

**MARTHA DENT, COY GARRETT,
TRACY STANLEY, JAMIE ADAMS
SUNDEE HINCHLIFFE, DEE DAVEY,
LARRY W. JOHNSON, AMY CEARNAL
PAULA WOMMACK, MIKE HALE,
SHANNON MOSER, and SHARON
PARRISH**

Plaintiffs,

V.

**ARLINGTON BOARD OF REALTORS,
LARRY HURLEY, COREY HARRIS,
LILLIBETH OLVERA-MOODY,
ROBYN EASTMAN, and TAYLOR
OLDROYD**

Defendants,

IN THE DISTRICT COURT

TARRANT COUNTY, TEXAS

96TH JUDICAL DISTRICT

**PLAINTIFFS' VERIFIED FIRST AMENDED PETITION AND APPLICATION
FOR TEMPORARY INJUNCTION**

Plaintiffs Martha Dent, Coy Garrett, Tracy Stanley, Jamie Adams, Sundee Hinchliffe, Dee Davey, Larry W. Johnson, Amy Cearnal, Paula Wommack, Mike Hale, Shannon Moser, and Sharon Parrish, hereafter collectively “Plaintiffs,” file this original petition against Defendants, Arlington Board of Realtors, Larry Hurley, Corey Harris, and Taylor Oldroyd, hereafter collectively “Defendants.”

DISCOVERY-CONTROL PLAN

1. Plaintiffs intend to conduct discovery under Level 3, which is Rule 190.4, Texas Rules of Civil Procedure, and affirmative plead that this suit is not governed by the expedited-actions process in Rule 169, Texas Rules of Civil Procedure, because Plaintiffs request non-monetary relief, including injunctive relief.

CLAIM FOR RELIEF

2. Plaintiffs seek only non-monetary relief, except for attorney's fees and costs.

PARTIES

3. Plaintiffs Martha Dent, Coy Garrett, Tracy Stanley, Jamie Adams, Sundee Hinchliffe Dee Davey, Larry W. Johnson, Amy Cearnal, Paula Wommack, Mike Hale, Shannon Moser, and Sharron Parrish are all residents of Tarrant County, Texas and have been at all times pertinent to the claims alleged in this petition. Plaintiffs have been members of Defendant Arlington Board of Realtors, hereafter "ARBOR," at all relevant times and are members at the present date. These Plaintiffs have over 400 years of membership in Defendant Arlington Board of Realtors, hereafter "ARBOR." Plaintiffs include five past presidents of ARBOR, one past CEO of ARBOR, former Directors and Officers, and Realtors of the Year of ARBOR.

4. Defendant Arlington Board of Realtors is a Texas Non-Profit Corporation, located in Tarrant County, Texas and may be served by serving its registered agent

Taylor Oldroyd, at the registered address of the corporation, 3916 Interstate 20 West, Suite 160, Arlington, Tarrant County, Texas 76017

5. Defendant Larry Hurley is a resident of Tarrant County, Texas now Past-President of ARBOR and may be served at his office address of 3825 W. Green Oaks Blvd, Arlington, Tarrant County, Texas 76016.

6. Defendant Corey Harris is a resident of Tarrant County, Texas, who is claiming to hold the title of President of ARBOR and may be served at his office address of 731 North Fielder, Suite 100, Arlington, Tarrant County Texas 76012.

7. Defendant Lilibeth Olvera-Moody is resident of Tarrant County, Texas who is claiming to hold the title of President-Elect of ARBOR and may be served at her home address of 2429 St. Gregory, Arlington, Tarrant County, Texas 76013.

8. Defendant Robyn Eastman is a resident of Tarrant County, Texas who holds the title of Immediate Past President and may be served at her office address of 550 N. Walnut Creek Drive, Suite 100, Mansfield, Tarrant County, Texas 76063.

9. Defendant Taylor Oldroyd is a resident of Tarrant County, Texas holding the title of Chief Executive Officer and may be served at his office address of 3916 West Interstate Highway 20, Suite 160, Arlington, Tarrant County, Texas 76017.

JURISDICTION

10. The Court has jurisdiction because the events giving rise to the claims occurred

in Tarrant County, Texas and the Defendants are citizens and residents of Texas.

VENUE

11. Venue of the claims in this suit is proper in this county because the claims occurred in Tarrant County, Texas, ARBOR's principal place of business is in Tarrant County, and one or more of the individual Defendants is in Texas.

FACTS

12. Defendant, ARBOR has been in existence for over seventy years, with a current membership of approximately three thousand, serving areas including Arlington, Mansfield, Kennedale, Midlothian, Waxahachie, Hillsboro, Hill County, and Ellis County. Plaintiffs have tried for the better part of a year to get the historical proper governance and transparency for ARBOR, spending their own money and time without success.

13. In October of 2022 the Bylaws of ARBOR were amended, including Article XII, Section 6 to read to wit:

“A Quorum for the transaction of business at any properly called or scheduled meetings of the Executive Committee and/or the Board of Directors and/or Special Meetings of the Membership shall consist of 51% of the Members eligible to vote, except as may otherwise be required by state law.”

In addition, this definition of “Quorum” is expressly incorporated into the requirements for annual elections under Article XI, Section 4.

14. Since the adoption of the amended bylaws in 2022, two annual membership meetings have been held in October 2023 and October 2024, where those in attendance did not number more than 51% of the members as required for a quorum for those annual membership meetings.

14. Therefore, the results of the 2023 election were invalid. And they have not been ratified, much less validly ratified under Texas law.

15. Under the terms of the Bylaws, Article XI, Section 1(b), officers continue to hold office until death, resignation, replacement in a valid election, or termination for failure to attend board meetings. Under these terms, upon information and belief, the officers elected in 2022 continued to be the elected officers of ARBOR after the invalid 2023 election.

16. After the 2023 meeting, Plaintiffs called to the attention of ARBOR's Executive Committee (which included all of the Defendants and two at-large members) the quorum problem and its effect on actions taken by the members at the membership meeting in October of 2023. Significantly, these Defendants, who were voted for as officers and directors at the 2023 membership meeting, were not lawfully elected to office, for lack of a quorum. Defendants were further informed that it was highly unlikely there would be a quorum for the membership meeting in October 2024.

17. Notwithstanding receiving this information, the Executive Committee,

controlled by Defendants, did not seek to effectively ratify the election. Defendants initially refused to notify the members of the quorum problem or to take action to prevent the same quorum problem from occurring at future meetings. However, the Executive Committee finally relented and placed as a ballot item a draft change of the Bylaws to be voted on at the October 2024 membership meeting.

18. In May of 2024, Defendant Hurley failed to appoint a nominating committee to be approved by the board of directors as required by Article XI, Section 3 of the ARBOR Bylaws.

19. Additionally, Defendant Oldroyd as CEO failed to solicit written recommendations from the membership for delivery to the nominating committee by July 30, 2024, as required by Article XI, Section 3 B of the Bylaws.

20. The minutes of the July 9, 2024, meeting of the officers of ARBOR reflect that in discussing the “Just Vote No” campaign, the dilemma of the quorum problem came up for discussion with the attorney for ARBOR suggesting it needed to be solved by a court.

21. The minutes of August 20, 2024, meeting of ARBOR’s Bylaws committee Defendant Hurley and Defendant Harris were present when the committee voted to resolve the quorum problem by putting a change in the Bylaws on the ballot rather than follow the legal advice of ARBOR’s counsel to take the matter to a district court

to correct the Bylaws problem. This was done with full knowledge there would not likely be a quorum at the October annual meeting.

22. Plaintiffs along with other members urged the Defendants to cancel the October 2024 membership meeting and to work together to correct the Bylaws problem, as authorized by law, by seeking help from a district court. However, Defendants rejected this proposal.

23. In advance of the October 2024 meeting, Defendant Hurley wrote to the members that he was endorsing the members nominated by the nominating committee, and not the slate of people nominated by Plaintiffs and other members in accordance with the Bylaws. Not only is there no provision in the Bylaws for a sitting president to do this but it is contrary to National Association of Realtors policy of full transparency in elections. Additionally, the ballot for the election of candidates for the Board of Directors stated that certain candidates had been endorsed by the Board of Directors, yet the minutes of the Board meetings fails to reveal any such endorsement.

24. At the October 2024 membership meeting held on October 10, 2024, the meeting proceeded with staff of ARBOR instructing absentee voting members how to vote as they received their ballot. At the conclusion of the meeting votes were tabulated and those with the largest number were notified that they had been elected.

Two of the officers and two of the directors who received the most votes were from the list nominated by petition for members in accordance with the Bylaws rather than those endorsed by Defendant Hurley and allegedly the Board.

25. During the beginning of the meeting, Defendant Hurley was informed there was a lack of a quorum present for the meeting to be held, but the objection was ignored. Rather, he proceeded with the election, and his proposed slate of officer candidates *lost*.

26. Following the October 2024 annual membership election, Defendants notified ARBOR members that the election was invalidated due to a lack of quorum.

27. Defendant Harris later posted a video on January 24, 2025, announcing that the October 10, 2024, membership meeting did not have a quorum and asserting that “it was as if it did not happen.”

28. After the election, Defendants did not seek to ratify the results of the election, much less validly ratify the election under state law.

29. Instead, Defendant then-President-Elect Harris, who had not held his position for a full year as required by Article XI, Section 1(c)(1) of the Bylaws to become President, stated that he was appointing individuals to the officer and director positions, since none of these positions were validly elected at the annual membership meeting. However, Defendant Harris declined to appoint those people who received

the majority vote of members present at the meeting, instead he appointed his own slate of officers, including Defendant Lilibeth Olivera-Moody.

30. However, the Bylaws do not allow for these appointments because the President's appointment power is limited to "vacancies." None of the conditions for vacancy—death, resignation, replacement in a valid election, or failure to attend board meetings—had occurred based on information and belief.

31. Nevertheless, even assuming vacancies had occurred, Defendant Harris was not yet the "President" authorized to make the appointments, since: (1) Defendant Harris had not been validly elected in 2023; and (2) Defendant Harris had not yet served a full year as President-Elect, as required by Article XI, Section 1(c)(1) and Article XIV of the Bylaws, at the time the appointments were made.

32. In short, Defendant Harris obtained his position despite a procedural defect that rendered the 2023 election invalid but then used *the same defect* to maintain his position in 2024 to appoint his own slate of candidates . . . *contrary to the membership vote they insisted upon* in 2024.

33. Defendants' actions raise other questions about the fulfillment of their duties to ARBOR and its members, including the duty of loyalty, but those questions are not limited to the foregoing actions. For instance, during 2023 and 2024, Defendants secretly pursued a possible merger of ARBOR with the Fort Worth Board of Realtors.

When this was discovered, the Defendants began an orchestrated campaign lobbying members to vote for the merger.

34. All requests of Plaintiffs for a review of ARBOR's books and records authorized by Sections 22.351 and 22.352 of the Texas Business Organizations Act have been denied repeatedly, except for a nominal review of limited records. To the extent books and records have been made available, these reveal suggestions of possible improper financial conduct on the part of Defendant Oldroyd or others. For instance, based on what little information has been provided, Plaintiffs have significant questions as to why Cash and Investment account balances have gone down dramatically, with the balances dropping over 25% since year-end 2020, an amount of over \$800,000.00 in reductions, which when inquired about by Plaintiffs were not answered.

35. Defendants have spent considerable undetermined funds of ARBOR in support of a merger with the Greater Fort Worth Association of Realtors which (had it been accomplished) would have placed ARBOR in an immediate and permanent minority position after the merger, hindering ARBOR's service in the areas it serves and diluting the voice of ARBOR members.

36. Defendants conduct is contrary to the Guidelines of the National Association of Realtors and Texas Association of Realtors, which expressly advocate transparency in

all elections.

37. At no time did Defendants ever inform the members that, if the merger should be consummated, ARBOR would become a minority member of the merged association.

38. In October of 2024, Defendant Oldroyd recommended to ARBOR's Governmental Affairs Committee an endorsement of and campaign contribution to Defendant Harris to run for Arlington City Council in 2026, which was denied by the Governmental Affairs Committee. However, in November of 2024 Defendant Oldroyd again recommended to the Governmental Affairs Committee an endorsement and campaign contribution that apparently passed even though Defendant Harris, who was present at both meetings, had not filed to run for the position nor had he appointed campaign treasure as required by Texas Election Code Chapter 352. The filing date for this position is not until January of 2026. However, the contribution was granted and paid through TREPAC on December 16, 2024, which is also contrary to Texas Election Code Chapter 253.

39. Because of the improprieties in management of ARBOR, some of the Plaintiffs began an investigation into the work history of Defendant Oldroyd and were alarmed to learn of allegations of previous improper conduct at other associations, *e.g.*, his dismissal by an association of Realtors in North Carolina, along with fines for abuse

of campaign funds while he was head of an association of Realtors in Montana, and disputes while he was head of an association of Realtors in Salt Lake City, Utah, which prompted Plaintiffs unsuccessful request for a more detailed review of the ARBOR books and records.

40. Because Plaintiffs have attempted unsuccessfully for the better part of a year to get the proper governance and transparency for Defendant ARBOR without court involvement, and because the absence of proper governance and transparency has caused untenable confusion regarding ARBOR's existing and future leadership, the Plaintiffs must seek the following relief.

REQUIRED DISCLOSURES

41. Pursuant to Tex. R. Civ. P. 194.1(a), each Defendant must make the required initial disclosures (including all information required by Tex. R. Civ. P. 194.2(b)) within the appropriate time after service of this lawsuit under Tex. R. Civ. P. 194.2(a).

RULE 193.7 NOTICE OF INTENT TO USE ITEMS PRODUCED IN DISCOVERY

42. Please take Notice that Plaintiffs intend to use documents and items produced in discovery by the Defendants in the trial of this matter. Any items produced by the Defendants in discovery are self-authenticating pursuant to Tex. R. Civ. P. 193.7.

CLAIMS FOR RELIEF

DECLARATORY RELIEF

43. Attached is a true copy of the Bylaws as of the date of the October 2024 elections, revealing the language of Article XI, Sections 1 and 3 and Article XII, Section 6 of the ARBOR bylaws is unambiguous.

42. Plaintiffs and Defendants have a dispute on the effect of these sections of the Bylaws that affect the rights and other legal relations of the parties, as described in Section 37.004 (a) of the Texas Civil Practice & Remedies Code, which will resolve the controversies outlined in this petition between them. Alternatively, or in addition, Plaintiffs have the right to determine the validity of corporate acts *vis-à-vis* these bylaws under the Texas Business Organizations Code, Chapter 22.

44. Accordingly, Plaintiffs request that the Court declare that:

- a. the 2023 elections were not valid, for lack of a quorum;
- b. the 2023 elections were not ratified or validated or at least were not validly ratified or validated;
- c. officer positions therefore were not “vacated” due to the 2023 election, and the 2022 electees maintained their “tenure” as officers after the 2023 election;
- d. the 2024 elections were not valid, for lack of a quorum;

- e. the 2024 elections were not ratified or validated or at least were not validly ratified or validated;
- f. officer positions therefore were not “vacated” due to the 2024 election, and the 2022 electees (from the last valid election) maintained their “tenure” as officers and directors after the 2023 and 2024 elections;
- g. Defendant Harris had no authority to “appoint” officers and directors of his choosing;
- h. alternatively, even if positions were “vacant,” Defendant Harris had not been President-Elect for one year and therefore had no authority to appoint any officers and directors;
- i. alternatively, having accepted the benefit of the 2023 elections despite the quorum defect, Defendant Harris was estopped from using that same quorum defect to ignore the 2024 membership vote and to appoint his own slate of officers and directors contrary thereto;
- j. plaintiffs have the right to review all books and records of ARBOR authorized by Sections 22.351 and 22.352 of the Texas Business Organizations Code, including records regarding use of funds to support a proposed merger and election campaigns; and

- k. the purported October 24, 2024, amendment to the Bylaws was not valid and has not been validly ratified or validated under Texas law.

TEMPORARY INJUNCTION AND OTHER EQUITABLE RELIEF

45. Plaintiffs further seek a temporary injunction and other equitable relief.

46. As supported by the verified facts herein, Plaintiffs have shown a cause of action against the Defendants, a probable right to the relief sought, a probable, imminent, and irreparable injury if injunctive relief is not granted, and the absence of an adequate remedy at law. In addition, or in the alternative, the acts sought to be enjoined relate to the subject of this litigation, violate the Plaintiffs' rights, and would tend to render judgment ineffectual and would result in irreparable harm if temporary relief is not granted.

47. Therefore, Plaintiffs request that Defendant be notified of a hearing on this application for a temporary injunction, and following such hearing, that Defendants Harris, and Olivera-Moody be enjoined from further actions on behalf of Defendant ARBOR until a final resolution of these claims.

48. Plaintiffs further seek a temporary injunction temporarily appointing the officers elected in 2022 (whose tenures were not vacated due to the invalidities in the 2023 and 2024 elections) as acting officers and the Court after correcting the quorum problem in the Bylaws order a special election called to properly elect

officers and directors that have not been duly elected.

49. Plaintiffs further request that, upon a hearing of the temporary injunction, Defendants be ordered to provide access to all books and records of Defendant ARBOR authorized by Sections 22.351 and 22.352 of the Texas Business Organizations Code, including records regarding use of funds to support a proposed merger and election campaigns.

MODIFICATION/VALIDATION/RECISION OF BYLAWS

50. To avoid further problems with the “quorum” provision of Article XII, Section 6 of the Bylaws, Plaintiffs further request judicial assistance to correct the bylaw under Texas Civil Practice and Remedies Code Section 37.011 and/or Texas Organizations Code Section 22.512.

51. Specifically, ARBOR, in the name of the Executive Committee, has agreed that the quorum provision in the 2022 amendments has made valid membership elections effectively impossible. ARBOR contends that the 2022 amendment was an “inadvertent” “clerical error” and has purported to amend the bylaw. However, the purported amendment was not valid or validly ratified, and judicial is necessary and proper to correct the issue.

52. Depending on the result of discovery and briefing in this action, necessary and proper relief may take at least two forms:

- a. striking the quorum provision for members, resulting in membership quorums being determined by the default provisions of Texas law and/or the certificate of formation; or
- b. the Court establishing a quorum provision to both eliminate the effectively impossible condition while still complying with Texas law and the certificate of formation, which is titled articles of incorporation.

ATTORNEY'S FEES AND COSTS.

53. Plaintiffs seek to recover reasonable and necessary attorney fees and all other costs of litigation as authorized by Chapter 37 of the Texas Civil Practice & Remedies Code.

CONDITIONS PRECEDENT

54. All conditions precedent for Plaintiffs to file these claims for relief have been performed or occurred.

OBJECTION TO ASSOCIATE JUDGE

55. Plaintiffs object to the referral of this case to an associate judge for any hearing, a trial on the merits, or presiding at a jury trial.

PRAYER

56. For these reasons, Plaintiffs ask that the Court set a date for a hearing on a temporary injunction, grant the temporary injunction requested, and that upon a final

trial or summary judgment, grant Plaintiffs the relief sought in the petition.

Respectfully submitted,

/s/ J. Shelby Sharpe

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ATTORNEYS FOR PLAINTIFFS

VERIFICATION

STATE OF TEXAS §
COUNTY OF TARRANT §

Before me, the undersigned notary, on this day COY GARRETT personally appeared, the affiant, whose identity is known to me. After I administered an oath, affiant testified as follows:

“My name is Coy Garrett. I am capable of making this verification. I am a member of the Arlington Board of Realtors and a Plaintiff in this action. I have read the foregoing Verified Amended Petition and Application for Temporary Injunction. The facts stated therein are within my personal knowledge and are true and correct.

Coy Garrett

Sworn to and subscribed before me by Coy Garrett on February _____, 2025.

Notary Public in and for the State of Texas