SUPERIOR COURT OF NEW JERSEY CHANCERY DIVISION, GENERAL EQUITY PART MORRIS COUNTY DOCKET NO. MRS-C-000130-17 APP. DIV. NO. FOX HILLS at ROCKAWAY CONDOMINIUM ASSOCIATION, TRANSCRIPT INC., Plaintiff, OF : : v. : ORDER TO SHOW CAUSE MOTION TO DISMISS : BARBARA APPLEBAUM, PAUL : KARDOS, AND ALAN ROTHSTEIN, Defendants. : Place: Morris County Courthouse Washington & Court Streets Morristown, NJ 07963 Date: February 15, 2018 BEFORE: HONORABLE ROBERT J. BRENNAN, J.S.C. TRANSCRIPT ORDERED BY: MICHAEL A. SAFFER, ESQ. (Mandelbaum Salsburg, PC) **APPEARANCES:** DAVID J. BYRNE, ESQ. (Ansell, Grimm & Aaron, PC) Attorney for the Plaintiff ROBYN ANN VALLE, ESQ. (Robyn Valle, PC) Attorney for Defendant Barbara Applebaum MICHAEL A. SAFFER, ESQ. (Mandelbaum Salsburg, PC) - and -BRIAN M. BLOCK, ESQ. (Mandelbaum Salsburg, PC) Attorneys for Defendant Alan Rothstein Transcriber: Lisa Mullen, AD/T 413 Agency: KLJ Transcription Service, LLC P.O. Box 8627 Saddle Brook, NJ 07663 (201) 703-1670 www.kljtranscription.com info@kljtranscription.com Digitally Recorded Operator - Jack Cutchis

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1 (Proceedings commenced at 9:18 a.m.) 2 This is the matter of Fox Hills THE COURT: 3 at Rockaway Condominium Association against Applebaum. 4 The docket number is MRS-C-130-17. 5 6 Appearances please. MR. BYRNE: Good morning, Your Honor. David 7 Byrne from Ansell, Grimm & Aaron on behalf of the 8 plaintiff. 9 MS. VALLE: Good morning, Your Honor. Robyn 10 Valle on behalf of Barbara Applebaum. 11 MR. SAFFER: Good morning, Your Honor. Mav 12 it please the Court, Michael A. Saffer, S-a-f-f-e-r, 13 and Brian Block, B-l-o-c-k, of the firm of Mandelbaum 14 Salsburg, representing defendant Alan Rothstein. 15 THE COURT: Thank you all. 16 I had a call from Mr. Moylen shortly ago -- a 17 short time ago, representing defendant Paul Kardos. 18 Mr. Moylen had a personal matter that arose apparently 19 on an emergent basis this morning and did consent to 20 our going ahead in his absence. He did join in the 21 opposition to the order to show cause. 22 All right. We have two matters before the Court this morning. What I'll hear first is the order 23 24 to show cause, of which this is the adjourned return 25 date, and a verified complaint filed on December 14.

4 1 The order to show cause -- there was no -- no request 2 for immediate injunctive relief, TRO. The order to 3 show cause was filed January 3rd. And I do have 4 opposition and reply on this. 5 So let's hear the order to show cause first, 6 Mr. Byrne. 7 MR. BYRNE: Yes, Your Honor. 8 The Association filed a covenant enforcement, 9 condominium rule enforcement case against the three 10 owners as a result of statements they made, and some 11 other things that we reference in the papers. I'm just 12 setting up the procedural aspect of this. 13 During the course of that litigation, we'd 14 like the parties to be separate. We'd like there to be 15 some order put in place that keeps them separate and 16 apart from each other during the course of -- of the 17 litigation. In our initial papers, we talked about 18 some significant space and -- and length, and we 19 changed that in our supplemental papers to deal with 20 some of the points that counsel made to be -- seek a 21 more reasonable way to handle this in the course of the 22 litigation. 23 The -- the concern that we have during the 24 course of the litigation, and I guess in general, is, 25 you know, the stuff that goes on in -- in the world.

1 Every time ones of these -- one of these violent things 2 takes place, you see all these high -- these headlines 3 about, you know, why didn't someone say something; or 4 who knew and who didn't say something, who didn't act, 5 6 who -- there seems to be a lot of opportunities in -when these violent things take place that someone read 7 something, someone knew something, and then there's 8 always sort of recriminations as to why didn't people 9 do anything more to avoid it. 10 Why people are saying the kind of things 11 they're saying and talking about getting weapons and 12 shooting people, I mean, I don't -- I don't really 13 know. The point is somebody has and it's worthy of 14 being addressed. If not, and something happens, I 15 mean, I don't know we want to be the people that are 16 going to have to answer questions as to why people saw 17 these statements, an owner who was --18 THE COURT: Did your clients go to the 19 police? 20 Gloria A. Stahl went to the MR. BYRNE: 21 police, yes. 22 THE COURT: It's a police matter, isn't it? 23 MR. BYRNE: Not in my view. There's two 24 different types of things. There's a criminal matter, 25 which, of course, fortunately, in this country is a

6 1 high bar to deal with. There's also civil matters. Ι 2 mean, people -- regular free people have the right to 3 get -- have the right to have judges issue orders and 4 deal with things that happen on a day-to-day basis, 5 THE COURT: If they have a legal basis, they 6 do. 7 MR. BYRNE: Agreed. Agreed. 8 So to the extent that the condominium has the 9 ability to bring an action to regulate the conduct of 10 its citizens, of its residents, I mean, there --11 THE COURT: Well, they can do that by 12 agreement. 13 MR. BYRNE: Well, that's true. 14 THE COURT: And it isn't the Condominium 15 Association that's been threatened in any event. 16 MR. BYRNE: The Condominium Association has 17 been threatened because it relies upon people to 18 volunteer for the board. I don't know about the Court 19 or anybody else, but if people were threatened --20 THE COURT: You can't shoot a condominium 21 You can't. association. 22 All right. Well, I've read all the papers, 23 so I understand your position. 24 MR. BYRNE: Yeah. 25 THE COURT: Is there anything else you'd like

1 to add? 2 MR. BYRNE: No. I just wanted to make it 3 clear that --4 THE COURT: Yeah. 5 MR. BYRNE: Obviously, I'm -- the issue of 6 the -- the condominium, as an entity creates a -- an 7 interesting legal dynamic, but the bottom line is the 8 condominium still has to have people that are 9 interested in serving. And if they have to deal with 10 the possibility that people are going to shoot them, I 11 don't see how they're going to serve. And, therefore, 12 there is no condominium. I don't know why we would want there to be 13 14 some allowable attitude, the Court would allow this stuff to take place. If -- if there's no relief here 15 for these folks, it's basically just the ability for 16 17 people to set -- to threaten and make threats and do 18 all the things that are going on -- going on all over 19 the country. I don't know why we would allow this to 20 take place. 21 To me, the -- the case itself, the complaint 22 itself is sustainable. Maybe we win, maybe we lose, 23 but a condominium is clearly allowed to make a claim to 24 get injunctive relief with respect to nuisance. Maybe 25 we win, maybe we lose, but we state a claim. And once

8 1 there's a claim, once there's a lawsuit that's ongoing, 2 it makes complete sense to make sure the parties are 3 separate from each other, especially when some of them 4 threaten to harm others. 5 So that's my -- those are my points, Judge. 6 Thank you. 7 THE COURT: Thank you very much. 8 MR. BYRNE: Thank you, Judge. 9 THE COURT: Ms. Valle. 10 Your Honor, I'll just be brief. MS. VALLE: I'll rely on my papers and -- and the argument of other 11 But the -- the be all and end all of 12 defense counsel. 13 this matter is contained within the e-mail exchange 14 itself. My client made a flippant, irreverent and 15 rhetorical remark, shoot her question mark. And two 16 hours and fifteen minutes later apologized for that 17 remark, explaining that it was a smart aleck remark and 18 she didn't mean it. 19 Unfortunately, the matter didn't end there. 20 Miss Stahl did go to the police department, Your Honor, 21 and -- and that police report is attached to the reply 22 -- plaintiff's reply. And at the police department 23 Miss Stahl reported "an incident of harassment." 24 So it seems clear to me that even within the 25 e-mails there were several references to the fact that

1 no one was serious. There are certifications in -- in 2 plaintiff's reply from other homeowners that indicate 3 that they understood that Miss Applebaum was not 4 serious. And then, of course, we have the police 5 report itself which reflects that Miss Stahl, the board 6 president, did not feel threatened. 7 So the bottom line, Judge, is that there --8 there was no threat. No reasonable person reading 9 those e-mails could perceive a threat. And in the 10 absence of such a threat -- of any threat, of course, injunctive relief should be denied. 11 12 THE COURT: Thank you. 13 Yes, sir? 14 MR. SAFFER: Thank you, Your Honor. 15 Your Honor, the -- the plaintiff has not 16 addressed I think the most compelling argument as a 17 matter of law in that we believe this Court has no 18 jurisdiction to even consider this matter. Only the 19 Prevention of Domestic Violence Act authorizes a 20 restraining order premised on criminal conduct that 21 requires a certain person to stay away from a certain 22 place or refrain from personal conduct. The DBA vests 23 exclusive jurisdiction in the Chancery Division, Family 24 Part. 25 So we believe fervently that the plaintiff

10 1 has come to the wrong court. And putting all the facts 2 aside, this Court has no jurisdiction to even hear 3 this. 4 In addition, at Page 7 of our brief, we cited 5 the Supreme Court's decision in The Matter of State 6 Commissioner of Investigation, reported at 108 N.J. 35, 7 a 1987 decision, which held that New Jersey courts 8 generally will not allow private plaintiffs to sue for 9 injunctions to enforce state penal laws. And the 10 allegations of the complaint are plainly criminal in 11 nature. 12 Your Honor queried my colleague, this is a 13 police matter, isn't it. And it is a police matter. 14 It's not a civil case. So for that reason alone we 15 feel Your Honor should decline to issue any restraints. 16 But if I very briefly go -- well, does Your 17 Honor want me to go through the Crowe against 18 DeGioia --19 THE COURT: I'm well aware of Crowe. 20 MR. SAFFER: -- factors. 21 And I've read everybody's papers. THE COURT: 22 MR. SAFFER: Okay. 23 THE COURT: So I'll -- I'll leave it to you. 24 MR. SAFFER: Well, the only thing I'd say 25 that I'd like to emphasize is, putting aside is the

1 2 3 4 5 6 7 8 9	fact that we don't believe there was any actual harm threatened, that is my colleague Miss Valle said this was all a cyberspace e-mail exchange that was ill- advised certainly and for which my client has apologized. But, generally, I think in our society e- mails give people the freedom to sometimes type things they wouldn't they wouldn't say in public, so to speak.
9	But putting aside no actual harm, I think
9 10 11 12 13 14 15 16 17 18 19 20	it's important that there's no immediate irreparable harm. And the fact that the plaintiff came to this Court on January 3rd, 2018 with an order to show cause but did not seek any temporary restraints I think speaks volumes about how immanent the threat of physical violence was to any of the board members. I've also indicated, just in our brief and I just want to mention very briefly that no reading of the master deed or the bylaws, in our opinion, give rise to a claim that what these defendants are alleged to have done constitute some nuisance, as a matter of
21	law.
22	So for all of those reasons, we urge the
23	Court to deny the requests for restraints.
24 25	THE COURT: All right. Thank you. MR. BYRNE: Real quick, Judge.

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$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\17\\\end{array} $	THE COURT: Brief word. MR. BYRNE: Oh. I'm sorry. Do you especially since it might be related to the the the next matter you're going to next motion you're going to hear. The Court certainly has jurisdictional jurisdiction over this. A condominium has the right to get people to not do things and to get people to do things. If I came here with a complaint against an owner who was barbequing steaks in an open flame in the middle of his living room and had propane tanks next to that next to that grill, we would seek injunctive relief to get the owner to comply with the rules to not have open flames in the middle of his living room. I mean, the concept of a condominium getting injunctive relief, I I think is pretty settled. So I get the the attempt to frame it in terms of a
18	domestic violence restraining order. I mean, I would
19	do the same thing. But if you look at it from a
20	condominium's perspective, there are things that go on
21	every day in a condominium or that don't go on every
22	day in a condominium and the condominium has the
23	obligation, arguably, fiduciary duty-wise to deal with
24	out of the of of threat to others. That's just the
25	jurisdictional issue.

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1 2 3 4 5 6 7 8 9 10	The from the immediate the immediate threat issue, it's a fair point, but collectively I think the board felt that once there was a police report made and once there was a complaint filed, that it made the the judgment that that probably would be enough to to avoid violence until maybe the case proceeded on a little more, and that trying to get some quick immediate effort at that point was probably unnecessary. And the balance of equities would have been different, more more challenging to them. So I
10 11	
12	think they felt that once there was a police report in place, once there was a litigation in place, that the
13	prace, once there was a fittigation in prace, that the parties themselves might be able to stabilize things
14	and avoid violence until we got to this point.
15	So, but like you said, Your Honor's read
16	everything and that's all I have to say.
17	THE COURT: Thank you very much.
18	MR. BYRNE: Thank you, Judge.
19	THE COURT: All right. On the application
20	for pendente lite injunctive relief, the matter stems
21	from a dispute over an alleged threat of violence made
22	by individual defendants against the president of the
23	board of directors of the plaintiff, which is the Fox
24	Hills at Rockaway Condominium Association, Inc., which
25	is a New Jersey condo association established by a

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master deed recorded December 24, 1998. Pursuant to the Condominium Act, defendants Barbara Applebaum excuse me Paul Kardos, and Alan Rothstein, own units within the condominium development.
On December 6th of 2017 the defendant Kardos
sent a group e-mail to about 22 unit owners, including
Applebaum and Rothstein, with the result of the recent
board of directors election within the association.
And there Kardos asked the recipients if they find it
odd that the least favorite director is the director,
and that would be Gloria Stahl. And sought ideas, Mr.
Kardos did, on how to correct the situation. Later on
that morning in response to that e-mail, Applebaum replied "shoot her?"
Rothstein followed up that he agreed and
asked who would go to Virginia to procure a gun. He
then clarified his comments and suggested the unit
owners write to the board, or better even then file a
petition with the board.
Shortly thereafter, another unit owner, and
that would be David Solomon, e-mailed the group and
stated, "I don't think we should be talking about
killing anyone or buying guns, even though you were not serious." That's a quote.

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$1 \\ 2 \\ 3 \\ 4 \\ 5 \\ 6 \\ 7 \\ 8 \\ 9 \\ 10 \\ 11 \\ 12 \\ 13 \\ 14 \\ 15 \\ 16 \\ 17 \\ 18 \\ 9 \\ 20 \\ 21 \\$	And then on the 14th of December this action followed by way of the verified complaint I mentioned at the outset, the entry of the order to show cause, which did not seek an immediate temporary restraining order, emergent immediate order. And in the verified complaint now the plaintiff, keep in mind, is the condo association raises it sets forth this fact pattern and asked the Court to declare that defendants violated the master deed and bylaws of the association; and to prohibited the defendants from taking additional actions in furtherance of their conspiracy to murder the president of the board, Ms. Stahl; and to issue an order restraining the defendants from coming within a hundred feet of the board members, including Miss Stahl, Peter Foreman, Eleanor Hunt, Connie Kelly, J. Amdur, Barry Werfel, and Bonnie Cohen. Although there has been some amendment to that the particulars in that request. And to award attorney's fees under the bylaws. Now there's an issue concerning jurisdiction
21 22 23 24 25	here. The defendants argue the Chancery Court has no jurisdiction to adjudicate this matter and issue a restraining order or the sort sought by the plaintiff, even as amended. Defendants argue that the only as that request has been somewhat amended.

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1 2 3 4 5 6 7 8	Defendants argue that the only legal authority for entry of a restraining order of this type is is based on the Prevention of Domestic Violence Act, N.J.S.A. 2C:25-17, et seq., which allows victims of domestic violence to obtain restraining order, including a no-contact order as which is sought in the instant matter, predicated on 14 different criminal offenses.
8 9	Defendants argue the association or the
10	members of the board have no standing or authority
11	under the act to seek the restraining order as the
12	association and the members of the board do not have a
13	domestic relationship with defendants and they're not
14	victims of domestic violence as defined in the act.
15 16	And the act bestows its jurisdiction on the on the
16 17	Family Division of family court. Now in general, the basis for petitioning for
18	a restraining order or a protective order similar to
19	the one sought here includes, but is not limited to the
20	occurrence of domestic violence. For example, civil
21	harassment restraining orders are a cousin of sorts to
22	a domestic violence restraining order, but they
23	different in important respects, as any person may seek
24	a civil harassment order against any other person,
25	whether or not they have had an intimate relationship

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1 2	or a domestic relationship in response to harassment, stalking, or threat.
3	There is an article that addresses this
4	entitled, Free Speech and Civil Harassment Orders, in -
5	- at 64 Hastings Law Journal 781, in particular at Page
6	782 of that article.
7	Twenty-three states have statutes authorizing
8	courts to issue issue civil harassment restraining
9	orders upon a petition of harassment victims, and some
10	states issue similar orders through their general
11	equitable powers in the absence of statutory authority.
12	However, this Court has found no such civil harassment
13	legislation or precedent in New Jersey authorizing the
14	Court to issue the injunctive relief sought in the
15	present case. And as I say, there is no case law in
16	which the Chancery Court has exercised its general
17	equitable power to issue a restraining order of the
18	kind sought by the plaintiff here.
19	And in its reply, the plaintiff did not
20	provide authorities concerning the Court's jurisdiction
21	or addressing the Court's jurisdiction to grant the
22	relief requested, other than asserting that the Court
23	has equitable power that is flexible and unlimited. An
24	argument with which the Court does not concur. There
25	are reasonable limits placed on the power and authority

1 of a court or equity. 2 But beyond that, the Court notes the 3 Appellate Division's holding in <u>Smith v. Moore</u>, 298 4 N.J. Super. 121, (1987), where plaintiff and defendant 5 were former roommates and they shared a house on 6 weekends for three months one summer. And several 7 months after that the plaintiff began dating 8 defendant's exboyfriend and the defendant made a series 9 of harassing telephone calls to the plaintiff. 10 Thereafter the plaintiff sought and was granted a final restraining order against the defendant under the 11 domestic -- the Prevention of Domestic Violence Act. 12 13 The defendant appealed the final restraining order. 14 The Appellate Division held the trial, which was the 15 Chancery Division, Family Part, lacked jurisdiction to 16 enter a restraining order because the parties did not 17 share the requisite domestic relationship upon which to 18 predicate jurisdiction under the act. Further, instead of finding that the Chancery 19 20 Court has general equitable power to issue the 21 restraining order, the Appellate Division held that the 22 offense should have been prosecuted in the municipal 23 court as a disorderly persons offense under N.J.S.A. 24 2C:33-4(a). 25 Now here the factual grounds asserted by the

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$ \begin{array}{c} 1\\2\\3\\4\\5\\6\\7\\8\\9\\10\\11\\12\\13\\14\\15\\16\\16\end{array} $	plaintiff to support the requested restraining order is that defendants have conspired to murder Miss Stahl and plaintiff believes that the threat is immanent as plaintiff asserts that Mr. Rothstein has the knowledge and skill to plan a murder and solicited volunteers to travel to Virginia for the purpose of obtaining a gun. Now if the plaintiff truly believes, as stated in Miss Stahl's certification, that a threat of life or serious bodily harm is immanent and substantial, that would warrant a restraining order against defendants, plaintiff should pursue its claim by alerting the appropriate law enforcement agency to prosecute those offenses under N.J.S.A. 2C:5-1, which is criminal attempt; N.J.S.A. 2C:12-3, terroristic threats; or N.J.S.A. 2C:33-4, harassment. This Court simply has no jurisdiction based on statute or precedent to issue the
17 18	restraining order sought by plaintiff based on the facts alleged here.
19 20 21 22 23 24 25	Moreover, if the Court were to grant the injunctive relief sought, the Court would have to determine that there is immanent and irreparable harm to plaintiff as defendants have the intention to proceed with the conspiracy or made a threat to cause fear in plaintiff. All this irreparable harm, of course, being the first prong of the four-part test in

1 Crowe v. DeGioia, 90 N.J. 126 at 135, (1982). 2 Now to make such a determination, the Court 3 essentially would find the defendants' conduct violates 4 criminal law, as it satisfies the elements of crimes 5 6 for criminal attempt or terroristic threats. This Court will refrain from making that determination, as 7 it is a long-established rule that New Jersey courts 8 generally will not allow private plaintiffs to sue for 9 injunctive relief to enforce state penal laws. And 10 that is The Matter of the State Commission of Investigation, 108 N.J. 35 at 41, (1987). 11 There's no question as to the absence of 12 13 jurisdiction in a court or equity to restrain 14 violations, ordinances, or crimes. And that's in <u>Baird</u> 15 v. Board, 110 N.J. Eq. 603 at 605, (E&A 1932). 16 So in light of this, the Court determines 17 that it has no jurisdiction to issue the injunctive 18 relief sought by the plaintiff. Now in terms of standing, another issue which 19 20 has been raised here, Rule 4:26-1 provides that "Every 21 action may be prosecuted in the name of the real party-22 in-interest. Standing requires a sufficient stake and 23 real adverseness with respect to the subject matter of 24 the litigation and substantial likelihood of harm to a 25 party in the event of an adverse decision." New Jersey

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$1 \\ 2 \\ 3 \\ 4 \\ 5 \\ 6 \\ 7 \\ 8 \\ 9 \\ 10 \\ 11 \\ 12 \\ 13 \\ 14 \\ 15 \\ 16 \\ 17 \\ 18 \\ 9 \\ 20 \\ 21 \\ 22 \\ 24 \\ 24 \\ 10 \\ 10 \\ 10 \\ 10 \\ 10 \\ 10 \\ 10 \\ 1$	22 <u>Chamber of Commerce v. New Jersey Election Law</u> <u>Enforcement Commission</u> , 82 N.J. 57 at 67, (1980). An association has standing to sue on behalf of its members if (a) it's members would otherwise have standing to sue on their own right. (B) the interest it seeks to protect are genuine to the I'm sorry, are germane to the organization's purpose. And (c) neither the claim asserted nor the relief requested requires the participation of individual members in the lawsuit. The Association for Fairness in Business v. <u>New Jersey</u> , 82 F.Supp 2d 353 at 355, (D.N.J. 2000). Here, the first prong of the <u>Hunt</u> test is easily satisfied, and defendants do not dispute it. Defendants argue that the association fails the second prong of that <u>Hunt</u> test as there was only one board member, the president, who was the subject of the alleged conspiracy. And the purpose of the association was not to prevent the association members from expressing their criticism of the board. The Court does not agree with the defendants' argument there. It's true that the subject of the alleged conspiracy is only one member of the board, but the reason that she was the target of the criticism or conspiracy is due to her capacity or position as the
25	president of the board. The main function of the board

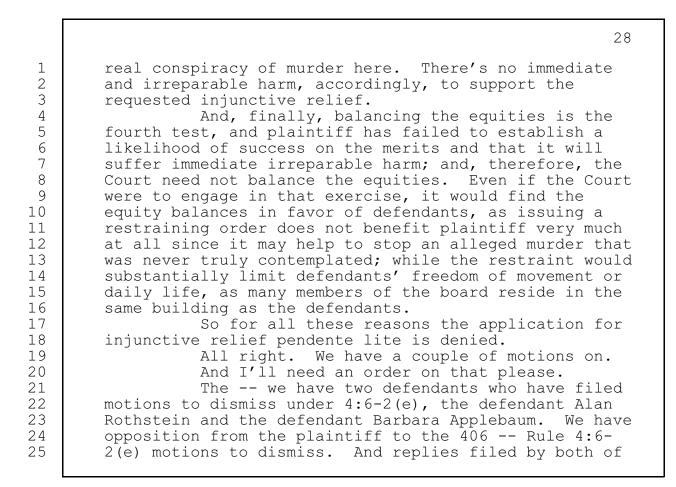
1 is to govern and operate the association and serve the 2 community. The interest the association seeks to 3 protect here are not purely the safety or reputation of 4 the president of the board, but also avoidance of the 5 chilling affect that similar criticism or conspiracy 6 may cause upon the members of the association in 7 participating in the election and operation of the 8 board. 9 However, the Court finds that the plaintiff 10 has not satisfied the third prong of the Hunt test, 11 injunctive relief sought in plaintiff's complaint is 12 rooted solely on the alleged conspiracy against the 13 president of the board. The Court finds that Gloria 14 Stahl's participation in the lawsuit is necessary as 15 the award of injunctive relief, if it were appropriate, 16 predominantly depends on her belief that the threat to 17 her life or serious bodily harm is immanent and that 18 defendants have the intention and knowledge to proceed 19 with a conspiracy. 20 So the Court concludes that the association 21 lacks standing to bring this action on that basis. 22 Now in terms of preliminary injunctive relief 23 and the four-part test in Crowe v. DeGioia, I have 24 already alluded to. And, of course, as explained by the Appellate 25

24 1 Division in <u>Waste Management v. Union County Utilities</u> 2 Authority, 399 N.J. Super. 508 at 520, (App. Div. 3 2008), the Court might take -- can take a less rigid 4 view of all four factors when the relief sought is 5 designed to preserve the status quo. 6 Additionally, when the plaintiff seeks -- or 7 the applicant seeks to preserve the status quo during 8 the suit's pendency, the Court may place less emphasis 9 on a particular Crowe factor if another factor requires 10 the issuance of the remedy. 11 Now in terms of the legal right underlying 12 the plaintiff's claim, the -- here the association seeks to restrain or prohibit defendants from coming 13 14 within a hundred feet of the members of the board. As 15 I said, that has been slightly modified. The 16 injunction sought is for both preliminary and ultimate 17 relief. Plaintiff brings the claim against defendants 18 for violation of a nuisance provision of the master 19 And that's in the complaint at Paragraph 10. deed. 20 And that nuisance provision, which is 21 Paragraph 12 of the master deed is entitled nuisance --22 and what I'll do, rather than read the entire paragraph 23 into the record is incorporate that by reference. The 24 master deed is attached to the verified complaint. 25 In the present matter, the alleged offensive

1 or hazardous activities are e-mail conversations 2 between defendants and other unit owners, which are not 3 "carried on in or upon the common elements or in any 4 unit," citing to the nuisance paragraph I just cited. 5 Also, it did not interfere with any unit 6 owner's peaceful possession and -- and use of property. 7 Further, nowhere in the governing document 8 does it indicate or state that the violation of the 9 master deed may warrant a restraining order against the 10 wrongdoer. 11 As discussed above, the Court finds no 12 legislation enacted in New Jersey authorizing the Court 13 to issue the injunctive sought in this case, nor does 14 the Court find any case law where the Chancery Court 15 has exercised its general equitable power to issue a 16 restraining order of the kind sought by the plaintiff 17 Plaintiff provides no authorities addressed to here. 18 the court's specific jurisdiction, other than to again 19 say that the power is unlimited. And so the Court does 20 not conclude -- cannot conclude the legal right 21 underlying the plaintiff's claim is well settled. 22 Likelihood of success on the merits. A party 23 seeking injunctive relief must demonstrate that it has 24 a reasonable likelihood of eventual success. And here 25 the Court finds that it's unlikely that plaintiff will

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1 2 3 4 5 6 7 8 9	eventually succeed on the merits, plaintiff's as plaintiff lacks standing to sue on the behalf of the president of the board and the alleged conspiracy is nothing more than a poorly composed sarcastic joke in utter bad taste and inexplicable as to why the defendants would engage in that kind of commentary. But as ill-advised and as in poor taste as it is, the Court concludes, based on the context of the entire discussion, it does not pose an immediate and
10	irreparable threat of harm. It is completely
11	inappropriate, but it does not provide the basis for a
12	restraining order.
13	And here the plaintiff's the plaintiff
14	asserts defendants have conspired to murder Miss Stahl,
15	arguing that her death or any personal harm as the
16	result of the conspiracy is, per se, irreparable harm.
17	The Court does not find the alleged
18	conspiracy to actually exist, according to the context
19	of the subject e-mail conversations as I just said.
20 21	The plaintiff asserts that Kardos assembled
22	the unit owners to conspire and participate in the murder, but the initial e-mail sent by Kardos shows
23	that he merely brought people's attention to the recent
24	election, the board election, and asked for ideas to
25	express the issue that the lowest vote recipient in

1 2 3 4 5 6 7	is the president of the board. In a later e-mail he explicitly agreed with another unit owner, Mr. Solomon, that they should not be talking about killing anyone or buying a gun, and acknowledged that Applebaum and Rothstein were joking.
6	Applebaum made her inappropriate joke about
7	shooting Stahl, but then she apologized and admitted
8 9	she didn't mean it. She expressed the opinion that the
	election of the board members did not have not much
10	impact on unit owners and they didn't need to do
11	anything because this is not our fight, as she said.
12	As to Rothstein's inappropriate comment,
13	agreeing with Applebaum's suggestion, so-called, the
14	Court concludes that any reasonable person under the
15	circumstances would understand that those comments are
16	nothing more than satirical jokes, again in terribly
17	bad taste.
18	As to plaintiff's assertions that Rothstein,
19	as a licensed attorney with experience possesses the
20	knowledge and skill to plan a murder in such a way as
21	to avoid arrest after the murder and the defendant's
22	continued the conspiracy related communications after
23	the e-mail conversation, these are arguments are
24	completely without basis.
25	The Court finds there's no continuous and



1 the defendants. 2 So why don't we begin. Who would like to 3 argue first on the motions? They were filed the same 4 day. 5 6 MR. SAFFER: I think I will, Your Honor, if I may. 7 THE COURT: Go ahead. 8 MR. SAFFER: Thank you. 9 Your Honor, for many of the reasons that Your 10 Honor articulated in denying the requests for 11 restraints, we believe the motion to dismiss should be 12 granted. As a matter of law, as Your Honor indicated, 13 a condominium unit owner cannot breach the nuisance 14 provision of the master deed by engaging in an e-mail 15 conversation in cyberspace with other unit owners. 16 Your Honor mentioned the fact that these 17 conversations were not carried on in or on the units, 18 did not affect the enjoyment -- did not infringement of 19 the enjoyment of the unit owners that way. And the 20 master deed does not provide for any type of injunctive 21 relief to address the conduct as ill-advised as it was 22 that occurred here. 23 Your Honor further indicated in His Honor's 24 remarks about the fact that there's a lack of 25 jurisdiction and there's a lack of standing to sue on

30 the half -- on behalf of the board. Your Honor also 1 2 indicated that any reasonable review of the ill-advised 3 e-mail conversation would not lead anyone to conclude 4 that this was an actual threat or an actual conspiracy. 5 So I don't want to sound flip, but we believe 6 this complaint was dead on arrival when it was filed. 7 There was no basis for it. This is purely and 8 exclusively a criminal matter. If -- it's apparently 9 in the hands of the criminal authorities, who 10 apparently are doing nothing about it. 11 And for all of those reasons we respectfully 12 request the motion to dismiss to be granted. 13 THE COURT: Thank you. 14 Miss Valle, would you like to say anything? 15 MS. VALLE: Your Honor, I'll rely on the 16 argues of Mr. Saffer and on my moving papers. 17 THE COURT: Yes. Thank you. 18 All right. Yes. Please, Mr. Byrne. 19 MR. BYRNE: Thanks, Your Honor. Real quick. 20 THE COURT: Sure. 21 MR. BYRNE: The -- I wanted to address the 22 standing conclusion you made in relation to the order 23 to show cause, which clearly bleeds into -- into this -24 - these motions. 25 There's a -- in my view, there's a

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1 2 3 4 5 6 7 8	distinction on the the the board member versus association standing. When a board member says to me, you know, this person said something, can I sue for defamation. I say, well, that's a claim that belongs to you individually, damages, that's the there's no condominium damages financially that can be compensated by the fact that you were somehow defamed, if you were at all.
8 9	And so that's an individual claim. And my
9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	<pre>And so that's an individual claim. And my view, those those claims are not sustainable standing-wise vis-a-vis associations. This, however, from a not a substantive perspective necessarily, but from a just a simply a procedural standing perspective. The association clearly has the right to enforce a covenant. It may ultimately be determined that the covenant was not violated, but from a standing perspective, this is not a Gloria Stahl versus individual claim. It is a condominium attempting to create some sort of reasonable approach to existing within the confines of the property. And, again, substantively, the condominium could lose the claim, but from a standing perspective the condominium does have the right under the documents to enforce covenants.</pre>
25	Differentiating from a an ability of a

32 1 board member to sue for defamation and collect 2 individual damages. Let's say one of these e-mails had 3 said not only we -- you know, should we shoot her, 4 should we do this, should we do that, but she's also a 5 bad person who's engage in these following crimes. 6 Perhaps there's a defamation claim there. But that's 7 not a condominium defamation claim. That's an 8 individual claim, I agree. 9 But whether the conduct itself is a violation 10 of the covenants is a condominium claim. That's just 11 my distinction. 12 I -- I -- yes. THE COURT: 13 MR. BYRNE: All right. 14 THE COURT: I understand perfectly well what 15 you're saying. 16 MR. BYRNE: Okay. The last thing is, there 17 is a provision in -- there is a provide in the master 18 deed that does empower the association to enforce the 19 rules and enforce the covenants. 20 So, I mean, I don't know -- I don't want the 21 -- I just want the record to be clear, there is a 22 provision in the master deed. It's in the papers that 23 we filed in opposition to the motion. 24 So there is a -- the ability to get that 25 relief.

1 THE COURT: Yes. Yes, there is. 2 MR. BYRNE: So --Okay. 3 4 THE COURT: I understand that. So like I said, in the end, this MR. BYRNE: 5 6 motion for -- to dismiss, counsel's arguments are reasonable, Your Honor's ruling with respect to the 7 order to show cause is -- is reasonable, you know, it 8 makes a lot of sense. But from a -- from a procedural 9 aspect, the condominium does need to have the ability 10 to file a complaint to try to enforce a covenant and 11 flesh out whether or not in fact it is a violation or 12 it's not. It could lose, but from a motion to dismiss 13 standpoint, we've got to allow the condominium -- an --14 a condominium or any condominium to take a look at the 15 covenants and say, you know, this might be a violation, 16 let's bring an action. We could lose, but we have 17 standing and we have the ability to make the case to 18 get beyond the motion to dismiss. That's all I'm 19 arguing here. 20 Thank you, Judge. 21 Understood. All right. THE COURT: Thank 22 you. 23 All right. As I say, there are two motions 24 before the Court which followed entry of the order to 25 show cause which we dealt with a moment ago. And I do

34 have comments to make on the motions beyond the ruling 1 2 on the order to show cause seeking pendente lite 3 injunctive relief. I'll incorporate all that I said 4 earlier and I will now proceed with a further statement 5 of reasons in disposing of the motions, both filed on 6 January 31 of 2018. And there will be some necessary 7 repetition, so I ask everybody to bear with me. 8 The motions are brought by the defendants 9 Applebaum and Rothstein under 4:6-2(e), Rule 4:6-2(e). 10 And, of course, the standard under the rule is well 11 The Court must evaluate the adequacy of the known. 12 question pleading by determining whether a cause of 13 action is suggested by the facts. Printing Mart-14 Morristown v. Sharp Electronics, 116 N.J. 739 at 746, 15 (1989). 16 The primary focus is upon the legal 17 sufficiency of the facts alleged on the face of the 18 complaint. Dismissal was mandated when the actual --I'm sorry, when the factual allegations are palpably 19 20 insufficient to support a claim upon which relief can 21 be -- can be granted. And that's in Rieder v. 22 Department of Transportation, 221 Super. 547 at 552, 23 (App. Div. 1987). 24 However, the examination of a complaint's 25 allegation of fact required by the -- these principles

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317 at 322,
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59 at 64,
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1 2 3 4 5	Now a cause of action for private nuisance derives from the defendant's unreasonable interference with the use and enjoyment of plaintiff's property. <u>Sands v. Ramsey Golf and Country Club</u> , 29 N.J. 438 at
5 6	448, (1959). With respect to the elements of the cause of
7	action for private nuisance, one is subject to
8	liability for a private nuisance if, but only if,
9	his/her conduct is a legal cause of the of an
10 11	invasion of another's interest in the private use and enjoyment of land and the invasion is either
12	intentional and unreasonable, or unintentional and
13	otherwise actionable under rules controlling liability
14	for negligent or reckless conduct, or for abnormally
15	dangerous conditions or activities. <u>Ross v. Lowits</u> ,
16 17	222 N.J. 494 at 505, (2015). For private nuisance cases, the tests for
18	determining a private nuisance is not simply whether a
19	person is annoyed or disturbed, but whether the
20	annoyance or disturbance arises from an unreasonable
21	use of the neighbor's land. <u>Rose v. Chaikin</u> , 187
22 23	Super. 210 at 215, (Ch. Div. 1982). Regardless of the analysis one might urge and
24	the consequent label attached, the issue in a nuisance
25	case logically depends on whether the offending

1 landowner somehow has made an negligent or unreasonable 2 use of his or her land when compared with the rights of 3 the parties injured on the adjoining lands. That's in 4 Burke v. Briggs, 239 N.J. Super. 269 at 274, (App. Div. 5 6 1990). Here, plaintiff asserts that defendants' 7 conduct of conspiring -- that's defendants plural -- in 8 an e-mail conversation to shoot the president of the 9 board, assuming it's true, violated Paragraph 12 of the 10 master deed. There has been talk in the papers at 11 Paragraph 8, but we are focused on Paragraph 12. So 12 it's clear, perhaps I should incorporate it. 13 Paragraph 8 has to do with maintenance of the 14 property. 15 Paragraph 12 under the caption nuisance, 16 provides that no noxious, hazardous, or offensive 17 activity shall be carried on, in, or upon the common 18 elements or in any unit, nor shall anything be done therein either wilfully or negligently which may be or 19 20 become an annoyance or a nuisance to the other 21 residence, or which interferes with the peaceful 22 possession and proper use of the units or the common elements by the other owners. All valid laws, zoning 23 24 ordinances, and regulations of all governmental bodies 25 having jurisdiction over the development will be

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$1 \\ 2 \\ 3 \\ 4 \\ 5 \\ 6 \\ 7 \\ 8 \\ 9 \\ 10 \\ 11 \\ 12 \\ 13 \\ 14 \\ 15 \\ 16 \\ 17 \\ 18 \\ 9 \\ 20 \\ 22 \\ 23 \\ 25 \\ 10 \\ 11 \\ 20 \\ 22 \\ 23 \\ 25 \\ 10 \\ 10 \\ 10 \\ 10 \\ 10 \\ 10 \\ 10 \\ 1$	observed. Bear with me. (Pause) And I think I have most of, perhaps not all of the master deed attached to the verified complaint, but continuing. Now the Court's determination is that plaintiff's factual allegation again, assuming it's true that defendants conspired to murder Miss Stahl via e-mail conversation, does not constitute a nuisance as described in Paragraph 12 of the master deed. After all, these communications could have been going on from anywhere in light of the portability of our electronic devices under the current state of technology with iPhones, iPads, and the rest. But getting back to a restrictive covenant, it is a contract. <u>Homann v. Torchinsky</u> , 296 N.J. Super. 326 at 334, (App. Div.) Certification was denied there at 149 N.J. 141, (1997). Covenant language must be construed strictly. <u>Highland Lakes County Club v. Franzino</u> , 186 N.J. 99 at 112, (2006). Here the alleged offensive or hazardous activities are e-mail conversations between defendants and other unit owners which are not carry "carried

1 2 3 4 5	on in or upon the common elements or in any unit." The conversations were not making use of the unit or the common areas.
1	The plaintiff fails to plead in the complaint
т Б	as to how the e-mail conversation might interfere with
6	any unit owner's peaceful possession and use of his or
7	her property. Thus, even were the Court to accept
	plaintiff's assertion in the complaint that defendants
8 9	conspired to murder Miss Stahl via e-mail communication
10	and the Court must, under the rubric of 4:6-2(e) accept
11	that and it does, nowhere in the complaint does
12	plaintiff assert that plaintiff's conduct had a had
13	any impact or interference with the association or the
14	board members enjoyment of their property, which is the
15	point of Paragraph 12. Without pleading any facts
16	concerning the essential element for a cause of action
$10 \\ 17$	for private nuisance, the plaintiff fails to state a
18	claim.
19	Further, the defendant's Applebaum and
20	Rothstein argue that the e-mail conversation defendants
20 21	had is protected by freedom of speech under both
22	federal and state constitutions and it is not a true
22	
	threat which would be unprotected. Defendants thus
24	argue that it would be an intrusion on their
25	constitutional rights or the subject speech to be found

40 in violation of the master deed. Citing Dublirer v. 1 2 2000 Linwood Avenue Owners, Inc., 220 N.J. 71 at 73, 3 (2014), which held that the board of directors house 4 rule barring solicitation or distribution of written 5 materials violated the free speech guarantee of the New 6 Jersey Constitution because the important right of 7 residents to speak about governance -- because of the 8 important right of -- I'm sorry, of residents to speak 9 about governance of their community. 10 The Court does not find that the present 11 matter gives rise to a constitutional issue. Unlike 12 Dublirer, the association argues that defendants' e-13 mail conversation -- and that's spelled D-u-b-l-i-r-e-14 r, by the way. 15 The association argues that defendants' e-16 mail conversation violates the provision of the -- the 17 provision of the master deed, i.e., Paragraph 12. The 18 association did not pass a "house rule" to restrict defendant's speech. 19 20 A restrictive covenant like a master deed is 21 a contract as defendants themselves argue in their 22 briefs. The contract of silence in which a party has 23 made an enforceable promise to keep quiet about 24 something is generally enforceable unless it's against 25 public policy. There is an article on this point,

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1234567890112345678901123456789012234	<pre>41 Promises of Silence, Contract Law, and Freedom of Speech, found at 83 Cornell Law Review 261, 268, and that is informative.</pre>
25	Now understanding that under most

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1	circumstances the Court is obliged to dismiss a
2	complaint without present without prejudice I'm
3	sorry, without prejudice, and afford the plaintiff an
4	opportunity to replead, here the Court finds that would
5	be futile.
6	Acknowledging and I agree with plaintiff's
7	argument that Paragraph 8 is a covenant in a master
8	deed, it's an enforceable contract, and I agree that
9	the association has the right to sue to enforce that
10	covenant. But here, under any view, even assuming as I
11	have done and I am doing now, that there was a
12	discussion about about murder, about shooting the
13 14 15	the board president, that does not it does certainly violate tenants of social conduct, anywhere. It there and there was an apology and I think the
16 17	defendants understand the untoward and very unfortunate tenor of this conversation, which is which is simply
18	inappropriate and well out of bounds.
19	And but be that all as it may, there is
20	simply no way to take that conversation and fit it
21	within the confines, even reading Paragraph 12 broadly,
22	which the Court isn't supposed to do, it's supposed to
23	be narrowly narrowly construed, but whether it be
24	broadly or narrowly construed, there is simply no way
25	to take that conversation and fit it within Paragraph

12 such that this would be a violation of the -- the 1 2 master deed and its undertaking. And the Court finds 3 that there is simply no -- no set of pleadings that 4 could possibly ever bring this violation within the 5 confines of Paragraph 12. 6 So for these reasons, I am taking the unusual 7 step of dismissing the complaint under 4:6-2(e) with 8 prejudice. 9 All right. That concludes the matter. I do 10 have orders on the motions. 11 Now I don't understand that Mr. Kardos joined 12 in the motions. He joined in the opposition to the 13 order to show cause, but not to the motions. I don't -14 - I looked for a letter. I found one on the order to 15 show cause, but not on the motions. So --16 MR. SAFFER: Is that right? 17 MR. BLOCK: That's correct. 18 THE COURT: -- that -- so I'm right about 19 So what do we do about that? that. 20 I mean, I don't see any difference. He would 21 simply have to come in here and -- and, you know, my 22 ruling would be the same, so. 23 MR. BYRNE: Right. He would -- if I can. THE COURT: 24 Yeah. 25 MR. BYRNE: He incidentally would even just

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1 2 3	parrot what has already been filed and absent some massive mistake of some sort would probably get the same result, so.
4	THE COURT: Well, I could be wrong. I mean,
5	that's for sure.
6	MR. BYRNE: Oh, yeah. But it
7	THE COURT: There could be an appeal.
8 9	MR. BYRNE: I mean MR. SAFFER: Yeah.
10	THE COURT: But just for
11	MR. BYRNE: No, no, that right.
12	THE COURT: dealing with this now, I my
13	tendency my view would be the case would be
14	dismissed with prejudice as to all defendants.
15	MR. BYRNE: Right. No. I think you know,
16	there's certainly the rights of appeal. I just think
17 18	from a there doesn't appear to be a it appears to be a waste of money and time to make Mr. Kardos, even
19	if he wrote it himself and then paid a lawyer to sign
20	it, it it still would be silly. Unless he did
21	something drastically different from what we've already
22	seen, the outcome is going to be the same, even if it's
23	appealed or something. It's still going to be the same
24	result.
25	So can I but I with that being said, I

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1 2 3 4 5 6 7 8 9	really should speak to the client first. Because, procedurally, he didn't file a motion to dismiss. So, technically speaking, the case as to him is still open. But I can I have a little bit of time to consult with the client to see if we will just file a stipulation of dismissal before he file before he has to file a motion or anything like that?
8	THE COURT: Yes.
9	MR. BYRNE: Or file an answer.
10	THE COURT: Yes.
11	MR. BYRNE: Does that make sense?
12	THE COURT: Can you do that in a week please?
13	MR. BYRNE: Yes. Absolutely. I could do it
14	before then.
15	THE COURT: Okay.
16	MR. BYRNE: All right.
17	THE COURT: And let us know. Okay?
18	MR. BYRNE: Yes.
19	THE COURT: In the meantime, I'll enter the
20	orders as to the two moving defendants.
21	All right. Thank you everybody.
22	MR. BYRNE: If the one more thing, Judge.
23	THE COURT: Yeah.
24	MR. BYRNE: If the board elects to do that
25	I'm sorry.

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1	THE COURT: Yeah.
2	MR. BYRNE: I won't make I'm not intending
3	to do like a fancy production, I'll just send in a a
2 3 4 5	notice of dismissal. THE COURT: Right.
6 7 8 9	THE COURT: That's all you need to do. MR. BYRNE: Okay.
9	THE COURT: Okay. Thank you everybody.
10	MR. SAFFER: May may I just clarify one
11	thing, Judge?
12	I believe when you said about filing an
13	answer, I think Mr. Kardos did file an answer.
14	MR. BYRNE: Oh. Yeah.
15 16	MR. SAFFER: And a counterclaim. So I do think that's still part of the record.
17	MR. BLOCK: He filed a counterclaim.
18	MR. BYRNE: That's right.
19	THE COURT: Okay.
20	MR. BYRNE: Hm.
21	THE COURT: But what what difference would
22	that make as to what we just talked about?
23	MR. SAFFER: No. I just well
24	MR. BYRNE: It would make a difference if he
25	wants to proceed with his counterclaim is what you're

1 probably going to say, right? 2 MR. SAFFER: Yes. 3 4 MR. BYRNE: Even if -- even if the underlying claim is -- is dismissed --5 6 MR. SAFFER: The case -- the -- the plaintiff's -- the complaint is dismissed with 7 prejudice. I guess the matter stays open because 8 there's a pending counterclaim. 9 THE COURT: I didn't realize that. 10 MR. BYRNE: Yeah. 11 MR. SAFFER: Yeah. That -- that's the only 12 reason I wanted to bring it to the Court's attention. 13 THE COURT: Right. I forgot about that. 14 MR. BYRNE: 15 MR. SAFFER: And we're going to be making an 16 application, so. 17 So then I don't know -- I don't MR. BYRNE: know what we -- what we'll do. 18 THE COURT: 19 You're going to be making an 20 application for what? 21 MR. SAFFER: We're going to make an application under the frivolous litigation statute. 22 23 THE COURT: Okay. 24 MR. SAFFER: And Rule --25 THE COURT: All right.

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1 2	MR. SAFFER: 1:4-8. THE COURT: Okay. Let me know then, Mr.
3	Byrne, please.
4	MR. BYRNE: Okay. I guess I can talk to Mr.
5	Kardos's lawyer, perhaps deal with it that way.
6	THE COURT: Yeah. I think that
7	MR. BYRNE: All right.
8	THE COURT: would be a good idea. All
9	right.
10	MR. BYRNE: Thank you, Your Honor.
11	THE COURT: Thank you.
12	MR. SAFFER: Thank you, Judge.
13	MS. VALLE: Thank you, Judge.
14	(Proceedings concluded at 10:17 a.m.)
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1	CERTIFICATION	
1 2 3 4 5 6 7 8 9 10	I, Lisa Mullen, the assigned transcriber, do hereby certify the foregoing transcript of proceedings on CourtSmart, Index No. from 9:18 a.m. to 10:17 a.m., is prepared to the best of my ability and in full compliance with the current Transcript Format for Judicial Proceedings and is a true and accurate compressed transcript of the proceedings, as recorded.	
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