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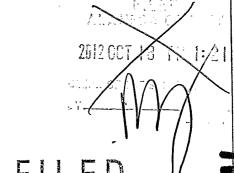
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OCT 1 8 2012

SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF ALAMEDA

JANE DOE,

Plaintiff,

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THE WATCHTOWER BIBLE AND TRACT SOCIETY OF NEW YORK, INC., a corporation; FREMONT CALIFORNIA CONGREGATION OF JEHOVAH'S WITNESSES, NORTH UNIT, a California corporation; JONATHAN KENDRICK, an individual; and ROES 1 to 10,

Defendants.

Case No.: HG11558324

DEFENDANT WATCHTOWER BIBLE AND TRACT SOCIETY OF NEW YORK, INC. AND FREMONT CONGREGATION OF JEHOVAH'S WITNESSES, NORTH UNIT'S EX PARTE APPLICATION TO SHORTEN NOTICE OF HEARING ON MOTION RE APPEAL BOND; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF; DECLARATION OF DOUGLAS M. EGBERT

I. APPLICATION

PLEASE TAKE NOTICE that on October 18, 2012, Watchtower Bible and Tract Society of New York, Inc. and the North Congregation of Jehovah's Witnesses, Fremont, California (collectively, the "Church Defendants") will file this ex parte application for an order shortening notice of hearing on the Church Defendant's motion to substitute real property for

the appeal bond or, in the alternative, decrease the amount of the appeal bond, so that said motion may be heard on November 8 or 9, 2012. Pursuant to Department 22 and the Honorable Robert D. McGuiness' standing order, applications are considered only on the moving papers and any written opposition is to be filed within 24 hours of Watchtower filing this application. This application is made pursuant to California Code of Civil Procedure section 128(a)(3), and California Rules of Court, Rules 3.1200 through 3.1207.

As discussed in the memorandum of points and authorities below, good cause exists for an order shortening notice of hearing on the Church Defendants' motion to decrease the amount of the appeal bond because: (1) the Church Defendants' intend to file a motion to substitute real property as security for the judgment or, in the alternative, to reduce the amount of the appeal bond, and the Church Defendants face immediate irreparable harm and hardship if the hearing and ruling on said motion is not completed before November 15, 2012; (2) after an initial good faith "meet and confer" telephone call, Plaintiff's counsel did not communicate Plaintiff's position on this issue until October 17, 2012 when he notified the Church Defendants' counsel that Plaintiff would not agree to substitute real property as security for the judgment; and (3) Plaintiff will not be prejudiced by any shortened notice because her counsel has been aware of the instant issue since the Church Defendants' counsel first contacted Plaintiff's counsel during the week of October 8, 2012, and the judgment for Plaintiff will be protected in any event.

Plaintiff is represented in this action by Richard J. Simons (SBN 72676) and Kelly Kraetsch (SBN 281688) of Furtado, Jaspovice & Simons, 22274 Main Street, Hayward, California 94541, (510) 582-1080. (Egbert Decl., ¶ 2.) The Church Defendants complied with Rules 3.1203 and 3.1204 of the California Rules of Court by giving notice of this application to Mr. Simons and Ms. Kraetsch on October 17, 2012, by e-mail communication. (*Id.* at ¶¶ 3-6, Exhs. A-C.) Plaintiff's counsel has stated that he will not oppose this application, but will oppose the substantive motion. (*Id.* at ¶ 6, Exh. C.) Plaintiff's counsel has also represented that he is available for a hearing in the afternoon of November 8, 2012 or the morning of November 9, 2012. (*Id.*)

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This ex parte application is based on this application, the memorandum of points and authorities in support thereof (section II below), the declaration of Douglas M. Egbert (section III below), and all pleadings and papers on file in this action.

II. MEMORANDUM OF POINTS AND AUTHORITIES

A. Relevant Facts

On or about September 20, 2012, the Church Defendants filed their Notice of Posting-Bond/Undertaking for Appeal of Judgment Under Code of Civil Procedure Section 917.1. (Egbert Decl., ¶ 8, Exh. D.) As outlined in Exhibit A to the Notice, the bond was for the amount of \$17,277,299.37, and has a premium of \$86,386.

The Church Defendants' payment of the appeal bond premium is due November 15, 2012. However, the Church Defendants seek to substitute real property defendant Watchtower owns in Patterson, New York in place of the appeal bond as security for the judgment. (*Id.* at ¶ 9.) To that end, the Church Defendants' counsel contacted Plaintiff's counsel to see if a stipulation could be reached concerning the substitution of security. (*Id.*) After a brief telephone conversation, Plaintiff's counsel's inclination was to not so stipulate, but Plaintiff's counsel suggested the parties discuss the issue further. After additional "meet and confer" efforts, Plaintiff's counsel responded on October 17, 2012 that Plaintiff would not agree to substitute real property for the bond. (*Id.* at ¶ 10.)

B. Legal Argument

California Code of Civil Procedure section 128(a)(3) gives the Court power to provide for the orderly conduct of the proceedings before it, which may include issuing an order shortening time to hear certain motions. Further, the Court may make an order shortening time where good causes exists, and there is nothing in Code of Civil Procedure section 1005 prohibiting the court from doing so. *Eliceche v. Federal Land Bank Ass'n.* (2002) 103 Cal.App.4th 1349, 1364, 1369 (upholding order shortening notice requirements of discretionary dismissal motion). Good cause exists to grant this application for the following reasons.

1. The Church Defendants Face Immediate Harm and Hardship if Their Motion is Not Heard and Ruled on Prior to November 15, 2012.

The Church Defendants face immediate harm and hardship if their motion is not heard on shortened time and ruled on by November 15, 2012. Specifically, the Church Defendants must pay the premium on the appeal bond by that date. (Egbert Decl., ¶ 9.) However, for reasons that will be fully explained in their motion, the Church Defendants have a good faith basis for believing that it is proper to substitute the Patterson, New York property for the appeal bond as security for the judgment. Those reasons include, but are not limited to (1) the exceedingly high amount of the bond and related premium, (2) the Church Defendants are permitted to recover the cost of the bond should they prevail on appeal, but they are concerned they would be unable to recover that cost from Plaintiff if, *arguendo*, they prevail on appeal; and, (3) the Church Defendants have more than adequate assets, including the Patterson, New York property, from which they could satisfy the judgment if upheld on appeal. To avoid having the Church Defendants make the payment for the appeal bond premium on November 15, 2012 that they may be unable to recover, this Court should shorten the time for the Church Defendants' motion on this issue to be heard prior to that date.

2. Plaintiff's Counsel Notified the Church Defendants on October 17, 2012 that Plaintiff Would Not Stipulate to Substituting the Bond for Real Property.

During the week of October 8, 2012, the Church Defendants' counsel met and conferred with Plaintiff's counsel regarding substituting the bond with real property to act as security for the judgment. (Egbert Decl., ¶ 10.) Plaintiff's counsel's initial reaction was to not so stipulate, but suggested the parties discuss the matter further the following week, after the wedding of attorney Robert J. Schnack's daughter held on October 13, 2012. (*Id.*) Thereafter, the Church Defendants' made additional meet and confer efforts on October 15 and 16, and Plaintiff's counsel responded on October 17, 2012, stating that Plaintiff would not agree to substitute real property for the appeal bond. (*Id.*) Thus, the affirmative need for a motion was not completely resolved until October 17, 2012. However, no hearing dates for a motion are available until late January 2013 – well after the bond payments begin. (*Id.* at ¶ 11.)

3. Plaintiff Will Not Be Prejudiced By Shortened Notice.

As discussed in section B2 above, Plaintiff was notified of the Church Defendants' desire to substitute the Patterson, New York property as security for the judgment during the week of October 8, 2012. (Egbert Decl., ¶ 10.) Thus, this issue is not new to Plaintiff or her counsel (i.e., Plaintiff was not blindsided by any improper gamesmanship; rather, the Church Defendants have been up front about their desire to substitute the bond for the real property). Further, even if the Church Defendants' motion is heard on shortened time and granted, Plaintiff will not be prejudiced because the judgment will be protected by substituting one form of surety for another. The Church Defendants' motion, even if heard on shortened time, in no way threatens the judgment for Plaintiff.

C. Conclusion

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Based on the foregoing, the Church Defendants respectfully request the Court issue an order shortening notice of hearing on the Church Defendant's motion to substitute property for the appeal bond or, in the alternative, decrease the appeal bond, so that said motion may be heard on November 8 or 9, 2012.

DATED: October 18, 2012 JACKSON LEWIS LLP

By 18 Douglas M. Egbert

Attorneys for Defendant Watchtower Bible and

Tract Society of New York, Inc.

DATED: October 18, 2012 THE McCABE LAW FIRM, APC

Attorneys for Defendant North Congregation of Jehovah's Witnesses, Fremont, California

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