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NEWS IN BRIEF

Court Clarifies Personal Liability Issue for Yellow Book Ad

The president of a sewage-line service cannot be held personally liable for a \$25,000 contract he signed for a Yellow Book ad covering Rockland and Westchester counties, Supreme Court Justice Margaret Garvey ruled last week. The contract only had one signature line, with the notation under it that the person signing the contract was doing so both "individually and for the Company." Justice Garvey, who sits in Rockland County, concluded that Yellow Book's use of a single signature line was sufficiently confusing that the president of the sewage-line service, Ralph Pagan, could not be held personally liable for the cost of the ad. In reaching that result, the judge credited the deposition testimony of Yellow Book's sales manager for the Rockland-Westchester area. The manager had testified that she could not discern from the face of the contract that Mr. Pagan, the president of Expert Sewer & Drain, would be held personally liable. Adam Peska, who represented both the company and Mr. Pagan, said the ruling provides an important protection for small-business owners who "often" sign contracts for Yellow Book ads without knowing "they are signing a personal guarantee." Ronald S. Ehrlich of Kaslow & Kaslow, who represented Yellow Book, said his client will ask Justice Garvey to reconsider her ruling because it is "contrary to established appellate case law that the language used in the...contract is binding upon both the company and the officer individually." *Yellow Book Sales and Distribution Co. v. Expert Sewer & Drain*, 1459/06, will be published Friday. — Daniel Wise

Chinese Native Wins Upset Of Conviction

BY MARK HAMBLETT

A FEDERAL JUDGE has taken the rare step of vacating a Chinese native's mail fraud conviction even though he has completed his sentence, a ruling that will allow him to stay in this country.

Li Hua Qiao claimed ineffective assistance of counsel because his lawyer wrongly informed him that a sentence of probation and home confinement would not lead to his deportation to China.



Judge Stein

The decision will be published Friday.

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Over the objection of the government, Southern District Judge Sidney Stein employed the "extraordinary remedy" of granting a writ of error coram nobis and wiped the man's 1999 conviction off the books in *Qiao v. United States*, 07 civ. 3727.

Mr. Qiao pleaded guilty in January 1999 to one count of mail fraud and one count