

# **EXHIBIT H: SYSTEMS ANALYSIS OF THE MCNEIL V. SAC 181 DISPUTE**

## **Purpose:**

Provide transparency around how Plaintiffs are approaching this litigation through the lens of Systems Thinking and **Strategic Thought Leadership (STL)**.

- **(H1) Why Plaintiffs are Using Systems Thinking** in this Litigation
- **(H2) The Iceberg Model** - Mental Models as Root Cause
- **(H3) Table - Iceberg Model Applied** to This Case

# H1 - Why Plaintiffs are Using Systems Thinking in this Litigation

**1. The Necessity of Asymmetric Strategy** Plaintiffs appear *pro se* against three corporate and individual Defendants currently represented by five attorneys from two distinct law firms. In a conventional war of attrition that is measured by billable hours and procedural volume, the resource imbalance would be dispositive. To thrive in this environment and prevail, Plaintiffs must therefore employ an asymmetric strategy: **Systems Thinking**.

By utilizing the frameworks of Strategic Thought Leadership and Systems Analysis, Plaintiffs convert this resource disadvantage into a strategic advantage. Rather than getting run down by procedural decoys (the "Events" level), Plaintiffs focus on the foundational causes of the dispute (the "Mental Models" level). This approach provides the efficiency required to manage the litigation and the clarity needed to assist the Court in resolving it.

**2. The Higher Causal Purpose: Public Interest as Fuel** The energy required to sustain complex *pro se* litigation against well-funded opposition cannot be derived solely from a desire for personal compensation. It requires a "Higher Causal Purpose."

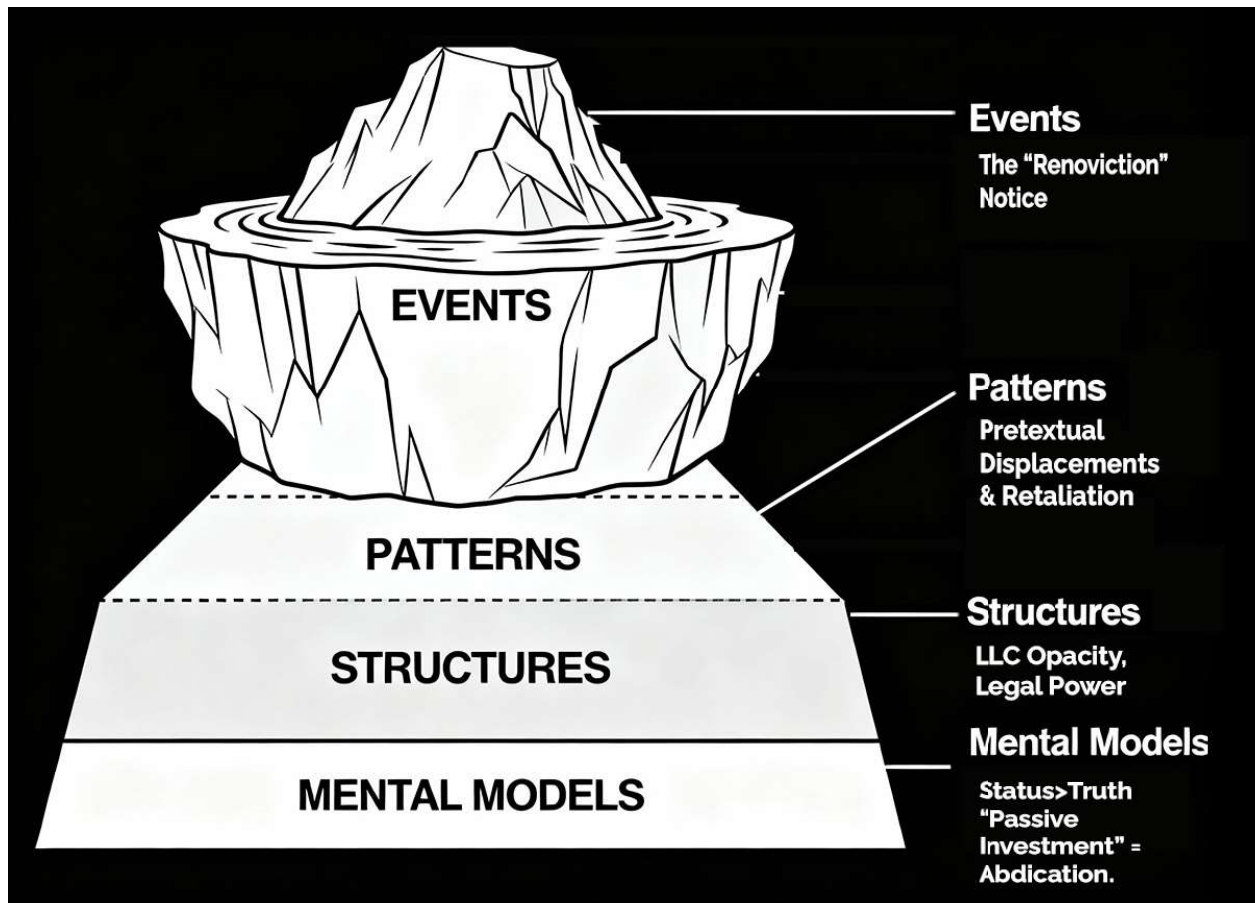
- **Housing Crisis Context:** This case is not merely a contract dispute; it is a microcosm of the Charleston housing crisis. The Defendants' actions - pretextual "renovictions," opacity in ownership, and valuation arbitrage - are symptoms of broader systemic failures that harm vulnerable residents.
- **Mitigation through Leadership:** By framing this case as a public interest system study, Plaintiffs generate the "moral fuel" necessary to persist. This perspective also supports the potential for crowdfunding to mitigate damages caused by the defendants' actions that led to the case and the subsequent defense attrition tactics, aligning Plaintiffs' success with the case with the broader community's interest in housing justice.

**3. The Leverage of Paradigm Shift (The Iceberg Model)** Systems theorist Donella Meadows identified that the highest leverage point for intervening in a system is at the level of the **Paradigm** (or "Mental Model"): the deep-seated beliefs that drive the system's structure.

- **The "Replacement" Problem:** If this litigation only addresses specific bad acts ("Events") without challenging the thinking behind them, the system will simply replace the bad actors with new ones who operate under the same incentives.
- **The Paradigm Solution:** The disputes in this case - from the falsified postal evidence to the "status shield" of the beneficial owner - arise from a specific mental model: "*Status implies Credibility, and Profit justifies Pretext.*"
- **Plaintiff's Intervention:** Plaintiffs utilize established frameworks of Strategic Thought Leadership to offer a choice between the old, failing paradigm and a new, more equitable one (e.g., *Status vs. Truth; Gatekeeper vs. Meritocracy*).

**4. Conclusion: A Roadmap for the Case** This Exhibit H series is not an academic exercise. It is a practical roadmap.

## H2 - The Iceberg Model – Mental Models as Root Cause



**If we only try to change things at the Events levels, Patterns Re-emerge.** (new dictator replaces old, overthrown dictator)

**If we only go as deep as the Patterns Level, the Structure of the System holds things as they are, perhaps in a different form.** (pulling weeds but leaving the roots)

**If we only go as deep as the Structures Level, the Mental Models behind the structure will create a new structure with the same dysfunction.** (reorganizing company's org chart while keeping bad culture)

**Only by changing Mental Models can we create lasting, positive systemic change** in this case, in the system of housing justice for the vulnerable.

### H3 – Table: Iceberg Model Applied to This Case

Iceberg Level	Analysis of This Case	Legal/Strategic Intervention
<b>1. THE EVENTS</b> (What happened?)	<ul style="list-style-type: none"> <li>- Retaliatory Notice to Vacate.</li> <li>- Falsified “postmark”.</li> <li>- Mass publication of private family images.</li> <li>- Probate filing valuing asset at ~\$251k</li> </ul>	<b>Litigation:</b> Breach of contract, invasion of privacy, statutory claims. <b>Goal:</b> Immediate relief and damages.
<b>2. THE PATTERNS</b> (What keeps happening?)	<ul style="list-style-type: none"> <li>- <b>“Renoviction” Cycle:</b> Displacing long-term tenants to remove “complainers” who stand on their rights and reset rents (+110%).</li> <li>- <b>Valuation Arbitrage:</b> Low values for tax/probate; high values for rent/sale.</li> <li>- <b>Status Shielding:</b> Using high-status legal counsel to exhaust pro se plaintiffs.</li> </ul>	<b>Judicial Estoppel:</b> Locking Defendants into their sworn probate valuation breaks the arbitrage pattern. <b>Unclean Hands:</b> Penalizing the hypocrisy disrupts the pattern of status shielding.
<b>3. THE STRUCTURES</b> (What causes the patterns?)	<ul style="list-style-type: none"> <li>- <b>LLC Veils:</b> Opacity hides the link between policy-makers (Altman) and slumlord tactics.</li> <li>- <b>Incentive Systems:</b> Profiting from “Failure Demand” (Seddon)—ignoring maintenance creates crises that justify eviction.</li> <li>- <b>Information Asymmetry:</b> Tenants lack data on ownership and prior abuses.</li> </ul>	<b>Veil Piercing:</b> connecting the beneficial owner to the act. <b>Discovery:</b> Exposing the “probate gap” changes the information flow. <b>Public Record:</b> Filing this Memo creates transparency.
<b>4. MENTAL MODELS</b> (The thinking behind the system)	<ul style="list-style-type: none"> <li>- <b>“Property as Extraction”:</b> Housing is purely for financial efficiency (Ruthless Capitalist model).</li> <li>- <b>“Status &gt; Truth”:</b> A lawyer’s word outweighs a tenant’s evidence.</li> <li>- <b>“Gatekeeper Logic”:</b> Only attorneys should access justice.</li> </ul>	<b>Paradigm Shift:</b> Moving to “Conscious Stewardship” (Housing as Service). <b>Gatekeeper De-Potentialization:</b> Proving pro se competence via verified data. <b>Truth &gt; Status:</b> Determining credibility by <i>signal</i> (evidence), not <i>noise</i> (rank).

#### System Redesign Conclusion

A functioning system must identify and expel bad actors to maintain health. By falsifying documents and exploiting tenant privacy, the current management demonstrates a maladaptive strategy. The Court’s application of **Judicial Estoppel** and **Unclean Hands** serves as a corrective feedback loop, signaling that the legal system will no longer subsidize these extractive mental models.