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## **Club Board Rejects Settlement**

By [PIA CATTON](#)

The National Arts Club on Monday declined a court-proposed settlement in the lawsuit filed against it by former club president O. Aldon James, prolonging a battle that has raged for months.

The NAC's board met for about two hours on Saturday to weigh the resolution suggested by State Supreme Court Justice Carol Edmead last Wednesday. Its decision to reject the terms means that the club will proceed with an internal hearing of Mr. James, who was accused of misusing the club's financial and real-estate assets, as well as harassing members.

Mr. James, his brother John James, and family friend Steven Leitner filed their suit in August, alleging that the club was aware of their actions regarding the real-estate holdings.

The court settlement would have allowed the Jameses and Mr. Leitner to retain their club memberships and one club-owned apartment each. Aldon James would have had to resign from the board, but could run and serve again. The court also retained the right to oust the men if the club could present compelling evidence against them.

Though the internal hearing could be stalled through various legal steps, the club's attorney, Roland Riopelle said: "We are going to proceed as if we are going to have a hearing."

The hearing, set for early December, will take place before a subcommittee of the NAC board, and it will follow parameters—such as time allotments for remarks and exchange of documents—set by Justice Edmead.

"It tells you that they are dead set on terminating the membership of these clients," said the plaintiffs' lawyer, Adam Gilbert. "We will continue to fight for as long as it takes to get a fair adjudication."