

No. 102A20-3

TWENTY-SIXTH DISTRICT

SUPREME COURT OF NORTH CAROLINA

CHESTER TAYLOR III, RONDA
and BRIAN WARLICK, LORI
MENDEZ, LORI MARTINEZ,
CRYSTAL PRICE, JEANETTE
and ANDREW ALESHIRE,
MARQUITA PERRY, WHITNEY
WHITESIDE, KIMBERLEY
STEPHAN, KEITH PEACOCK,
ZELMON MCBRIDE,

Plaintiffs,

v.

BANK OF AMERICA, N.A.,

Defendant.

From Mecklenburg County

MEMORANDUM OF ADDITIONAL AUTHORITY

Pursuant to Rule 28(g) of the North Carolina Rules of Appellate Procedure, Defendant Bank of America, N.A. submits as additional authority for the Court's consideration the case of *Carpenter v. Bank of Am. Corp.*, 870 S.E.2d 152 (table), No. COA-21478, 2022 WL 1014876, *2 (N.C. App. 2022), which is attached as Exhibit A. The Court of Appeals' ruling in that case (*see id.* at ¶¶ 9–11) is relevant to the issue of whether

Plaintiffs' claims are time-barred based on allegations in their complaint establishing their "capacity and opportunity to discover the [alleged] fraud at an earlier date." Pls.' New Br. p 22; Def.'s Reply Br. pp 17–20.

Respectfully submitted this 19th day of October 2023,

MCGUIREWOODS LLP

Electronically submitted

Bradley R. Kutrow

Attorney for Defendant-Appellant

201 North Tryon Street, Suite 3000

Charlotte, North Carolina 28202

Telephone: 704.343.2049

Facsimile: 704.343.2300

N.C. Bar No. 13851

bkutrow@mcguirewoods.com

N.C. R. APP. P. 33(b) Certification: I certify that all of the attorneys listed below have authorized me to list their names on this document as if they had personally signed it.

Dylan M. Bensinger
N.C. Bar No. 58759
McGUIREWOODS, LLP
201 North Tryon Street, Suite 3000
Charlotte, North Carolina 28202
Tel: 704.343.2127
Fax: 704.343.2300
dbensinger@mcguirewoods.com

Keith Levenberg
GOODWIN PROCTER LLP
1900 N Street, NW
Washington, D.C. 20036
Tel.: (202) 346-4000
Fax: (202) 346-4444
klevenberg@goodwinlaw.com

James W. McGarry
GOODWIN PROCTER LLP
100 Northern Avenue
Boston, Massachusetts 02210
Tel.: (617) 570-1000
Fax: (617) 523-1231
jmcgarry@goodwinlaw.com

Attorneys for Defendant-Appellant Bank of America, N.A.

CERTIFICATE OF SERVICE

I hereby certify that on October 19, 2023 the foregoing **Defendant-Appellant's Memorandum of Additional Authority** was electronically filed and served upon each of the parties in this action by email addressed as follows:

William C. Robinson
Dorothy M. Gooding
Robinson Elliott & Smith
srobinson@reslawfirm.net
dgooding@reslawfirm.net

Electronically submitted
Bradley R. Kutrow

EXHIBIT A

2022-NCCOA-221

Unpublished Disposition

NOTE: THIS OPINION WILL NOT APPEAR
IN A PRINTED VOLUME. THE DISPOSITION
WILL APPEAR IN THE REPORTER.

An unpublished opinion of the North Carolina Court
of Appeals does not constitute controlling legal
authority. Citation is disfavored, but may be permitted
in accordance with the provisions of Rule 30(e)(3)
of the North Carolina Rules of Appellate Procedure.
Court of Appeals of North Carolina.

Raymond CARPENTER, Plaintiff,

v.

BANK OF AMERICA CORPORATION, Bank
of America Home Loans Servicing, Defendants.

No. COA 21-478

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Filed April 5, 2022

Appeal by Plaintiff from order entered 12 May 2021 by Judge
[Keith O. Gregory](#) in Wake County Superior Court. Heard in
the Court of Appeals 23 February 2022. Wake County, No.
17 CVS 15044

Attorneys and Law Firms

Raymond Carpenter, pro se.

McGuire Woods LLP, by [Danielle M. Harper](#), for Defendant-
Appellee.

Opinion

[GRIFFIN](#), Judge.

****1** ¶ 1 Plaintiff Raymond Carpenter appeals from an order
denying his motion for relief pursuant to [N.C. R. Civ. P. 60\(b\)](#).
Carpenter asserts that the trial court abused its discretion in
denying his motion under [N.C. R. Civ. P. 60\(b\)\(1\), \(2\), \(3\),
and \(6\)](#). We affirm the trial court's order.

I. Factual and Procedural History

¶ 2 On 8 December 2017, Carpenter, through counsel,
filed a complaint against Bank of America and Bank of
America Home Loans Servicing (together, “BOA”) relating
to a foreclosure action BOA instituted against Carpenter's

property based upon his default on a mortgage loan.
Carpenter's complaint accused BOA of unfair and deceptive
trade practices, breach of an implied covenant of good faith
and fair dealing, and negligence. Additionally, the complaint
sought an emergency restraining order and preliminary
injunction to halt the foreclosure sale. Throughout the
pendency of that action, the foreclosure sale was rescheduled
several times.

¶ 3 On 21 March 2018, BOA filed a motion to dismiss. The
trial court held a hearing on Defendant's motion to dismiss
and entered an order granting BOA's motion on 6 August
2018 “for the reasons set forth in Defendants Memorandum
in Support.” Carpenter did not appeal the trial court's order
at this time. On 8 July 2019, the foreclosure sale underlying
Carpenter's complaint was cancelled once again.

¶ 4 On 30 July 2019, Carpenter filed a motion for
relief from the order pursuant to [N.C. R. Civ. P. 60\(b\)](#)
 (“Rule 60 Motion”). Prior to the hearing on the Rule 60
Motion, Carpenter's counsel withdrew from the case because
Carpenter prepared the motion independent of counsel and
counsel had not “had any communication with [Carpenter] ...
about this matter for at least a year.” After the hearing, the trial
court entered an order denying the motion. Carpenter, acting
pro se, filed timely written notice of appeal.

II. Analysis

¶ 5 “[T]he standard of review of a trial court's denial of a [Rule 60\(b\)](#) motion is abuse of discretion.” [Davis v. Davis](#), 360 N.C. 518, 523, 631 S.E.2d 114, 118 (2006) (citation omitted). An abuse of discretion requires a showing that the trial court's order “was manifestly unsupported by reason” and “could not have been the result of a reasoned decision.” [Clark v. Clark](#), 301 N.C. 123, 129, 271 S.E.2d 58, 63 (1980); [White v. White](#), 312 N.C. 770, 777, 324 S.E.2d 829, 833 (1985).

A. Mistake, Inadvertence, Surprise, or Excusable Neglect

¶ 6 Carpenter argues that relief is warranted because BOA failed to provide their memorandum in support of their motion to dismiss to Carpenter or his counsel prior to the hearing. Since the trial court's original order granting BOA's motion to dismiss was based entirely on this memorandum, Carpenter asserts that he is entitled to relief from this order.

¶ 7 Rule 60(b)(1) of the North Carolina Rules of Civil Procedure permits a party to obtain relief from the court when “[m]istake, inadvertence, surprise, or excusable neglect” were present in a final judgment or order. N.C. R. Civ. P. 60(b)(1). “The surprise contemplated by the statute is some condition or situation in which a party to a cause is unexpectedly placed to his injury, without any fault or negligence of his own, which ordinary prudence could not have guarded against.”

¶ *Townsend v. Carolina Coach Co.*, 231 N.C. 81, 85, 56 S.E.2d 39, 42 (1949) (citations omitted).

**2 ¶ 8 There is no indication in the record supporting Carpenter's claim of surprise. BOA's certificate of service indicates that their memorandum in support was sent to Carpenter's counsel on 1 August 2018. Further, Carpenter's argument fails because Carpenter's memorandum in opposition addressed the contents of BOA's memorandum in support. Since there are indications that Carpenter and his counsel were on notice of BOA's memorandum, especially to the extent that Carpenter was able to address BOA's memorandum in support, the trial court's decision with respect to this claim was not “manifestly unsupported by reason.” See

¶ *Clark*, 301 N.C. at 129, 271 S.E.2d at 63.

B. Newly Discovered Evidence

¶ 9 Carpenter contends that he is entitled to relief based on his discovery of sworn declarations from former BOA employees who worked in the mortgage modification department made in relation to an unrelated federal case. These declarations put forth by Carpenter are from ¶ *In re Bank of Am. Home Affordable Modification Program (HAMP) Cont. Litig.*, No. MDL 10-2193-RWZ, 2013 WL 4759649 (D. Mass. Sept. 4, 2013) (“HAMP”).

¶ 10 Rule 60(b)(2) permits the court to grant relief where there is “[n]ewly discovered evidence which by due diligence could not have been discovered in time to move for a new trial under Rule 59(b).” N.C. R. Civ. P. 60(b)(2). Additionally, the newly discovered evidence “must have been in existence at the time of the trial[.]” *Parks v. Green*, 153 N.C. App. 405, 412, 571 S.E.2d 14, 19 (2002) (citation omitted).

¶ 11 Here, Carpenter has failed to show that these declarations are “newly discovered evidence.” While these declarations were in existence when the trial court entered the original order granting BOA's motion to dismiss, Carpenter has failed to show that these declarations could not have been found

with due diligence in time to move for a new trial under Rule 59(b). See N.C. R. Civ. P. 59(b) (“A motion for a new trial shall be served not later than 10 days after entry of the judgment.”). The federal case that these declarations arose from was decided in 2013. See ¶ *HAMP*, 2013 WL 4759649. Carpenter did not discover these declarations until July 2019. Thus, it was not unreasonable for the trial court to deny Carpenter's Rule 60 Motion under this subsection where it could have reasonably concluded that Carpenter and his counsel did not exercise due diligence in exploring decided cases outside of North Carolina to support their claim.

C. Fraud

¶ 12 Carpenter contends the sworn declarations by the former BOA employees verify the fraud claims made in his original complaint. Subsection (b)(3) of Rule 60 permits courts to relieve a party from an order where there is “[f]raud (whether heretofore denominated intrinsic or extrinsic), misrepresentation, or other misconduct of an adverse party[.]” N.C. R. Civ. P. 60(b)(3). “To obtain relief under Rule 60(b)(3), the moving party must 1) have a meritorious defense, 2) that he was prevented from presenting prior to judgment, 3) because of fraud, misrepresentation or misconduct by the adverse party.” *Milton M. Croom Charitable Remainder Unitrust v. Hedrick*, 188 N.C. App. 262, 268, 654 S.E.2d 716, 721 (2008). “It must be borne in mind that it is not fraud in the cause of action, but fraud in its management, which entitles a party to relief.” *Scott v. Farmers Co-op. Exch., Inc.*, 274 N.C. 179, 183, 161 S.E.2d 473, 476 (1968) (citations and internal quotation marks omitted).

¶ 13 Carpenter has made no argument with respect to the required elements to show fraud under section (b)(3). Carpenter only makes a blanket assertion that the declarations further substantiate the claims in his original complaint. Further, the fraud that Carpenter contends entitles him to relief is not the fraud by which Rule 60(b)(3) is intended to provide relief. Carpenter repackages his previous fraud claims made in his original complaint. However, the fraud contemplated by Rule 60(b)(3) is intended to provide relief where there is fraud in the proceedings in determining the merits of the case; not fraud in the merits of the case itself. Accordingly, we hold the trial court's decision to deny the Rule 60 motion under this subsection was not unreasonable.

D. Other Reasons Justifying Relief

****3** ¶ 14 Carpenter claims that the trial court order should be set aside under [Rule 60\(b\)\(6\)](#) because (1) he assumed the trial court was unaware of the unrelated federal case when BOA's original motion to dismiss was granted, and (2) the foreclosure sale was cancelled one year after the dismissal with no new sale date being set.

¶ 15 [Rule 60\(b\)\(6\)](#) allows courts to grant relief from an order for “[a]ny other reason justifying relief.” [N.C. R. Civ. P. 60\(b\)\(6\)](#). “Although section (6) of [Rule 60\(b\)](#) has often been termed a vast reservoir of equitable power, a court cannot set aside a judgment pursuant to this rule without a showing (1) that extraordinary circumstances exist and (2) that justice demands relief.” [Thacker v. Thacker](#), 107 N.C. App. 479, 481, 420 S.E.2d 479, 480 (1992) (citations and internal quotation marks omitted).

¶ 16 Carpenter makes no cognizable argument establishing that any “extraordinary circumstances exist” or “that justice demands that relief be granted” under the circumstances. We

conclude that the trial court did not abuse its discretion in denying Carpenter's [Rule 60](#) motion under this subsection.

III. Conclusion

¶ 17 For the reasons stated above, the trial court's order denying Carpenter's motion is affirmed.

***153** AFFIRMED.

Report per Rule 30(e).

Judges [DILLON](#) and [DIETZ](#) concur.

All Citations

2022-NCCOA-221, 870 S.E.2d 152 (Table), 2022 WL 1014876