

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

Joseph Yewaisis v. Union County Savings Bank, et al.

Yewaisis · No. 2:25-cv-01536 · Decided January 28, 2026

SUMMARY

The United States District Court for the District of New Jersey granted Defendants’ motion to dismiss Joseph Yewaisis’s amended complaint. The court held that the claims, which arose under state law, did not establish federal-question jurisdiction, and that diversity and supplemental jurisdiction were also unavailable. The amended complaint was dismissed without prejudice for lack of subject-matter jurisdiction, and the case was closed.

CASE DETAILS

COURT	United States District Court for the District of New Jersey
WRITING FOR THE COURT	Jamel K. Semper
JURISDICTION	United States District Court for the District of New Jersey
DECIDED	January 28, 2026
DOCKET	2:25-cv-01536
DISPOSITION	dismissed
PROCEDURAL POSTURE	Defendants moved under Federal Rule of Civil Procedure 12(b)(1) to dismiss the First Amended Complaint for lack of subject matter jurisdiction. Plaintiff did not oppose the motion and requested dismissal without prejudice on jurisdictional grounds.
STANDARD OF REVIEW	On a Rule 12(b)(1) motion, the court may consider either a facial challenge to the sufficiency of the jurisdictional allegations or a factual challenge attacking the allegations underlying jurisdiction. The plaintiff bears the burden of establishing federal jurisdiction.
PRECEDENTIAL VALUE	unpublished
PARTIES	Joseph Yewaisis v. Union County Savings Bank, Sydney Colin Neill, Kelly Watson, Doris Hawkins, Teresa Soto Vega, Thomas Ramos, Bill Fenstemaker, Joseph Garibaldi, IV, William Jones

TOPICS

- subject matter jurisdiction
- motions to dismiss
- civil procedure
- wrongful termination
- retaliation

PRACTICE AREAS

civil procedure

subject matter jurisdiction

employment law

wrongful termination

contracts

QUESTIONS PRESENTED

1. Whether the First Amended Complaint established federal-question jurisdiction under 28 U.S.C. § 1331 when all pleaded causes of action arose under state law.
2. Whether diversity jurisdiction existed under 28 U.S.C. § 1332 when the complaint did not allege the parties' citizenship or invoke diversity jurisdiction.
3. Whether the court could exercise supplemental jurisdiction under 28 U.S.C. § 1367 absent an independent basis for original federal jurisdiction.

HOLDINGS

1. The First Amended Complaint did not establish federal-question jurisdiction because all of its causes of action arose under state law and no federal question was an essential element of any claim.
2. Diversity jurisdiction was not established because Plaintiff did not allege the parties' citizenship and did not allege that jurisdiction existed under 28 U.S.C. § 1332.
3. The court could not exercise supplemental jurisdiction over Plaintiff's state-law claims because the court lacked original federal-question and diversity jurisdiction.

KEY QUOTATIONS

“In order to have subject matter jurisdiction, a District Court must be able to exercise either diversity jurisdiction or federal question jurisdiction.”

“Plaintiff’s causes of action all arise under state law.”

“Because the Court does not have original jurisdiction over any of Plaintiff’s claims, the Court likewise cannot exercise supplemental jurisdiction over Plaintiff’s claims.”

FACTUAL BACKGROUND

Joseph Yewaisis, a former Chief Operating Officer, President, Chief Executive Officer, and later Chairman of Union County Savings Bank, alleged that he was wrongfully terminated after exposing or refusing to participate in alleged fraudulent, discriminatory, negligent, and financially reckless conduct by the bank and its board members. His First Amended Complaint asserted state-law claims for breach of contract, violation of New Jersey's Conscientious Employee Protection Act, fraud and negligent misrepresentation, civil conspiracy, and aiding and abetting. Although the complaint referenced various federal laws, it did not identify a federal question as an element of any asserted cause of action and did not plead diversity jurisdiction.

PROCEDURAL HISTORY

Plaintiff filed a wrongful-termination action on February 27, 2025, and filed a First Amended Complaint on July 21, 2025. Defendants moved to dismiss on August 18, 2025, arguing that none of the claims arose under federal

law. The court granted the motion and dismissed the First Amended Complaint without prejudice for lack of subject matter jurisdiction, directing the Clerk to close the matter.

DISPOSITION

dismissed

CASES CITED

- Gould Electronics Inc. v. United States, 220 F.3d 169, 176 (3d Cir. 2000)
- Iwanowa v. Ford Motor Co., 67 F. Supp. 2d 424, 438 (D.N.J. 1999)
- Mortensen v. First Federal Savings & Loan Association, 549 F.2d 884, 891 (3d Cir. 1977)
- Hartig Drug Co. v. Senju Pharmaceutical Co., 836 F.3d 261, 268 (3d Cir. 2016)
- Constitution Party of Pennsylvania v. Aichele, 757 F.3d 347, 358 (3d Cir. 2014)
- Haiying Xi v. Shengchun Lu, 226 F. App'x 189, 190 (3d Cir. 2007)
- McCracken v. Murphy, 129 F. App'x 701, 702 (3d Cir. 2005)
- Ben-Haim v. Avraham, No. 15-6669, 2016 WL 4621190, at *2 (D.N.J. Sept. 6, 2016)
- United Jersey Banks v. Parell, 783 F.2d 360, 365 (3d Cir. 1986)
- Chemical Leaman Tank Lines v. Aetna Casualty & Surety Co., 177 F.3d 210, 222 n.13 (3d Cir. 1999)
- Ben-Haim v. Avraham, No. 15-6669, 2016 WL 4621190, at *5 (D.N.J. Sept. 6, 2016)
- Exxon Mobil Corp. v. Allapattah Services, Inc., 545 U.S. 546, 554 (2005)

OPINION

YEWAISIS

PER CURIAM.

NOT FOR PUBLICATION

UNITED STATES DISTRICT COURT

DISTRICT OF NEW JERSEY

JOSEPH YEWAISIS,

Civil Action No.: 25-01536 Plaintiff,

v. OPINION AND ORDER

UNION COUNTY SAVINGS BANK, et

January 28, 2026 al., Defendants. SEMPER, District Judge. THIS MATTER is before this Court upon Defendants Union County Savings Bank (“UCSB”), Sydney Colin Neill, Kelly Watson, Doris Hawkins, Teresa Soto Vega, Thomas Ramos, Bill Fenstermaker (improperly pled as “Robert Fenstermaker”), Joseph Garibaldi, IV, and William Jones’1 (“Defendants”) Motion to Dismiss Plaintiff Joseph Yewaisis’s (“Plaintiff”) First Amended Complaint (ECF 25, “FAC”). (ECF 29, “Motion.”) Plaintiff did not oppose the Motion. The Court decided the Motion upon the submissions of the parties, without oral argument, pursuant to Federal Rule of Civil Procedure 78

and Local Rule 78.1. For the reasons stated below, Defendants’ Motion to Dismiss is GRANTED. WHEREAS Plaintiff Joseph Yewaisis brought this wrongful termination action against Defendants on February 27, 2025. (See ECF 1.) On July 21, 2025, Plaintiff filed the First Amended Complaint. (ECF 25.) In the FAC, Plaintiff, the former Chief Operating Officer and later Chairman, 1 Defendants Sydney Colin Neill, Kelly Watson, Doris Hawkins, Teresa Soto Vega, Thomas Ramos, Bill Fenstermaker, Joseph Garibaldi, IV, and William Jones are current or former members of the UCSB Board of Directors (the “UCSB Board Members”). (See FAC ¶¶ 10-17.) Plaintiff, and Chief Executive Officer of UCSB, alleges that he was wrongfully terminated “after exposing the Bank’s negligent, fraudulent, discriminatory, and financially reckless conduct.” (FAC ¶¶ 1, 8.) Plaintiff claims that UCSB’s Board of Directors, individually named as Defendants (id. ¶¶ 10-17), engaged in a scheme to conceal fraud and other misconduct and terminated Plaintiff in retaliation for his refusal to participate in their scheme. (Id. ¶¶ 2, 28-49, 56-62, 75-79.) The FAC asserts the following causes of action: breach of contract against UCSB (Count 1) (id. ¶¶ 80-104); wrongful termination in violation of New Jersey’s Conscientious Employee Protection Act against UCSB and the UCSB Board Members (Count 2) (id. ¶¶ 105-22); fraud and negligent misrepresentation against UCSB and the UCSB Board Members (Count 3) (id. ¶¶ 123-68); civil conspiracy against the UCSB Board Members (Count 4) (id. ¶¶ 169-179); and aiding and abetting against the UCSB Board Members (Count 5) (id. ¶¶ 181-93). The FAC alleges that the Court has federal question jurisdiction pursuant to 28 U.S.C. § 1331 and supplemental jurisdiction pursuant to 28 U.S.C. § 1367. (Id. ¶ 6); and WHEREAS on August 18, 2025, Defendants filed a Motion to Dismiss for lack of subject matter jurisdiction pursuant to Federal Rule of Civil Procedure 12(b) (1). (ECF 29.) On September 16, 2025, Defendants filed a letter on the docket informing the Court that Plaintiff had not filed an opposition to the Motion. (ECF 30.) On the same day, counsel for Plaintiff filed a letter stating his understanding that the case would be dismissed without prejudice on jurisdictional grounds. (ECF 31.) On December 3, 2025, counsel for Plaintiff informed the Court that he would be withdrawing from active practice and his pending matters. (ECF 32.) Although Plaintiff could have voluntarily dismissed this action pursuant to Federal Rule of Civil Procedure 41—which would have led to the same result without wasting the Court’s resources—Plaintiff’s counsel instead filed another letter on the docket again requesting that the Court dismiss the case without prejudice for lack of subject matter jurisdiction. (ECF 34.) Plaintiff’s counsel has yet to withdraw from this matter; and WHEREAS Federal Rule of Civil Procedure 12(b)(1) permits a defendant to move at any time to dismiss the complaint for lack of subject-matter jurisdiction on either facial or factual grounds. See *Gould Elecs. Inc. v. United States*, 220 F.3d 169, 176 (3d Cir. 2000). A facial challenge asserts that “the complaint, on its face, does not allege sufficient grounds to establish subject matter jurisdiction.” *Iwanowa v. Ford Motor Co.*, 67 F. Supp. 2d 424, 438 (D.N.J. 1999) (citing *Mortensen v. First Fed. Sav. & Loan Ass’n*, 549 F.2d 884, 891 (3d Cir. 1997)). A factual challenge, on the other hand, “attacks allegations underlying the assertion of jurisdiction in the complaint, and it allows the defendant to present competing facts.”

Hartig Drug Co. v. Senju Pharm. Co., 836 F.3d 261, 268 (3d Cir. 2016) (citing *Constitution Party of Pa. v. Aichele*, 757 F.3d 347, 358 (3d Cir. 2014)); and WHEREAS Defendants argue that the Court should dismiss the FAC for lack of subject matter jurisdiction because none of Plaintiff's causes of action arise under federal law. (ECF 29-1, "Defs. Br." at 5-8.) The Court agrees. "In order to have subject matter jurisdiction, a District Court must be able to exercise either diversity jurisdiction or federal question jurisdiction." *Haiying Xi v. Shengchun Lu*, 226 F. App'x 189, 190 (3d Cir. 2007) (citing 28 U.S.C. §§ 1331 and 1332). The plaintiff "bears the burden of proving that the federal court has jurisdiction." *McCracken v. Murphy*, 129 F. App'x 701, 702 (3d Cir. 2005) (citations omitted). WHEREAS federal question jurisdiction exists when a dispute "aris[es] under the Constitution, laws, or treaties of the United States." 28 U.S.C. § 1331. As Defendants explain in the Motion to Dismiss, although "Plaintiff peppers his First Amended Complaint with allegations asserting that the UCSB Defendants violated various federal laws in support of his causes of action arising under state law, [] no actual federal question is identified to be decided by this Court." (Br. at 5.) Plaintiff's causes of action all arise under state law. (See generally FAC.) Thus, Plaintiff's claims do not "arise under the Constitution, laws, or treaties of the United States." 28 U.S.C. § 1331; see also *Ben-Haim v. Avraham*, No. 15-6669, 2016 WL 4621190, at *2 (D.N.J. Sept. 6, 2016) ("As generally interpreted, a right or immunity created by the Constitution or laws of the United States must be an element, and an essential one, of the plaintiff's cause of action." (quoting *United Jersey Banks v. Parell*, 783 F.2d 360, 365 (3d Cir. 1986))); and WHEREAS a district court also has original jurisdiction over an action when there is diversity jurisdiction pursuant to 28 U.S.C. § 1332. Although Plaintiff alleges that subject matter jurisdiction arises pursuant only to federal question jurisdiction (FAC ¶ 6), the Court briefly addresses diversity jurisdiction. Diversity jurisdiction exists when there is a dispute between citizens of different states alleging an amount in controversy in excess of \$75,000. 28 U.S.C. § 1332. Plaintiff has not alleged his state of citizenship and does not allege that the Court has jurisdiction pursuant to 28 U.S.C. § 1332. See *Chem. Leaman Tank Lines v. Aetna Cas. & Sur. Co.*, 177 F.3d 210, 222 n.13 (3d Cir. 1999) ("[I]n a diversity action, the plaintiff must state all parties' citizenships such that the existence of complete diversity can be confirmed."). Therefore, the Court does not have diversity jurisdiction over Plaintiff's claims; and WHEREAS under 28 U.S.C. § 1367, a federal court may exercise supplemental jurisdiction over state law claims if it has federal question or diversity jurisdiction. Because the Court does not have original jurisdiction over any of Plaintiff's claims, the Court likewise cannot exercise supplemental jurisdiction over Plaintiff's claims. See *Ben-Haim*, 2016 WL 4621190, at *5 ("[T]here must be an independent basis for federal jurisdiction before supplemental jurisdiction may exist." (citing *Exxon Mobil Corp. v. Allapattah Servs., Inc.*, 545 U.S. 546, 554 (2005))). Accordingly, IT IS on this 28th day of January 2026, ORDERED that Defendants' Motion to Dismiss (ECF 29) is GRANTED; and it is further ORDERED that the First Amended Complaint (ECF 25) is dismissed without prejudice for lack of subject matter jurisdiction; and it is further

ORDERED that the Clerk of Court is directed to close this matter. SO ORDERED. /s/ Jamel K. Semper .

HON. JAMEL K. SEMPER

United States District Judge Orig: Clerk cc: Stacey D. Adams, U.S.M.J. Parties

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