

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

MICHAEL L. NELSEN and IVAN G. GOODSTEIN, as the
MANAGERS of MARINER'S COVE SITE B ASSOCIATES,
MARINER'S COVE SITE J ASSOCIATES, and MARINER'S
COVE SITE K ASSOCIATES, the latter three entities being New
York general partnerships,

Plaintiffs,

-against-

HOWARD P. MILSTEIN,

Defendant

Index No. _____/2015
Date Filed: May 19, 2015

SUMMONS

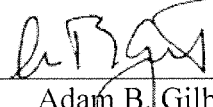
Plaintiffs designate New York
County as the place of trial.
The basis of venue is
Defendant's residence and the
location of the real property
owned by the Partnerships

To the above-named Defendant:

YOU ARE HEREBY SUMMONED to answer the complaint in this action and to serve
a copy of your answer on Plaintiffs' attorneys within twenty (20) days after the service of this
summons, exclusive of the day of service (or within thirty (30) days after the service is complete
if this summons is not personally delivered to you within the State of New York); and in case of
your failure to appear or answer, judgment will be taken against you by default for the relief
demanded in the complaint.

May 19, 2015

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SUPREME COURT OF THE STATE OF NEW YORK
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**VERIFIED
COMPLAINT**

Plaintiffs, complaining of Defendant, allege as follow.

Preliminary Statement

1. This complaint seeks injunctive, declaratory, monetary and equitable relief against defendant Howard P. Milstein, who has wrongly refused to relinquish his role as Manager of three New York general partnerships listed in the caption hereof. For many years, Milstein has acted as the Manager and, since 2010, has acted pursuant to a written partnership agreement. Pursuant to that agreement, Milstein could be replaced, at any time, for any reason or no reason, through the action of those partners holding the majority in interest of each of the Partnerships. By Notice dated May 12, 2015, the majority in interest of the Partnerships – owning an aggregate of 60% of each partnership – duly removed Milstein, and duly substituted Plaintiffs in his place and stead to act as the Managers of the partnerships. Despite being a minority owner in the partnerships, and despite the clear contractual language expressly providing for his removal, Milstein has brazenly refused to relinquish control – thereby breaching his fiduciary duties to his partners as well as wrongfully attempting to entrench

himself in accordance with his self-interest and to the detriment of his partners. This complaint seeks to remedy these breaches so that the partnership agreement may be enforced and the actions of the majority respected.

The Parties

2. Plaintiff Michael L. Nelsen is at present a resident of Hilton Head Island, SC. For the majority of his adult life, Mr. Nelsen lived and worked in New York. Prior to 2014, Mr. Nelsen served as a Senior Vice President and the Accounting and Financial Principal of Acadia Realty Trust, a publicly-traded real estate investment trust. Previously, from March 2003 to December 2011, Mr. Nelsen held the position at Acadia of Senior Vice President and Chief Financial Officer.

3. Prior to joining Acadia in 2003 (namely, from 1994 – 2003), Mr. Nelsen served as the President of G. Soros Realty, Inc. and as Director of Real Estate for Soros Private Funds Management LLC. His responsibilities included asset/portfolio management of real estate operations, financial reporting, financings, asset acquisitions and dispositions. From 1969 to 1994, Mr. Nelsen was initially an associate and thereafter a partner in the public accounting firm of Berdon LLP (formerly David Berdon & Co.) – an accounting firm specializing in real estate consulting and auditing. Mr. Nelsen graduated from the Bernard M. Baruch School of Business in 1969, and has been a Certified Public Accountant since 1971.

4. Mr. Nelsen is currently a managing member of Underhill Cara Manager Associates LLC, one of the owners of Cara Associates, LLC. Cara Associates, LLC is a 30% owner of each of the Partnerships listed above and described below.

5. Plaintiff Ivan G. Goodstein is a resident of New York. Following his graduation from the University of Arizona with a Bachelor of Science degree in Regional and Urban Land

Development in 1990, Mr. Goodstein joined his family's well-known real estate ownership, construction and development business. By 1992 – after hands on experience in construction management– Mr. Goodstein became an Assistant Vice President of Goodstein Development Corporation, where he supervised the construction of residential development projects and managed portfolios of residential properties. Mr. Goodstein expanded his family's construction and residential management business into other jurisdictions, particularly into South Florida.

6. Mr. Goodstein is currently the President and Chief Executive Officer of Goodstein Development Corporation. In that role, he oversees the management of his family's substantial residential portfolio as well as the family's related commercial triple net leased real estate portfolio.

7. Mr. Goodstein is currently an officer in each of Hudson South B Associates LLC and Hudson South Associates LLC. These entities severally own a 30% interest in each of the Partnerships listed above and described below.

8. Each of the Partnerships listed in the caption is a New York general partnership, with each partnership owning unsold residential and commercial units in condominium buildings in Battery Park City, New York.

9. Plaintiff Mariners' Cove Site B Associates is the owner of unsold units at a residential property commonly known as "Liberty Court," a condominium located at 200 Rector Street, New York, New York.

10. Plaintiff Mariner's Cove Site J Associates is the owner of unsold units at a residential property commonly known as "Liberty House," a condominium located at 377 Rector Street, New York, New York.

11. Plaintiff Mariner's Cove Site K Associates is the owner of unsold units at a residential property commonly known as "Liberty Terrace," a condominium located at 380 Rector Street, New York, New York. (The three partnerships described in paragraphs 9-11 have been and shall continue to be referred to as the "Partnerships.")

12. The Partnerships collectively own approximately 350 unsold residential units, representing in excess of 300,000 square feet of salable residential space. In addition, the Partnerships own valuable commercial units, including a parking garage and above grade space used for health club and other commercial purposes.

13. Defendant Howard P. Milstein is a resident of New York. For many years prior to his removal effective May 19, 2015, Milstein served as the Manager of the Partnerships. Through his affiliate, Rector Park Associates LLC, Mr. Milstein owns and controls 40% of the partnership interests in each of the Partnerships. The remaining 60% partnership interests are owned collectively by a Goodstein-related entity (either Hudson South Site B Associates LLC or Hudson South Site Associates LLC) and Cara Associates LLC.

14. The following table shows the ownership interests in each of the Partnerships. In each instance, Milstein's entity owns a *minority* 40%, with Cara Associates LLC owning 30%, and a Goodstein entity owning 30%. Together, the Cara and Goodstein interests collectively own 60% of the partnership interests in each Partnership.

Partner	Percentage Share of Interest in Mariner's Cove B Associates	Percentage Share of Interest in Mariner's Cove J Associates	Percentage Share of Interest in Mariner's Cove K Associates
Rector Park Associates LLC	40%	40%	40%
Cara Associates, LLC	30%	30%	30%
Hudson South Site B Associates LLC	30%	30%	0%
Hudson South Site Associates LLC	0%	0%	30%

Facts Common to All Causes of Action

15. The Partnerships were initially formed in or about 1984 for the purpose of developing and improving leased land in Battery Park City with residential condominium buildings. Each partnership leased a separate tract of land and, thereafter, developed residential “for sale” condominiums units in the buildings known as Liberty Court, Liberty House and Liberty Terrace.

16. On or about June 17, 2010, the partners of the Partnerships entered into a written Agreement of Partnership (the “Partnership Agreement”), a copy of which is annexed hereto as Exhibit 1.

17. Paragraph 2(b) of the Partnership Agreement provides, in relevant part, as follows:

Based upon the agreement of a majority of the Partners as to actions to be taken by the Partnerships and until changed by a majority in interest of the Partners, each of Rector Park

Associates LLC [the Milstein 40% entity], Cara Associates, LLC [the Cara 30% entity], Hudson South Site B Associates LLC and Hudson South Associates LLC [each a Goodstein entity owning the remaining 30%] of each Partnership” hereby grant Howard Milstein authority to manage, conduct and operate the Partnerships’ businesses. In the event that Howard Milstein is unable to act on behalf of the Partnerships by reason of death or other incapacity, the Partners shall (by majority vote) designate a successor to act in Howard Milstein’s stead in accordance with this sub-paragraph 2(b). (emphasis added)

18. For the avoidance of doubt, the Partnership Agreement defines “Partners” as those entities, listed in paragraph 14 above, owning collectively 100% of the partnership interests in each of the Partnerships.

19. On or about May 12, 2015, the partners holding a 60% majority interest in each of the Partnerships, namely, the Cara Associates entity and the two Hudson South / Goodstein entities, duly executed a written Notice of Removal of Current Manager and Appointment of Substitute Manager. A copy of this Notice is annexed as Exhibit 2. That Notice was delivered by hand and by certified mail and by email to Howard Milstein, individually, as well as to his owned entity, Rector Park Associates LLC [the Milstein 40% entity].

20. Per the terms of the Notice, the majority of the Partners agreed and thereby acted to (a) remove Milstein as Manager of the Partnerships, effective 12:01 am on May 19, 2015 and (b) to replace Milstein as Manager with Ivan Goodstein and Michael Nelsen, the individual Plaintiffs in this action. Accordingly, effective as of 12:01 am on May 19, 2015, Plaintiffs assumed the role of Managers of the Partnerships, with the powers to “manage, conduct and operate the Partnerships’ businesses” as provided for in the Partnership Agreement. See Exhibit 1, § 2(b).

21. To ensure an orderly transition of management, Plaintiffs emailed Milstein on March 13, 2015 (at 9:26 am), seeking his cooperation in this management transition:

Howard,

Given the Notice sent, and on behalf of the new partnership management, **we would like to schedule a conference call to discuss an easy transition.** Below are dates and time of our availability with a conference call number. Please select the date and time that best suites you and confirm by replying to all on this email. Available dates May 14th 10am-4pm. May 15th 9 am-12pm May 18th any time after 2pm call in number (804) 665-0005 Participant Access Code: 643501# Thank you for your continued cooperation. (emphasis added)

22. Milstein's response was as quick as it was combative. By email sent on May 13, 2015 at 9:40 am, Milstein stated:

Since you have purportedly attempted some legal process to make changes in agreed upon operations that have been in place for decades, you should direct all correspondence to our legal representatives.

Milstein did not identify any legal representative. Nor did Milstein indicate why "changes in agreed upon operations" were somehow inconsistent with the Partnership Agreement, which provided the majority with the exclusive and unfettered right to change management of the Partnerships.

23. Thereafter, Plaintiffs wrote to Milstein again, reminding him of his duties as a fiduciary of the Partnerships. Taken from Plaintiffs' email sent May 13, 2015 at 11:00 am:

Howard,

We are in receipt of your email below and are quite disappointed. **The majority of the partnerships has elected to replace you as the existing Manager and to substitute a new Manager in accordance with the Partnership Agreement. The new Manager needs to coordinate with the old Manager to quickly assume responsibility.** Your failure to cooperate constitutes a breach of fiduciary duty -- by you as an entrenched minority and all to the detriment of the majority and the partnerships as a whole.

* * *

Every step that you take to frustrate this right will constitute a breach by you of your duties of loyalty.

We look forward to your prompt reply confirming a date and time for a conference call. (emphasis added)

24. Milstein's response was again quick, curt and combative – and not at all conducive to an orderly transition. Per Milstein, "Please refer to my last response." May 13, 2015 email, sent 11:16 am.

25. Plaintiffs, as the new Managers of the Partnerships, understood that they had been authorized, by the majority of the Partners, to now manage the Partnerships, and knew that the Milstein, as past Manager, had documents and information that were indispensable to the assumption of management. Thus, by email of May 13, 2015 (sent at 11:40 am), Plaintiffs stated:

Howard –

You have a non-delegable duty to co-operate with us. This is not something that you can delegate to counsel. Your dodge – sending this off to some unnamed counsel – only demonstrates your continued breaches of fiduciary duty and your efforts at entrenchment.

We again encourage you to arrange a conference call with the undersigned as soon as practicable.

26. Thereafter Milstein, through counsel, Andrew Berkman, requested that Plaintiffs deal only with him. By letter dated May 13, 2015 addressed to Plaintiffs' counsel, Berkman, acting "at Howard's direction," requested that all communications be confined to counsel; that Plaintiffs cease writing to their partner, Milstein; and, critically, stating that "as soon as we have selected litigation counsel, I will advise the two of you..." Other than threatening unfounded

litigation, Berkman's letter provided no assurances of the cooperation necessary for Plaintiffs' assumption of management.

27. By letter dated May 14, 2015, counsel to Plaintiffs responded to Berkman's letter, as follows:

It is regrettable that your client, who has been duly removed as Manager of the Partnerships (as defined in the May 12, 2015 Notice that your client received), has elected a combative stance.

* * *

We have no need to engage in pointless activities. If Mr. Milstein is not prepared to engage on the critical issues surrounding transition, then the new Manager shall not email him.

In furtherance of the goal of an orderly transition, Messrs. Goodstein and Nelsen, as the substitute Manager effective May 19, 2015, request delivery of copies the following documents by the close of business tomorrow. These include:

- All **agreements with property managers**, including Milford Management, leasing agents and sales agents in respect of the 3 Rector Street properties (the "Buildings");
- All **insurance policies** and a schedule of insurance coverage affecting the Buildings;
- The **names and account numbers of all bank accounts** as well as bank addresses for all banks that hold any funds belonging to the Buildings or the Partnerships
- A **listing of all employees**, including duties, pay rates and benefits, that work at the Buildings;
- The **most current rent rolls** of the Buildings; and
- **Any other material contracts** that impact the operation of the Buildings or the Partnerships.

In addition to the foregoing, you intimated yesterday that the decision to substitute in a new Manager may impact current efforts, with which we have been cooperating, to extend the existing mortgage. Without regard to the unseemliness of this type

of thinking, please advise us, as soon as practicable, whether your client is continuing the process of the refinancing.

* * *

[T]he Partnership Agreement provides the majority with the unfettered right to replace the Manager. **Litigation over this issue – and the disruption that it will cause – will require the Partnerships to defend their rights with partnership funds and can only increase the damages for which your client will be liable. If your client is interested in mitigation of Partnership damages, he should rethink his tactics.** (emphasis added)

28. Neither Milstein nor his counsel responded to Plaintiff's letter. Given the impending transition date of May 19, 2015, prompt attention to the details of transition was obviously necessary. Accordingly, by letter dated May 15, 2015, Plaintiff's counsel reiterated their requests. Said Plaintiffs:

The owners of 60% of the Partnerships have duly removed your client and duly appointed a new Manager. **Despite repeated requests for information, both you and your client have maintained radio silence. This silence is utterly inconsistent with the requests – made by Mr. Milstein and by you – that we deal with you as the point of contact.** Communication is a two way street – and it does require responsiveness.

Please advise us by noon today whether you, as the designee of Mr. Milstein, will be furnishing the documents and information that were requested yesterday. Continued stonewalling by your client is further evidence of his breaches of fiduciary duty – and certainly gives rise to the inference that neither he nor you ever had any intention of cooperating. (emphasis added)

29. Despite nearly three full days having passed, nothing materialized that would assist the new Manager in assuming the management function upon which the majority had unanimously decided. To the contrary, Milstein – the prior manager and the holder of only a minority interest in each of the Partnerships – signaled his intention to entrench his position

without regard to the wishes of the majority. Thus, by letter dated March 15, 2015, Berkman (as attorney to Milstein) wrote to Plaintiffs' counsel, stating that:

- There was no evidence that the current lender had approved of the change in management – notwithstanding the fact that such approval is not required; at best, it might trigger acceleration of debt that, by its terms, would mature next month; and, in all events, the Partners are prepared to pay off this debt;
- There was no evidence that the change in Manager “accord[s] with the requirements of other operative entities (e.g., the Battery Park City Authority)” – notwithstanding the fact that the governing Leases between the Authority and the Partnerships do **not** provide the Authority with either a notice right or a consent right with respect to how the Partnerships are managed;
- The Goodstein’s had “lost management” of the Cove Club for alleged incompetence – notwithstanding the fact that the Cove Club was managed by a related Goodstein entity and thereafter consensually transitioned to Cooper Square Management as part of the the wind down of this third-party management entity;
- Milstein currently manages 10 buildings in Battery Park City – notwithstanding the fact that this is wholly irrelevant to the decision made by the majority of Partners and, worse, suggests patent conflicts of interest when considering the decision-making of the Manager in choosing to lease in a Partnership building versus any other Milstein-managed building.

- Milstein had yet to engage outside counsel, such that Berkman would be “delighted when I am able to release my files to litigation counsel;” and, finally, that
- A member of Milstein’s staff was “assembling documents and information and will forward those materials” – without any assurances of what would be furnished or, indeed, when those time sensitive materials would be furnished.

In short, other than “saber-rattling,” the latest Milstein missive did little to advance the directives of the majority to have Plaintiffs assume control of management, as expressly provided for by the Partnership Agreement and the Notice. *See* Exhibits 1 and 2.

30. Then, in a further transparent effort to frustrate Plaintiffs and the determinations of the majority, Milstein produced selected documents for production to Plaintiffs – leaving the most critical – management and leasing agreements and banking information – beyond the reach of Plaintiffs. For years, Plaintiffs had sought copies of the management agreements between Milstein and his wholly-owned property management company, Milford Management and, for years, Milstein had stymied such efforts. Once again, Milstein refused to turn over the core documents relating to the day to day operations and management of the three residential buildings in which the Partnerships maintained a material inventory of unsold units.

31. Similarly, Milstein refused to turn over any information relating to the movement of money within the Partnerships. Ownership and the renting of the unsold units is a commercial enterprise and, without access to Partnership banking accounts (among other books and records), Plaintiffs cannot meaningfully assume the key functions of any Manager.

32. As of the date of this complaint, Milstein has not provided all of documents requested by Plaintiffs and has withheld critical documents.

33. As of the date of this complaint, Milstein has not taken any steps to abide by the determination of the majority to replace him but, rather, appears intent upon acting in direct contravention of the rights granted to the majority in the Partnership Agreement and in furtherance of his own self-interest.

FIRST CAUSE OF ACTION
[Violation of Partnership Agreement
Declaratory and Injunctive Relief]

34. Plaintiffs repeat and re-allege the allegations set forth in paragraphs 1 through 343 above.

35. Pursuant to the Partnership Agreement, Milstein has acted as the Manager of the Partnerships.

36. Pursuant to the Partnership Agreement, Milstein was duly removed as the Manager of the Partnerships by those Partners holding a majority in interest in each Partnership, and was duly replaced by Plaintiffs, effective as of 12:01 am on May 19, 2015.

37. Milstein's authority to act on behalf of the Partnerships has ended.

38. By virtue of his removal, Milstein has no power to manage, conduct and operate the Partnerships' businesses, and any and all actions taken on and after May 19, 2015 are *ultra vires*.

39. Plaintiffs are entitled to a declaration that they are the Managers of the Partnerships, that Milstein has been removed as the Manager, that, effective as of 12:01 am on May 19, 2015, Milstein ceased to have any rights "to manage, conduct and operate the Partnerships' businesses"; and that, effective as of 12:01 am on May 19, 2015, Plaintiffs are the sole Managers of the Partnerships with the right and power to "manage, conduct and operate the Partnerships' businesses." See Exhibit 1, at § 2(b).

40. Plaintiffs are entitled to a preliminary and permanent injunction enjoining Milstein from holding himself out as the Manager of the Partnerships, together with a further declaration that any actions taken by him subsequent to designated removal are null and void and of no force and effect.

SECOND CAUSE OF ACTION
[Breaches of Fiduciary Duty
Injunctive Relief]

41. Plaintiffs repeat and re-allege the allegations set forth in paragraphs 1 through 33 above.

42. Milstein, both as an agent of the Partnerships serving as their Manager and as the owner of a 40% interest in each Partnership (through his controlled entity Rector Park Associates LLC), was a fiduciary of the Partnerships, thereby owing the Partners an undivided duty of loyalty and care (or, in the words of Justice Brandeis, “a punctilio of an honor the most sensitive.”) Rather than act as a faithful fiduciary, Milstein has placed his interests, and the interests of his affiliated businesses, ahead of those for which he was appointed to serve.

43. In particular, Milstein has refused to provide Plaintiffs with copies of all of the information and writings that are indispensable to the assumption of management, including access to agreements between Milstein and his wholly-owned companies such as Milford Management as well as critical banking information. Milstein was and is duty bound to provide the same, not only as a fiduciary of the Partnerships but as the record keeper of the Partnerships’ property.

44. Milstein’s failure to cooperate in the transition of management constitutes a breach of his fiduciary duties to Plaintiffs.

45. Milstein's failure to cooperate is a separate breach of the rights of the Partners to have to access to all of the books and records of the Partnerships in accordance with New York Partnership Law § 42.

46. Plaintiffs are entitled to a preliminary and permanent mandatory injunction requiring Milstein to (a) turn over to Plaintiffs all books and records reasonable and necessary to the management of the Partnerships and (b) to otherwise cooperate, in a commercially reasonable fashion, in the transition of management from Milstein to Plaintiffs.

THIRD CAUSE OF ACTION
[Breaches of Fiduciary Duty
Damages to the Partnerships]

47. Plaintiffs repeat and re-allege the allegations set forth in paragraphs 1 through 33 above.

48. Milstein's refusal to recognize that he has been removed as Manager and to cooperate with Plaintiffs can only damage the businesses of the Partnerships. By refusing to cooperate, Milstein can only create confusion in the marketplace. Banks may question the rights of Plaintiffs to act. Tenants renting apartments owned by the Partnerships may be unclear as to where rent checks are to be sent or who to call in the event of any emergency. Those interested in purchasing apartments may question who, in fact, has the authority to deal.

49. Moreover, Plaintiffs intend to appoint a new management company, Douglas Elliman Property Management, to replace Milford Management as the day to day property manager. Douglas Elliman has agreed that they will manage the properties for a fee that is less than Milstein is paying to himself (that is, to his owned and controlled management company, Milford Management). The same holds true for commissions paid to Milford Management as leasing agent of the Partnerships' units.

50. Finally, by frustrating the majority, Milstein damages the Partnerships in their ability to sell units. Despite the fact that these buildings were developed in the mid-1980's as "for sale," residential condominium units, a large inventory remains of units remains unsold to this day. Despite the requests of the majority Partners to sell units, Milstein has steadfastly refused to market or sell. And, by refusing to cooperate in the transition, Milstein further frustrates this goal – by further delaying the opportunity for the Partners to monetize an investment that should have been fully recouped by this time.

51. Plaintiffs therefore seek, on behalf of the Partnerships, damages against Milstein arising out of his refusal to transition management, in an amount not currently known but as may hereinafter be determined through discovery and thereafter may be proven at trial.

FOURTH CAUSE OF ACTION
[Self-Dealing, Waste and Mismanagement
Accounting and Surcharge]

52. Plaintiffs repeat and re-allege the allegations set forth in paragraphs 1 through 33 above.

53. Milstein has held the position of Manager of the Partnerships. During the course of his management, Milstein has engaged his related entities to perform work on behalf of the Partnerships, and has had unfettered control over the finances of the Partnerships and their residential assets.

54. Upon information and belief, during the course of his management, Milstein has paid himself (either directly or through wholly-owned entities):

- Above market management fees;
- Above market leasing commissions;
- Above market construction management fees; and

- Other fees that may not have been authorized by the Partnerships, or other benefits that should have been shared with the Partnerships rather than retained solely by Milstein.

55. Milstein has never provided the Partnerships with a meaningful accounting of his management activities, which would demonstrate that his management was consistent with his fiduciary duties of loyalty and care.

56. Plaintiffs, on behalf of the Partnerships, seek an accounting from Milstein and, upon such accounting, a surcharge for any amounts wrongfully taken from the Partnerships or benefits wrongfully withheld from the Partnerships.

WHEREFORE, Plaintiffs seek judgment against Defendant for the following relief:

- A. A declaration that Plaintiffs are the duly appointed Managers of the Partnerships; that Milstein was duly removed from such position; and that all actions taken by Milstein subsequent to his removal are *ultra vires* and therefore null and void;
- B. A preliminary and permanent injunction barring Milstein from holding himself out as the Manager of the Partnerships;
- C. A mandatory preliminary and permanent injunction requiring Milstein to turn over to Plaintiffs all books and records of the Partnerships that are consistent with a transition of management including, without limitation, all third party contracts with management companies, leasing agents, construction companies, banking institutions and the like;
- D. Damages, in an amount not yet know but to be determined through discovery and proven at trial, arising out of Milstein's refusal to recognize his removal as Manager, his interference in the discharge of the Plaintiffs' duties to the Partnerships and any

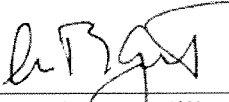
other related breaches of duty or agreement by Milstein to his Partners and the Partnerships.

- E. An accounting of the income and expenses of the Partnerships during Milstein's tenure as Manager, including an accounting of all monies received by Milstein and/or his affiliated entities and, in the event of proof of unauthorized fees or the withholding of benefits or any other breaches of fiduciary duties, an order surcharging Milstein in such amounts as may be determined to be appropriate by this Court;
- F. Legal fees as may be authorized by contract or statute, together with such interest, costs and disbursements as may be provided by law; and

G. Such other and further relief as the Court may find just and proper (including, without limitation, the appointment of a receiver should the same be necessary).

New York, New York
May 19, 2015

NIXON PEABODY LLP

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SATTERLEE STEPHENS BURKE & BURKE LLP

/s/ Christopher R. Belmonte
By: _____
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Attorneys for Plaintiffs

VERIFICATION

STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

IVAN G. GOODSTEIN, being duly sworn, deposes and says:

I, along with Michael Nelsen, serve as a Manager of the Partnerships listed in the caption of the complaint. I am united in interest with Mr. Nelsen, and make this verification on our behalf and our behalf of the Partnerships for which we are now responsible to manage conduct and operate the Partnerships' businesses. I have read the within complaint and know the contents thereof. The same is true to the best of my knowledge, information and belief.


Ivan G. Goodstein

Sworn to before me
this 18th day of May 2015


Notary Public

JENNIFER STETTER
NOTARY PUBLIC-STATE OF NEW YORK
No. 01ST623355
Qualified In Nassau County