

**Elegant Jewelry NY, Inc. v Australian Diamond
Supply, Ltd.**

2025 NY Slip Op 32560(U)

June 30, 2025

Supreme Court, New York County

Docket Number: Index No. 652249/2025

Judge: Emily Morales-Minerva

Cases posted with a "30000" identifier, i.e., 2013 NY Slip Op 30001(U), are republished from various New York State and local government sources, including the New York State Unified Court System's eCourts Service.

This opinion is uncorrected and not selected for official publication.

**SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY**

PRESENT: HON. EMILY MORALES-MINERVA PART 42M

Justice

-----X

ELEGANT JEWELRY NY, INC., and ELIE HANONO,
Petitioners,

INDEX NO. 652249/2025

MOTION DATE N/A

MOTION SEQ. NO. 001

- v -

AUSTRALIAN DIAMOND SUPPLY, LTD., and LAJB
BLATMAN,

**DECISION + ORDER ON
MOTION**

Respondents.

-----X

The following e-filed documents, listed by NYSCEF document number (Motion 001) 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 were read on this motion to/for INJUNCTION/RESTRAINING ORDER.

APPEARANCES

Kinzler Law Group, PLLC (Ben Kinzler, Esq., of counsel) for plaintiffs.

Law Offices of Brian K. Bernstein, P.C. (Brian K. Bernstein, Esq., of counsel) for defendants.

HON. EMILY MORALES-MINERVA:

Respondents AUSTRALIAN DIAMOND SUPPLY, LTD., and LAJB BLATMAN commenced an arbitration proceeding before non-party the Diamond Dealers Club of New York against petitioners ELEGANT JEWELRY NY, INC., and ELIE HANONO. Petitioners then moved, by order to show cause (motion sequence number 001), for an order,

pursuant to CPLR § 7503 (b),¹ permanently staying that arbitration.

The court (L. Headley, J.S.C) signed the order to show cause and issued a temporary restraining order against respondents, enjoining and restraining them from proceeding with the arbitration. The same court scheduled the matter for the parties to be heard in Part 42M, 111 Centre Street, New York, New York, June 24, 2025, at 11:30 A.M.

At the call of the calendar, petitioners and respondents appeared, by counsel. During oral arguments on record, the parties agreed that the Diamond Dealers Club of New York (Diamond Dealers Club) is an organization with the object of fostering the interests of the diamond, precious stone and related jewelry industry; this role includes "provid[ing] arbitration tribunals to adjust differences and controversies between its members" (New York State Court Electronic Filing System [NYSCEF] Doc. No. 04, By-laws of Diamond Dealers Club, Inc., at Article II [upon which both parties rely]).

The parties also conceded that the Diamond Dealers Club by-laws provide that "[t]he signature of the member on the

¹ Section 7503 (b) of the CPLR provides, "Subject to the provisions of subdivision (c), a party who has not participated in the arbitration and who has not made or been served with an application to compel arbitration, may apply to stay arbitration on the ground that a valid agreement was not made or has not been complied with or that the claim sought to be arbitrated is barred by limitation under subdivision (b) of section 7502."

application for membership to the Club . . . constitute[s] the member's agreement to arbitrate any and all claims . . . with other members and with members of other diamond bourses" listed therein" (id., at Article III, § 34).

The parties further did not dispute that:

"Whenever any member . . . resigns [from the Diamond Dealers Club], such member shall be required to fulfill all of its obligation and duties of a member in good standing in connection with any transaction or matter, which arose or which initiated, in part or in whole, prior to such member's . . . resignation including but not limited to arbitration"

(NYSCEF, id., at Article III, § 35). Finally, petitioners and respondents confirmed, on record, that the date the transaction in dispute arose is September 20, 2022.

Given these concessions, the sole issue presented is whether petitioners were members of Diamond Dealers Club when said transaction arose, requiring it to engage in arbitration before the Diamond Dealers Club.

Counsel for both parties appeared well-prepared and strongly advocated on behalf of their clients. However, a hearing is required to determine this issue of fact.

Accordingly, it is hereby

ORDERED that the parties shall appear for a hearing on this motion, at 111 Centre Street, Courtroom 574, New York, New York, on July 29, 2025, at 10:00 A.M. to 1:00 P.M.; it is further

ORDERED that the temporary restraining order shall remain in effect until a final determination on this motion; and it is further

ORDERED that Clerk of Court shall mark the file accordingly.

6/30/2025
DATE

Emily Morales-Minerva
EMILY MORALES-MINERVA, J.S.C.

CHECK ONE:	<input type="checkbox"/>	CASE DISPOSED	<input checked="" type="checkbox"/>	NON-FINAL DISPOSITION	<input type="checkbox"/>	OTHER
APPLICATION:	<input type="checkbox"/>	GRANTED	<input type="checkbox"/>	GRANTED IN PART	<input checked="" type="checkbox"/>	OTHER
CHECK IF APPROPRIATE:	<input type="checkbox"/>	SETTLE ORDER	<input type="checkbox"/>	SUBMIT ORDER	<input type="checkbox"/>	REFERENCE
	<input type="checkbox"/>	INCLUDES TRANSFER/REASSIGN	<input type="checkbox"/>	FIDUCIARY APPOINTMENT	<input type="checkbox"/>	REFERENCE