as a result the horses, who had been relatively successful show horses in the past, could not receive the training and care necessary to maintain their value. At that time Biear, who was unemployed, was also dealing with a variety of legal and financial issues as a result of having been arrested and charged in December of 2012, in Deschutes County Case No. 11FE1361, on one count of unlawful use of a weapon and two counts of reckless endangerment. Biear's situation which made it difficult for her to devote the time and pay the expenses of keeping and training the horses.

8.

In February of 2012 Defendant Kaitlyn Biear posted and ad on DreamHorse.com offering a horse known as Tropical Storm for lease. On or about February 27, 2012 Eric Noel inquired into obtaining the horse for the purpose of arranging a lease on him for one of The Chase's clients. By means of their conversation Biear became aware that Noel was a respected professional horseman who operated a facility where quality show horses were boarded, trained, and sold. She became aware that

Page 2 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

23

24

25

26

Noel regularly took his clients to large horse shows and knew that the horses that competed at those shows often sold for much higher prices than similar horses that didn't.

9.

To remedy her financial situation Defendant Biear devised a scheme to defraud Noel and The Chase whereby she would send the horses to Plaintiffs so that they would receive the care and training necessary to improve their value. The scheme included having Plaintiffs pay all of the expenses for the horses' care and upkeep without reimbursement, and having them provide all of their training and showing services without compensation. To that end, Noel would sub-lease the horses to his clients in order to have them pay the expenses. Once the horses were properly conditioned, trained, and were actively competing at horse shows, Biear would break the leases, sell the horses, and pocket the money.

10.

In furtherance of her scheme to defraud Plaintiffs, Biear represented to Noel that she had an experienced show jumping horse available named Luxury ("Lux"), that she herself was the owner of Lux, and that although she did not want to sell the horse, she would be willing to lease him to someone who would be interested in showing him.

11.

On or about February 27, 2012, in furtherance of her scheme, Biear offered to have Noel take Lux and another horse known as Rock-a-Bye ("Getty") from their location in Bend back to The Chase in Sherwood for the purpose of arranging for leases on both horses. By way of an email, Biear authorized Noel to "just take both of them and trial them or have both of them on a lease".

12.

On or about March 3, 2012, Noel picked up the two horses from a horse boarding facility in Bend and transported them to The Chase's facilities in Sherwood. Thereafter Noel, pursuant to the authorization given him by Biear, arranged a lease whereby his customers John and Eileen Skakel

Page 3 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

("the Skakels") agreed to pay all of Lux's expenses, including but not limited to his board, training, shoeing, and routine vet care in exchange for the opportunity for their daughter, Frances, to compete on the horse for the summer show season. From March 3, 2012 through July 24, 2012, the Skakels, as agreed, paid all of Lux's expenses, and as agreed Lux was made available for Frances to compete on. Biear was aware of the terms of the lease for Lux and even attended Frances's first show in May of 2012.

13.

After having determined that Getty was not a suitable horse for any of his clients, Noel informed Biear that he was unable to put together a lease on Getty. Biear then arranged to have Getty put into training for the purpose of increasing her sales value, and on April 18, 2012 she sent a written authorization to Noel, appointing him as her agent to represent both herself and the horse.

14.

From March 3, 2012 to July 24, 2012, The Chase paid all of Getty's boarding, shoeing, and veterinary expenses. The Chase also provided training services and actively marketed the horse for sale through advertising and by showing her to prospective customers at The Chase's facility and at horse shows. Biear was aware of the services provided by Noel, attended at least one horse show where the horse competed, and used photographs of the horse that were taken at the shows in subsequent advertisements.

15.

On or about July 10, 2012, Noel, as agent of the Skakels, entered Lux and Frances Skakel in the High Desert Classic Horse Show in Bend. Noel also entered Getty for the purpose of showing her to prospective buyers and selling her. Based on his authority as Biear's agent, Noel arranged to have one of his clients, Alexandra Wilson, who's own horse was injured, pay Getty's expenses at the show in exchange for the opportunity to ride the horse in certain children's classes and to help mitigate Biear's expenses. The Skakels and Wilsons each prepaid the required entry and stabling fees, made

Page 4 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

8

11

12

13

14 15 16

17

18

19 20

2122

2324

25

26

travel and vacation plans, and prepaid for accommodations in order to attend the show, Biear knew that the horses would be competing at the show.

16.

On or about July 19, 2012, three days before Lux and Getty were to leave for the High Dessert Classic, Biear represented to Noel that she had sold Lux, and that she would be shipping the horse out of state immediately. Biear's representation as to the sale of Lux was materially false, and was made despite her knowledge that she had previously represented that the horse was not for sale, despite her knowledge that the horse was currently under lease to the Skakels for the show season, and despite her knowledge that the horse had been entered into the show.

17.

On about July 22, 2012, Noel gave notice to Biear that she was in breach of her agreement to make Lux available for lease for the show season, and that she had caused The Chase to breach it's lease agreement with the Skakels. Noel notified Biear that based on the breach of their agreement, the Skakels would be entitled to a refund of all money paid for the purpose of having Lux available for their daughter to show, and that the Chase would be honoring it's obligation to do so. Noel further notified Biear that by breaching her agreement with The Chase, Biear would be obligated to pay the costs of caring for and training Lux, and was claiming a possessory lien on the horse for the amount of the board, training, shoeing, and other costs associated with the care and training of the horse.

18.

On July 23, 2012, The Chase also claimed a possessory lien on Getty for unpaid board, training services, shoeing, vet care, and marketing expenses, and notified Biear of the same.

19.

On July 23, 2002, Noel transported the two horses to Bend to show them in the High Desert Classic. The horses were stabled a the show grounds under the care custody and control of Eric Noel as agent for and trainer of the horses.

Page 5 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

1

5

4

7 8

10 11

1213

15 16

14

17 18

19

2021

22

2324

\_\_

26

On July 24, the day before the show was to start, Defendant Biear, with full knowledge that there were possessory liens claimed on both Lux and Getty, and with full knowledge that she had appointed Noel as her agent, entered the show grounds, and in violation of the possessory interest granted to The Chase by statute, and in furtherance of her scheme to defraud Plaintiffs, misrepresented to officials at the horse show that she alone had a legal right to the possession of the horses. Based on her misrepresentation, and without having made any attempt to contact Noel, who was present on the show grounds at the time, officials at the High Desert Classic horse show assisted Biear in violating the lien and removing the two horses from the care custody and control of Eric Noel and The Chase. In violation of ORS § 164.125(1)(a) prohibiting theft of services, Biear removed the horses from the show grounds without paying for any of the serviced provided to her by The Chase, and took them to an undisclosed location.

21.

Upon receiving the news that Lux and Getty had been taken by Biear from the showgrounds, the Skakels and Wilsons aborted their plans to attend the show and promptly terminated their longstanding business relationships with The Chase. Both parties were forced to forfeit their prepaid entry and stabling fees to the show, as well as the deposits or prepayments that they had made for lodging.

22.

On July 26, 2012 Noel and The Chase filed their original Complaint and served the same upon Biear, along with written notices of the liens on Getty and Lux. The lien notices were served by the Sheriff on the same day.

23.

On July 27, 2012 Biear filed a document with the Deschutes County Circuit Court entitled Motion to Complaint in which she set forth material facts to the court and swore under penalty of

Page 6 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

perjury to the truth of those facts before the Clerk. By means of her Motion to Complaint, and in violation of ORS 162.065 (prohibiting perjury) and ORS 162.075 (prohibiting false swearing), Biear falsely testified to the existence of untenable agreements between herself and Noel whereby Noel agreed to lease both horses and pay all of the expenses of keeping them without reimbursement with the understanding that they were being marketed for sale and could leave at any time. Biear further falsely testified that both horses had been sold prior to her having been notified as to the existence of the liens, that both horses had been impounded by the United States Equestrian Federation, that she had no knowledge that Lux had been leased to the Skakels, and gave other false statements in furtherance of her scheme to defraud Noel. Biear's false testimony was made with full knowledge of it's falsity, in violation of Oregon criminal statutes, and for the purpose of defrauding both Noel and the court.

24.

At some point, after having taken the horses, Kaitlyn Biear, in furtherance of her scheme to defraud, with knowledge that there was a lien claimed, and for the purpose of depriving The Chase of its statutory rights to possession and foreclosure, caused Lux to be transported across state lines, probably to Illinois and secreted the horse at an unknown location, in violation of ORS 99.230 (fraudulent conveyance),. Despite her representations that Lux had been sold in July of 2012, the horse remained under the ownership of Kaitlyn Biear until December 13, 2012, when he was sold to Emily Kabeshita of St. Charles, IL with the lien still unsatisfied in violation of criminal statute ORS 164.085(1)(d) (prohibiting transfer of encumbered property).

25.

On or about July 29, 2013, Kaitlyn Biear, with knowledge that there was a lien claimed, and for the purpose of depriving Plaintiffs of their statutory right to possession and foreclosure, and in violation of ORS 99.230 (fraudulent conveyance) and criminal statute ORS 164.085(1)(d) (prohibiting transfer of encumbered property), fraudulently conveyed the ownership of Getty to her mother,

Page 7 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

Catrina Biear. Kaitlyn Biear subsequently began representing herself her mother's agent and began advertising Getty for sale on Dreamhorse.com. By means of her ad, Biear, using the alias "Ann", misrepresented the horse Getty, who was a 15.3 hand chestnut thoroughbred mare as being "Savoy", a 16.1 hand sorrel thoroughbred/warmblood cross. Biear placed her online ad with full knowledge that the information contained in it was false, in furtherance of her scheme to defraud Plaintiffs, and for the purpose of defrauding potential buyers. Biear's placing of her on-line ads were in violation of federal criminal statute 18 USC § 1343 prohibiting wire fraud. With full knowledge that there was a lien on Getty and that her representations were false, Biear represented to interested buyers that the horse's title was free from encumbrance in violation of Oregon criminal statute ORS 164.085(1)(d) (prohibiting transfer of encumbered property)..

26.

On or about August 20, 2012 the Biears, in exchange for a \$250 fee, relinquished their possession of Getty and sent the horse to a prospective buyer on a 30 day lease. The lessee was made aware by Noel that, contrary to the representations made by Biear, the title to the horse was not unencumbered and that The Chase, was statutorily entitled to possession of the horse pursuant to their lien. The lessee subsequently transferred possession of Getty back to The Chase.

27.

On October 16, 2012 The Chase, pursuant to state statute, initiated foreclosure proceedings against Biear and served her with notice that unless the lien was satisfied the horse would be sold at public auction on November 19, 2012 at 12:01 PM. As required by statute, notice was also posted at the Deschutes County Courthouse and was published on two consecutive weeks in the Bend Bulletin. The auction was held on November 19, 2012 at the Deschutes County Courthouse and the Statement of Account was filed with the Deschutes County Clerk. The horse sold at auction for \$600.00 which left a balance owing of \$8,412.75. Despite having been notified of its time and place, neither Kaitlyn nor Catrina Biear attended the auction.

Page 8 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

4

6

7

8

10 11

12

13

14 15

16

17 18

19

20

2122

23

2425

26

On November 14, 2012, in response to Plaintiff's First Request for Production of Documents, Kaitlyn Biear submitted evidence for use in the above entitled action. Included in her response was a copy of a contract between Kaitlyn Biear and a "Rachel S" which was forged by Biear in violation criminal statute ORS 165.007(a), (b) (prohibiting forgery of written documents) and ORS 165.080 (prohibiting the falsifying of business records) and for the purpose of showing that Lux had been sold on June 28, 2012. Also included in her response was a copy of a contract between Kaitlyn Biear and a "Kavita Mohan" which was forged by Biear in violation of ORS 165.007(a), (b) and ORS 165.080 for the purpose of showing that Getty aka "Rock-a-Bye" had been sold on June 24, 2012. Both documents were fraudulent, and were created for use as evidence in violation of criminal statute ORS 165.295(b) (prohibiting the production or offering of false physical evidence). The forged documents were deposited in the US mail for delivery to Plaintiff in violation federal criminal statute 18 § USC 1341 (prohibiting mail fraud), and in furtherance of Biear's scheme to defraud both Noel and the court.

# FIRST CLAIM FOR RELIEF (Breach of Contract)

29.

Plaintiff re-alleges and incorporates herein the matters set forth in paragraphs 1-28 above.

30.

Although the contract between Baier and Noel for the lease of Lux was oral, there was sufficient performance by both parties to remove it from the statute of frauds.

31.

Pursuant to the agreement between Noel and Baier to for the lease of Lux, and pursuant to Biear's appointment of Noel as her agent, Noel had authority to enter into the agreement between himself and the Skakels to lease Lux for the show year.

Page 9 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

Defendant Biear's selling of Lux after having entered into an agreement to make him available for Noel to lease for the purpose of allowing Frances Skakel to show him during the summer constitutes a breach of the contract between the parties.

33.

Defendant's breach caused Noel and The Chase to have to breach their agreement with the Skakels, to make Lux available for Frances Skakel to compete on in exchange for paying his boarding, training, and horse care costs. Defendants breach obligated The Chase with having to refund the money the Skakels had paid to care for, train, and show the horse.

34.

Defendants breach of the contract and taking of the horse during the High Desert Classic horse show caused Plaintiffs to have to pay the non-refundable obligations to the horse show as well as the cost of caring for and preparing the horse for showing.

35.

Defendants breach of contract and taking of the horse during the High Desert Classic horse show further deprived the Chase of the income it would have received for transporting and supervising the showing of the horse at the show as well as future income for showing the horse throughout the summer.

36.

Defendants breach of contract caused Noel and The Chase to lose a longstanding client and deprived them of future income they would have received from the Skakels for boarding, training, lessons, and showing.

37.

Plaintiffs have been damaged in an amount to be proven at trial but not less than \$16,330.00.

#### SECOND CLAIM FOR RELIEF

Page 10 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

ERIC NOEL
9945 S.W. 82nd Avenue
Portland, OR 97223
Telephone: (503) 781-7441
Fax: (503) 961-1931
Email: eric@postentry.com

1	(Quantum Meruit)		
2	38.		
3	Plaintiff re-alleges and incorporates herein the matters set forth in paragraphs 1-37 above.		
4	39.		
5	By receiving services in the boarding, horse care, training, showing, and advertising of both		
6	horses Defendant received a benefit at her request.		
7	40.		
8	Defendant was aware of and did in fact receive the aforementioned benefit.		
9	41.		
10	Defendant would be unjustly enriched if not required to pay Plaintiffs damages in an amount to		
11	be proven at trial but not less than \$16,330.00.		
12	THIRD CLAIM FOR RELIEF		
13			
14	42.		
15	Defendant re-alleges and incorporates herein the matters set forth in paragraphs 1-41 above.		
16	43.		
17	Defendant's taking of Lux without the knowledge or permission of Plaintiffs, and selling of		
18	Lux in violation of Plaintiff's valid possessory lien deprived Plaintiff of his statutory right to possession		
19	of the horse, and amounts to conversion.		
20	44.		
21	Plaintiffs have been damaged in an amount to be proven at trial but not less than \$10,730.00.		
22			
23	FOURTH CLAIM FOR RELIEF		
24	(Misrepresentation and Fraud re: Lux)		
25	45.		
26	Page 11 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS		

3

4

6 7

8

10 11

1213

14

15 16

17

18 19

20

2122

23

2425

26

Plaintiff re-alleges and incorporates herein the matters set forth in paragraphs 1-44 above.

46.

With knowledge that Plaintiff was looking for a horse for his client to lease for the upcoming horse show season, Defendant Kaitlyn Biear represented to Plaintiffs that Lux was available for lease for at least the upcoming show season and was not for sale. Defendant's representation was false and Defendant know of its falsity. Defendants misrepresentation was made for the purpose of obtaining boarding, training, conditioning services for Lux without having to personally incur the expenses of those services, and for the purpose of having Plaintiff provided those services without compensation. The fact that Lux would be available for his client to lease for the show season was material to Plaintiffs' decision to lease the horse. Plaintiff relied on Defendant's representation, and had a right to rely on Defendant's representation as to Lux's availability for his intended purpose in his decision to leases the horse and in arranging a sublease with the Skakels for the upcoming show year.

47.

In furtherance of Defendant's fraudulent scheme, her misrepresentations were made via email in violation of federal criminal statute 18 USC § 1343 prohibiting wire fraud.

48.

As a direct result of Defendant's misrepresentation Plaintiff was unable to perform on his lease with the Skakels and incurred a liability for the breach of the agreement between them in the amount of no less than \$6,010.00. As a further result of Defendant's misrepresentation the Skakels ceased doing business with Plaintiffs, thus damaging them in an amount to be determined at trial but no less than \$16,330.00.

# FIFTH CLAIM FOR RELIEF (Misrepresentation and Fraud re: Getty)

49.

Plaintiff re-alleges and incorporates herein the matters set forth in paragraphs 1-48 above.

Page 12 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

With knowledge that Plaintiff had no interest in leasing Getty and had no clients interested in leasing or buying her, Defendant Kaitlyn Biear represented to Plaintiffs that Lux she would board the horse at The Chase and have Noel continue to train, prepare, and market the horse, with the fees and expenses to be payable upon the sale of the horse. To that end Biear appointed Noel as her agent. Defendant's representation was false and Defendant know of its falsity. Defendants misrepresentation was made for the purpose of obtaining boarding, training, conditioning, and advertising services for Getty without having to personally incur the expenses of those services, and for the purpose of having Plaintiff provided those services without compensation. The fact that Biear would be paying The Chase for the services it provided, and the fact that she had appointed Noel as her agent was material to Plaintiffs' decision to maintain the horse at The Chase's facility and to "front" the expenses for the care, maintenance, training, and advertising of the horse. Plaintiff relied on Defendant's representation, and had a right to rely on Defendant's representation as to her intent that Plaintiff would be paid for the services he provided.

17 | 18 | 19 | 20 | 21 | 22 |

As a direct result of Defendant's misrepresentation Plaintiff advanced the horse's boarding expenses and provided her training, conditioning, and advertising without compensation in the amount of \$7,750.00. As a direct result of Defendant not paying those expenses Plaintiff was compelled to seek foreclosure on his lien against Getty, resulting in increased expenses of \$1,262.75. Getty sold at public auction for \$600.00, resulting in a net balance due of \$8,412.75. As a direct result of Defendant's misrepresentation as to Noel's appointment as her agent, and Noel's subsequent arrangement to have the Wilson's pay Getty's show expenses at the High Dessert Classic, Plaintiff was unable to provide Getty to the Wilsons as agreed As a further result of Defendant's misrepresentation the Wilsons ceased doing business with Noel and The Chase, thus damaging them in an amount no less than \$10,320.00. Plaintiff has thus been damaged in an amount to be proven at trial but no less than

51.

Page 13 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

1	
2	
3	
4	
5	
6	
7	.
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
	II

\$18,732.75.

1

### SIXTH CLAIM FOR RELIEF (Tortuous Interference With Contractual Relations)

52.

Plaintiff re-alleges and incorporates herein the matters set forth in paragraphs 1-51 above.

53.

Defendant's breach of the agreement between herself and Noel, her taking of both horses in violation of the possessory liens that had been claimed on them and in violation of Oregon criminal statutes, her fraudulent denial of the agency agreement between herself and Plaintiff, and her fraudulent misrepresentation to Plaintiff that Lux would be available for lease for the show year were tortuous acts that materially interfered with Plaintiffs contractual relations with the Skakels and Wilsons. Defendant's scheme to defraud Plaintiff with regard to both horses constituted an improper motive. Her taking the horses from the High Desert Horse Show in violation of Plaintiff's possessory liens and without paying Plaintiff for his services constituted an improper means.

54.

Defendant improper acts caused Plaintiff's clients, who had a prior longstanding business relationship with The Chase, to cease doing business with him. As a result of Defendant's acts, Plaintiff has been damaged in an amount to be determined at trial but no less than \$20,640.00.

1

2

2

2

23 24

25

26

### SEVENTH CLAIM FOR RELIEF (Conspiracy)

55.

Plaintiff re-alleges and incorporates herein the matters set forth in paragraphs 1-51 above.

56.

At all material times, Defendant Catrina Biear gave material support, encouragement, and assistance to Defendant Kaitlyn Biear in carrying out the acts alleged herein, including but not limited

Page 14 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION. FRAUD, AND RELATED CLAIMS

Page 15 - AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS

**Plaintiff** 

25

26

Eric Noel individually and for The Chase LLC.

E-mail: eric@postentry.com

ERIC NOEL
9945 S.W. 82<sup>nd</sup> Avenue
Portland, OR 97223
Telephone: (503) 781-7441
Fax: (503) 961-1931
Email: eric@postentry.com

#### **CERTIFICATE OF SERVICE**

I hereby certify that on March 13, 2012, I served the foregoing AMENDED COMPLAINT FOR BREACH OF CONTRACT, MISREPRESENTATION, FRAUD, AND RELATED CLAIMS on defendants by mailing to them a true copy thereof at both of the addresses below, contained in a sealed envelope, with postage prepaid, and deposited in the United States Post Office at Tigard, Oregon:

Kaitlyn Biear 2920 NE Lotno Drive Bend, OR 97701

Catrina Biear 2920 NE Lotno Drive Bend, OR 97701

Eric Noel Plaintiff