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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

SEAN JONES,

Plaintiff,

vs.

NORTH WEST TELEMARKEETING,  
INC.,

Defendant.

CV 99-990 JO

March 18, 2001

Portland, Oregon

TRANSCRIPT OF STATUS CONFERENCE

BEFORE THE HONORABLE ROBERT E. JONES

UNITED STATES DISTRICT COURT JUDGE

APPEARANCES

FOR THE PLAINTIFF:

A.E. BUD BAILEY  
Bailey Pinney & Associates LLP  
8100 S.W. Nyberg Road, Suite 201  
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503 691-6267

FOR THE DEFENDANT:  
Northwest

JOHN W. WEIL  
Hooper Englund & Weil LLP  
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Portland, Or 97201  
503 221-0309

FOR THE DEFENDANT:  
Rote

KEVIN BRUCE CHAMES  
Chames & Chames  
29781 S.W. Town Center Loop W  
Wilsonville, Or 97070  
503 682-8840

COURT REPORTER:

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1000 S.W. Third Ave., Room 301  
Portland, OR 97205 (503) 326-8186

Proceedings recorded stenographically,  
computer-aided transcription.

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(Wednesday, March 18, 2001, 9:00 a.m.)

P R O C E E D I N G S

THE COURT: All right. We are here, so what do  
you want the court to do?

MR. BAILEY: Well, your Honor, I think the  
court -- pursuant to your order, we need to set the date for

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8 a show cause hearing, and then kind of work back from that,  
9 maybe, in terms of the discovery that is necessary before we  
10 do the show cause hearing.

11 And Mr. Weil and I talked about that earlier, and  
12 I think that's kind of what we thought we might do.

13 MR. WEIL: I think that's correct. And your  
14 Honor, for the record, again, I represent the defendant  
15 Northwest Telemarketing from the original case. And then I  
16 have been asked to represent the two corporate defendants,  
17 Northwest Direct of Sisters and Northwest Direct  
18 Teleservices, so I would represent all three corporate  
19 defendants, and Mr. Chames, the individual defendant,  
20 Mr. Rote.

21 I believe that there are some issues regarding  
22 service of process in this case. We probably ought to have  
23 an opportunity to respond to the creditors bill and maybe  
24 file some motions to get the pleadings tested, and have a  
25 discovery schedule, with set-off, and then schedule a trial  
3

1 date on the underlying claim.

2 MR. CHAMES: I concur with that, your Honor. I  
3 had been asked by Mr. Rote to -- when Mr. Weil identified a  
4 potential conflict between him personally and the companies  
5 that he's involved in -- to represent him here. To date,  
6 all I have seen is request for discovery by Mr. Bailey,  
7 which came through Mr. Weil's office, as a matter of fact,  
8 and put a time line on the discovery request that he had  
9 sent, which I think would be three days hence. And, so, I  
10 haven't had an opportunity to look at that.

11 I think a lot of the things that Mr. Bailey has  
12 requested, pursuant to this discovery, probably would be  
13 objectionable or exceed the scope which he would be required  
14 to delve into, given the rules that you have previously

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15 made.

16 So, I need some time to get in and look at the  
17 pleadings and be able to kind of make some objections and  
18 make some reasoned arguments as to why I think some of the  
19 things that he's requesting may or may not be applicable.

20 MR. BAILEY: I don't know that there's any -- I  
21 don't know what their issues are. As the court knows, the  
22 order in this matter came out some time ago. Today is the  
23 first day I have known Mr. Chames was going to represent  
24 Mr. Rote personally in this matter.

25 I think -- I don't recall, I mean, whether or not  
4

1 you responded to my motion in this case earlier, on behalf  
2 of all the individuals or not. I don't recall what the  
3 response was even was.

4 MR. WELLS: I responded on behalf of the defendant  
5 against whom the judgment has been entered, your Honor. I  
6 didn't enter an appearance for the others. I only appeared  
7 on behalf of Northwest Telemarketing.

8 MR. BAILEY: It's likely then that what I need to  
9 have from the court is an order for a show cause hearing  
10 with a date, so I can serve them -- serve each of the  
11 grantee defendants with the date, so that they know when the  
12 show cause hearing would be. And then, at that point, it  
13 seems like we work backwards in terms of discovery dates and  
14 anything else that may be necessary.

15 THE COURT: One of the reasons I wanted you to  
16 come in here, was Mr. Rote shared with you the letter he  
17 wrote to the court?

18 MR. WELLS: I have not seen the letter, your Honor.

19 MR. CHAMES: I have not seen the letter, no.

20 THE COURT: Did you give them the courtesy of the  
21 letter?

22 MR. ROTE: I don't recall that I did. I don't

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23 think so.

24 THE COURT: Anyway, I don't want anything to do  
25 with this case. I have utter contempt for this person. He  
3

1 wrote the court a very personal, very nasty letter. A  
2 hypocrite. So, get out of here. I am not going to have  
3 anything to do with this. I will recuse myself. I will  
4 reassign it to another judge.

5 (Mr. Rote left the room.)

6 MR. CHAMBERS: Okay.

7 MR. BAILEY: Do I need to do anything?

8 THE COURT: You can't. I am just -- I am not --

9 MR. CHAMBERS: Did you want to say anything else to  
10 us, your Honor?

11 THE COURT: I am just saying to you that this guy  
12 wrote a letter where I couldn't possibly be impartial.  
13 Thank you.

14 MR. WEIL: I am very sorry, your Honor. And I  
15 apologize and understand. I haven't seen it, but --

16 THE COURT: He's a member of our church and said  
17 what kind of a Christian could I be to make such decisions  
18 and all that sort of stuff. And it wouldn't go to Judge  
19 Marsh either, who is also a member of the church.

20 Okay. Thank you.

21 MR. WEIL: Thank you, Judge.

22 (Recess 9:03 a.m.)

23

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1 --c00--

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3 I certify, by signing below, that the foregoing is

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4 a correct transcript of the record of proceedings in the  
5 above-entitled cause.

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KATHERINE EISMANN, CSR, CRR, RDR  
Official Court Reporter

DATE

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