MusickPeeler

ATTORNEYS AT LAW

WILLIAM A. BOSSEN
w.bossen@musickpeeler.com
(213) 629-7976

ONE WILSHIRE BUILDING 624 SOUTH GRAND AVENUE, SUITE 2000 LOS ANGELES, CALIFORNIA 90017-3383

> TELEPHONE: (213) 629-7600 FACSIMILE: (213) 624-1376 WWW.MUSICKPEELER.COM

> > November 6, 2020

LOS ANGELES
ORANGE COUNTY
SAN DIEGO
SAN FRANCISCO
SANTA BARBARA COUNTY
VENTURA COUNTY

FILE No.: 40291.003

VIA FIRST CLASS MAIL AND EMAIL

Jason Browne P.O. Box 9152 Red Bluff, CA 96080 jason.browne@cllca.org

Re: Demand to Cease and Desist

Dear Mr. Browne:

This firm is counsel to Hinderliter, de Llamas & Associates ("HdL"). It has been brought to our attention that on October 6, 2020, you wrote an email to the Red Bluff City Council, requesting the City Council vote against retaining HdL to draft a cannabis ordinance. While you are certainly entitled to voice your opinion to the City Council, unfortunately, your email contained several serious and libelous misrepresentations about HdL which were made to an entity which has been its client for more than 15 years. For example, you falsely told the City Council that HdL "appears to be violating California law and many local ordinances, by working within jurisdictions to set up licensing programs, and then representing applicants seeking to obtain said licenses." Your representation to the City Council is utterly false – HdL has never represented any applicant seeking to obtain any license from any jurisdiction, and certainly has never represented any applicant in any jurisdiction that retained HdL to "set up licensing programs." Moreover, you falsely stated that HdL "appears to be violating California law and many local ordinances," which is in itself a libel *per se* against HdL. *See, e.g., Barnes-Hind, Inc. v. Superior Court* (1986) 181 Cal.App.3d 377, 385 ("Perhaps the clearest example of libel per se is an accusation of crime.").

You also falsely accused HdL of: (1) "misusing financial data to which it has access, in violation of confidentiality requirements governing sales tax returns;" (2) engaging in an improper *quid pro quo* by hiring David McPherson; (3) misrepresenting its services; and (4) engaging in "pay-to-play schemes." Each of these accusations is utterly without any factual merit and clearly designed to damage HdL's reputation and its ability to contract with the City of Red Bluff. Indeed, as stated in your email, the reason why you wrote the email is precisely to convince the City Council not to hire HdL so that you can personally control the drafting of Red Bluff's contemplated cannabis ordinance.

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On behalf of HdL, we hereby demand you immediately cease and desist from making any further false and libelous statements against HdL or its principals, either to the City Council of Red Bluff or anyone else. Again, you can lobby the City Council to trust its cannabis ordinance drafting to you rather than a professional consulting firm like HdL without falsely smearing HdL or anyone else. While HdL is not currently inclined to pursue litigation against you for your libelous October 6 email, HdL reserves all its rights in this regard.

Tillian Dagger

for MUSICK, PEELER & GARRETT LLP

WAB:lp

cc: Daniele Eyestone, Mayor

Kris Deiters, Mayor Pro Tem Amanda Jenkins, Councilmember Clay Parker, Councilmember Johnna Jones, Councilmember Rick Crabtree, City Manager

Kyle Sanders, Chief of Police

Scott Friend, Community Development Director

Anita Rice, Deputy City Clerk

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