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CHURCH OF SCIENTOLOGY INTERNATIONAL

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY INTERNATIONAL, A California nonprofit religious corporation,

Plaintiff,

vs.

GERALD ARMSTRONG, an individual; and DOES 1 THROUGH 50, inclusive,

Defendants.

Case No.: CV 021632

PLAINTIFF CHURCH OF SCIENTOLOGY INTERNATIONAL'S OBJECTION TO ALL EVIDENCE

Date: April 9, 2004 Time: 9:00 a.m.

Dept.: L

Complaint Filed: April 2, 2002

Trial Date: April 9, 2004

INTRODUCTION

Defendant Gerald Armstrong ("Armstrong") answered the Complaint herein, admitting the commission of the 201 breaches of contract asserted therein and asserting forty four affirmative defenses. They are identical to the forty three affirmative defenses which he raised in defending the prior action ¹ ("Prior Action") which Plaintiff brought to recover for breach of the very agreement at issue here, save for the addition of a defense based on the Thirteenth Amendment. In the Prior Action, this Court adjudicated those defenses against Armstrong, entered a permanent injunction, a final judgment and an order holding Armstrong in contempt for violation of the injunction. Armstrong subsequently fled this Court's jurisdiction and has remained a fugitive from

¹ Church of Scientology International v. Armstrong, Case No. 152229.

justice. Armstrong's appeal of the judgment was dismissed. Accordingly, Plaintiff hereby moves for an order precluding the introduction of all evidence by Armstrong on the ground that Armstrong's Answer admits the breaches and that Armstrong is collaterally estopped to raise the asserted affirmative defenses.

ARGUMENT

In contrast to the usual motion in limine, which seeks to keep particular items of evidence from a jury, an objection to all evidence is essentially the same as a general demurrer or motion for judgment on the pleadings seeking to end the trial without the introduction of evidence. Such an objection is properly sustained where even if the plaintiff's allegations were proven, they would not establish a cause of action. *Edwards v. Centex Real Estate Corp.*, 53 Cal.App.4th 15, 26 (1987), or, as here, where defendant's answer is unable to establish a defense to plaintiff's cause of action. *Carlson v. Lindauer*, 119 Cal.App.2d 292, 301 (1953); *Los Angeles v. California Towel & Linen Supply Co.* 217 Cal.App.3d 410, 416, 31 Cal.Rptr. 832 (1963). This procedure "may [also] be viewed as the functional equivalent of an order sustaining a demurrer to the evidence, or non-suit." Id. at p. 27.

The scope of the court's inquiry is relatively narrow. Both a demurrer and a motion for judgment on the pleadings accept as true all material factual allegations of the challenged pleading, unless contrary to law or to facts of which a court may take judicial notice. The sole issue is whether the complaint, as it stands, states a cause of action as a matter of law. The scope of a trial court's inquiry on a motion for non-suit is similarly limited. A motion for non-suit or demurrer to the evidence concedes the truth of the facts proved, but denies as a matter of law that they sustain the plaintiff's case. This motion shares the characteristic of a motion for judgment on the pleadings. Witkin, California Procedure, 4th Ed., Proceedings Without Trial § 176, Bancroft Whitney (1997), citing Miller v. McLaglen, 82 Cal. App. 2d 219 (1947). A trial court may grant the motion only when, disregarding conflicting evidence, viewing the record in the light most favorable to the plaintiff and indulging in every legitimate inference which may be drawn from the evidence, it determines there is no substantial evidence to support a judgment in the plaintiff's favor (or when the answer is insufficient to contest the averments in the complaint.) Edwards, supra, 53

Cal.App.4th at pp. 27-28. See also, Mechanical Contractors Association of Northern California
v. Greater Bay Area Association of Plumbing and Mechanical Contractors, 66 Cal.App.4th 672,
(1998); Witkin, supra.

In this context, the most liberal construction of Armstrong's Answer shows that the Answer fails, as a matter of law, to state a defense to Plaintiff's complaint. Armstrong's Answer admits that he breached the agreement sued upon here, not just the 201 instances that Plaintiff alleges, but on more than 100,000 occasions. "By reason of the facts alleged in paragraph 15, 16 and 17 of CSI'scomplaint, Armstrong has committed 204 separate and distinct breaches of paragraph 7D of the Mutual Release plus more than 99,796 more separate and distinct breaches of paragraph 7D of the Mutual Release..." Answer, paragraph 29. ²

This is similar to the situation in *Knoff v. San Francisco*, 1 Cal. App. 3d 184 (1969), in which the trial court properly entered judgment because the answer raised only immaterial factual issues and questions of law. Here, the Answer raises no factual issues. It admits the commission of the breaches of contract alleged in the Complaint, and raises forty four affirmative defenses, identical to those raised in the Prior Action, save for the addition of a defense based on the Thirteenth Amendment.

The viability of these defenses, or lack thereof, is a matter of law. All of these defenses, and the factual assertions upon which they were based, were adjudicated against Armstrong in the Prior Action. There, Judge Thomas granted the Church's motion for summary judgment, ruling that the Agreement was not entered into under duress, not induced by fraud, did not fail for lack of mutuality, did not infringe on First Amendment rights, and that the liquidated damages provision was valid. Plaintiff's Exhibit 6, pg. 2, ln. 19 – pg. 4, ln. 12. The Order of Permanent Injunction entered October 17, 1995 by Judge Thomas provided that the Agreement had been freely and voluntarily entered into, Plaintiff's Exhibit 7, and Judgment was entered on May 2. Plaintiff's Exhibit 8. The Order of Contempt issued by Judge Smith in 2001 references the judgment, provides that the Agreement was valid when entered into and remains enforceable and then holds

² Plaintiff will move forward at trial on breaches 1-131 which were the subject of the Order of Contempt dated July 31, 2001. Plaintiff's Exhibit 11.

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Armstrong in contempt for the 131 breaches upon which Plaintiff seeks to recover here. Plaintiff's Exhibit 11, ¶ 2 at pg. 2, ln. 16.

As discussed more fully in PLAINTIFF CHURCH OF SCIENTOLOGY'S MOTION TO EXCLUDE EVIDENCE ON ARMSTRONG'S AFFIRMATIVE DEFENSES, Armstrong is collaterally estopped to raise these defenses as a matter of law. See, Torrey Pines Bank v. Superior Court of San Diego County, 216 Cal. App. 3d 813, 821 (1989) [Dismissal with prejudice of action bars assertion of affirmative defenses based on identical facts.]. In Torrey Pines, the prior action ended with a dismissal with prejudice, which the Court held sufficient. Here, the prior action ended in a final judgment on the merits after entry of orders granting summary judgment and imposing a permanent injunction. Armstrong's appeal was dismissed. See also, Hamilton v. Carpenter, 15 Cal. 2d 130 (1940). Gates v. Superior Court of Los Angeles County, 178 Cal. App. 3d 301, 308 (1986) ["...if the second action involves a right, title or issue as to which the judgment in the first action is a conclusive adjudication, the estoppel so far as that right, title or issue is concerned must likewise extend to every matter which was or might have been urged to sustain or defeat the determination actually made."].

CONCLUSION

The facts alleged in Armstrong's Answer, even if proven, would not constitute a defense to the Complaint. The motion should be granted.

April 8, 2004.

Respectfully submitted:

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