

IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION

AMERICAN FRIENDS OF
LUBAVITCH (CHABAD), *et al.*

Plaintiffs,

v.

YEHUDA STEINER, *et al.*

Defendants.

Case No. 14-0006353
Judge Neal E. Kravitz

DECLARATION OF RABBI YEHUDA STEINER

I, Yehuda Steiner, if called to testify, would do so as follows:

1. I was born and raised in the Chabad-Lubavitch branch of Hassidic Judaism. The Chabad-Lubavitch movement, through the inspiration and guidance of the seventh Lubavitcher Rebbe, Rabbi Menachem Mendel Schneerson (of blessed memory), became known for its spiritual, educational, and social outreach work. I was educated in the Chabad Yeshiva (religious school) system. I attended rabbinical college for four years, during which time I studied and participated in weekly outreach services. After college, I entered into a formal program to obtain a rabbinical ordination, known as Smicha, which I received in 2005. Throughout this time, I did outreach work in several locations. In 2006, for example, Chabad headquarters sent me to North and South Dakota, as well as to Larnaka, Cyprus, to do outreach work. In 2007, together with my wife Rivky, I spent a month in Moscow, Russia, working with Jewish Russian children.

2. In September 2008, American Friends of Lubavitch (“AFL”) hired me to work as the campus Rabbi at George Washington University (GWU). I thus moved to DC with my family; my wife and I currently have four children. We operated under the informal name of “Chabad GW – Lubavitch Jewish Student Center” (or “Chabad GW” for short) and provided religious services, study, and counsel to Jewish students at GWU.
3. In about August 2009, I requested that Rabbi Levi Shemtov, the Executive Vice President and Director of the Washington Office at AFL, clarify several outstanding issues in the contract governing our relationship. The contract was unclear, for instance, as to whether I was an employee of AFL or was a Rabbi under the auspices of AFL. We also had differing views as to the vision of Chabad GW. By the fall of 2010, Rabbi Shemtov and I still had not reached agreement on the contract provisions.
4. In November 2011, Rabbi Shemtov fired me from my position at GWU, and I challenged this firing in the rabbinical courts. The Beit Din, which is a Jewish rabbinical court that issues halachically binding decisions, held that Rabbi Shemtov was not permitted to terminate my employment. The Beit Din required me to draft and sign a new contract with Rabbi Shemtov. While I was challenging Rabbi Shemtov’s wrongful termination and working to get myself reinstated, I personally paid for Chabad GW activities out of pocket—activities that otherwise would have been paid for by AFL. Of the amounts that I paid out of pocket, I was never reimbursed for expenditures amounting to approximately \$55,000.
5. On August 6, 2012, Rabbi Shemtov and I concluded a new contract to govern our relationship (“the Contract”). Exh. 1 to Plaintiffs’ Complaint. Under this Contract, any disputes which arose between us were supposed to be resolved privately. Exh. 1 to Plaintiffs’ Complaint § G. If this was not successful, we agreed to try non-binding

mediation, and if mediation was not successful, we agreed to resort to arbitration proceedings, in which a Zabla would decide the dispute and issue a “halachically and legally binding” decision. Exh. 1 to Plaintiffs’ Complaint § G. As defined in the Chabad-Lubavitch Media Center, a Zabla is “[a] procedure for convening a rabbinical court of law to hear a case involving a dispute.” Exh. H.

6. Under the Contract, Rabbi Shemtov was to provide me with a monthly salary of \$4200, in addition to a three bedroom apartment or other residence near the GWU campus and other specified benefits. Exh. 1 to Plaintiffs’ Complaint § F. Rabbi Shemtov also was to provide full funding of all approved activities, which included weekly Shabbat Dinners for an average of eighty students a week, High Holiday Services and meals, weekly Torah Classes, trips to Israel, and more. *See* Exh. 1 to Plaintiffs’ Complaint § F. Rabbi Shemtov also agreed under the Addendum to that Contract that I could raise up to \$55,000 on behalf of Chabad GW in order to compensate me for damages I suffered by using my own funds to pay for Chabad GW activities during my wrongful termination. *See* Exh. 2 to Plaintiffs’ Complaint § F. I never obtained this \$55,000.
7. This Contract worked well at first. By early 2014, however, Rabbi Shemtov stopped complying with his payment obligations under the Contract. Rabbi Shemtov first missed a payment of \$4750.20 owed in rent (including the subsequent late fee) for my apartment for the month of February 2014. He then failed to pay me for the same amount in rent for the apartment for March 2014, and also did not pay me \$270 owed in reimbursements for the same month. These non-payments continued to accrue throughout the spring of 2014. Total non-payment for the month of April 2014 amounted to \$9299.29 (\$4750.20 in apartment rent and the late fee; \$2100 in rent for the Chabad Lounge at GWU, plus the late fee, and

\$2449.09 in reimbursements); non-payment for May 2014 totaled \$7963.10 (\$1112.90 for partial salary, \$4750.20 in apartment rent with the late fee, and \$2100 in rent for the Chabad Lounge with the late fee); non-payment for June 2014 totaled \$8193.39 (\$779.92 in partial salary, \$4750.20 in apartment rent with the late fee, and \$2100 in rent for the Chabad Lounge with the late fee); non-payment for July 2014 totaled \$11,628.36 (\$4200 in salary, \$4750.20 in apartment rent with the late fee, \$2100 in rent for the Chabad Lounge with the late fee, and \$578.16 in reimbursements); and non-payment for August 2014 totaled \$3681.00 (\$1050 in partial salary, \$1131 in apartment rent with the late fee, \$500 in rent for the Chabad Lounge with the late fee, and \$1000 in reimbursements). In total, Rabbi Shemtov owes me \$50,535.54. I have attached a summary of the amounts that I am still owed from Rabbi Shemtov, as well as the emails between Rabbi Shemtov and me regarding these amounts. Exhs. A and B.

8. Because Rabbi Shemtov failed to provide me with money for rent, I was unable to keep up with payments on my apartment and the Chabad Lounge. As a result, I received two eviction notices on my apartment and one for the Chabad Lounge.
9. In July 2014, Rabbi Shemtov informed me that I had breached two provisions of the Contract by failing to convey contributions within one week, and by delaying the immediate transfer of data that had been requested by Rabbi Shemtov. Despite my objections, Rabbi Shemtov insisted that a Zabla of Schluchim be convened, and refused to allow the Zabla to address other disputes between us, such as the outstanding payments for salary and rent that he owed me. Exh. G ; *see also* Exh. 3 to Plaintiffs' Motion to Confirm Arbitration Award at 3 ("[T]he ONLY role of this Zabla, as per our contract, will be verification of violations by you of Section G [n]othing more.").

10. The Zabla of Shluchim was made up of Rabbis Yaakov Felig, Shaul Wilhem, and Mendel Kaplan. On August 6, 2014, Rabbi Shemtov and I met with the Zabla at 2:30 p.m.; several hours later, at 7:35 p.m., Rabbi Kaplan emailed Rabbi Shemtov and me to inform us that the Zabla was convened “specifically not in the form of a Din Torah”; that the Zabla did “not feel capable of rendering a Pask Din – Legal Ruling”; that “[f]urther arbitration is beyond the scope of [their] ability and wherewithal”; and that the “majority opinion” of the Zabla was that I was “in fact in violation of [my] contractual agreement.” Exh. 5 to Plaintiffs’ Complaint.
11. As Rabbi Kaplan expressly stated in this email, the Zabla’s opinion was not legally or halachically binding, and thus was not the type of decision required by the Contract to resolve disputes between the parties. Exh. 1 to Plaintiffs’ Complaint § G. The email also did not state that the breach was “continued/significant,” which was a further requirement for my termination, or even that the breach was of a category that would trigger a termination right under the Contract.
12. Rabbi Shemtov nonetheless emailed me the following day, on August 7, 2014, to advise that my employment had been terminated. Exh. 5 to Plaintiffs’ Complaint. Rabbi Shemtov notified me again on August 29 and September 5, 2014, of my termination. Exhs. 6 and 7 to Plaintiffs’ Complaint.
13. On September 9, 2014, I emailed Rabbi Kaplan to get his views on his email dated August 6, 2014. Exh. C. On the same day, Rabbi Kaplan provided responses to my questions. Exh. C. He confirmed that the August 6 email was merely an “opinion” and was not a “Psak.” Exh. C. He emphasized, moreover, that “whether Rabbi Shemtov could terminate my employment” at GWU, as well as my claims against Rabbi Shemtov for unpaid salary, rent,

and other reimbursements, were “beyond the purview” of the Zabla’s mandate. Exh. C. Rabbi Kaplan also said that the members of the Zabla did not read the entire Contract, but rather “only read what was given to [them], presumably only the section(s) that were relevant.” Exh. C. He also informed me that he could not recall whether the Zabla deemed the violations to be “ongoing” or “continuous,” but that the Zabla’s “opinion” was that the violations were “significant.” Exh. C. I found this surprising because his email of August 6 did not contain any mention that the Zabla considered the breach to be significant.

14. On September 18, 2014, Rabbi Mendel Sharfstein, secretary of the Board of Directors and Trustees of Merkos L’inyonei Chinuch, the central educational arm of the Chabad-Lubavitch movement, emailed Rabbi Shemtov and me regarding our dispute. Exh. D. He told us that the Board had resolved that we should each “choose a Lubavitcher Rav, who in turn will pick a third Rav to provide a Halachic determination regarding this issue,” which was “whether or not Rabbi Yudi Steiner has a right to challenge his firing by Rabbi Levi Shemtov at a Din Torah.” Exh. D.

15. I complied with the Board’s order, and appointed Rabbi Efraim Piekarski as Lubavitcher Rav on September 19th. Exh. F. Rabbi Shemtov did not comply with the Board’s directions, however, and Rabbi Sharfstein followed-up on October 21 to require Rabbi Shemtov to appoint a Lubavitcher Rav and to “insist[] that the lawsuit which [Rabbi Shemtov] brought against Rabbi Steiner be immediately removed from the secular courts.” Exh. D.

16. By the end of October 2014, Rabbi Shemtov still had not complied with the Board’s order. The Board sent another email on October 31, 2014, and this time ordered Rabbi Shemtov and I to each “choose a Shliach . . . who in turn should pick a third Shliach.” Exh. D. This panel of Shluchim would then consider the legal ruling (the Psak Din) that had been issued in our

previous dispute of 2012; the contract dated August 6, 2012, and the alleged violations thereof; and “[w]hether the firing of Rabbi Steiner by Rabbi Shemtov was proper as per terms of the contract.” Exh. D.

17. On November 12, 2014, I emailed the Merkos Board to clarify whether the arbitration process specified in this third email would be a Zabla of Shluchim based on Halacha, which is the process that my contract stipulates and is what every Shliach and Yid deserves. Exh. E. I have not yet received a response from the Board.
18. Because I am currently contesting the legality of my termination, I have taken permanent steps to operate independently from AFL so that I may continue my work at GWU, performing outreach and providing counseling and religious services to students and faculty. I thus created my own nonprofit organization named Jewish GW, and established bank accounts and a separate domain name (jewishcolonials.com).¹ Since creating this organization, I confirm that I have never held myself out to be associated with AFL. Indeed, only 2 of the 17 Chabad houses in the District of Columbia and in the surrounding Maryland and Virginia areas are affiliated with AFL. I also confirm that I am recognized by Chabad on Campus International and Merkos as a representative of Chabad outreach. My current efforts at GWU are in connection with this authorized Chabad outreach.
19. I am in possession of credit cards which were jointly issued to myself and to AFL. I believe that I was improperly terminated, and that Rabbi Shemtov’s claims to property should be settled through binding Rabbinical arbitration in accordance with the Contract. I have nonetheless agreed to return the credit cards to Rabbi Shemtov, provided that he agrees to

¹ The new organization also is referred to as “Chabad at GW.”

cancel them. Although I would like to continue to use the domain name “ChabadGW.org,” I have taken this webpage offline pending resolution of this dispute.

I declare under the penalty of perjury that the foregoing is true and correct.


Executed on November 12, 2014

A handwritten signature in black ink, appearing to be 'Y S' or 'Yudi Steiner', written above a horizontal line.

Rabbi Yudi Steiner

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 12th day of November 2014, a copy of the foregoing
Declaration of Rabbi Yehuda Steiner dated November 12, 2014, was served via CaseFileXpress:



Chauncey A. Bratt (DC Bar # 1018133)
WHITE & CASE LLP