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

In the Matter of the Petition for Dissolution pursuant to NY LLC Law § 702 of Hoham 932 Grand Street LLC,	:	Index No.: _____
DANIEL HODAK, AS FIFTY PERCENT MEMBER OF THE LIMITED LIABILITY COMPANY,	:	**VERIFIED PETITION FOR JUDICIAL DISSOLUTION OF LIMITED LIABILTY COMPANY PURSUANT TO NEW YORK LLC LAW § 702**
Petitioner,	:	
- against -	:	
GAD RUHAM, AS FIFTY PERCENT MEMBER OF THE LIMITED LIABILITY COMPANY,	:	
Respondent.	:	

Petitioner DANIEL HODAK ("Petitioner") member of HOHAM 932 GRAND STREET LLC (the "LLC"), by and through his attorneys, Mandel Akselrod, P.C., by way of Petition for Dissolution of the LLC pursuant to New York Limited Liability Company Law ("LLC Law") §702 and appointment of a receiver or liquidating trustee to wind up the affairs of the LLCs.

PARTIES

1. Petitioner is an individual residing at 137 Erledon Road, Tenafly NJ 07670.

2. Respondent GAD RUHAM ("Respondent") is an individual residing at 225 West 106th Street, Apt. 8J, New York, NY 10025.

3. The LLC is a limited liability company organized under the laws of the State of New York on November 21, 2000.

FACTS RELEVANT TO ALL CAUSES OF ACTION

The Relationship of the Parties

1. Petitioner and Respondent have been and are shareholders, members, and partners in a number of different corporations, limited liability companies, and businesses.

2. In the last four years, Petitioner's and Respondent's relationship irreparably broke down due to Respondent's malfeasance, diversions of assets, and his complete usurpation of control over all of the companies, which has led to acrimony and legal actions brought in various forums.

3. Without limitation and just as an illustration, Respondent is guilty of the following in connection with the various business enterprises that Petitioner and Respondent were engaged in:

- Cut off Petitioner's salary;
- Turned business employees against Petitioner, which lead to one employee being convicted of false imprisonment of Petitioner;
- Prevented Petitioner from accessing books and records;
- Paid for personal expenses (including legal fees) from business accounts;
- Changed locks on business premises;
- Canceled Petitioner's phone number;
- Cut off Petitioner's access to business e-mail accounts;
- Absconded with business assets, such as equipment;
- Absconded with the books and records of the businesses (including of the LLC);
- Conspired with other shareholders and members to freeze Petitioner out;
- Prevented Petitioner from working and participating in their common businesses;

- Usurped corporate opportunities;
- Diverted business assets and resources into entities controlled by Respondent alone; and
- Ruined thriving businesses and, as a result, exposed Petitioner to personal liabilities and lawsuits.

4. As a result of their falling out, Petitioner and Respondent, in one form or another, are litigation adversaries in eight lawsuits pending in New York (multiple counties), Pennsylvania and Connecticut, many of which have been pending for years.

Hoham 932 Grand Street LLC and its Sole Asset

5. Petitioner and Respondent are equal managing members of the LLC.

6. The LLC was organized in 2000 to acquire and own commercial real estate for the benefit of its members.

7. To that end, on May 18, 2001, the LLC purchased the real property known as 942 Grand Street in Brooklyn, New York (the "Building").

8. The Building is the LLC's sole asset.

9. Initially, the Building was used as sales and manufacturing space for the Petitioner and Respondent's joint flooring business, which was operated through a different entity (which is also in the process of being dissolved and for which a receiver has been appointed by the Court), but the parties decided to rent it out when Petitioner came to a realization that the LLC can generate more income if the Building was leased to third parties.

10. The last lease for the Building that the LLC entered into was with Disruption Grain, LLC (the "Tenant") on July 31, 2015 (the "Lease").

11. With Respondent's knowledge and consent, Petitioner found the Tenant, lead negotiations for the entry into the Lease, and executed the Lease on behalf of the LLC.

12. Pursuant to the terms of the Lease, the Tenant is obligated to pay all operational expenses of the Building, including real estate taxes ("RET").

13. For several years, everything worked well: the Tenant would pay rent and the expenses it was obligated to pay under the Lease; the LLC would pay whatever expenses that the Tenant was not obligated to pay under the Lease; and Petitioner and Respondent would share in the net profits equally.

Respondent's Malfeasance

14. In the last three years, however, Respondent has completely frozen Petitioner out of the operation of the LLC (as well as all other businesses they own together).

15. Among other things, Respondent accomplished this by secreting away the LLC's books and records.

16. Respondent ignored numerous demands from Petitioner and his attorneys to return the books and records of the LLC or to simply provide Petitioner with a copy, to which he is entitled under the law.

17. Once the relationship between Petitioner and Respondent broke down, Respondent began treating the LLC funds as his own, and fully excluded Petitioner from the governance of the LLC.

18. Specifically, as of May 28, 2020: (a) Respondent transferred the security deposit in the amount of $25,500.00 paid by the Tenant in connection with the Lease to an account

controlled by Respondent alone; and (b) Respondent transferred at least $20,000.00 from the LLC's operational bank account to another account controlled solely by Respondent.[1]

19. Thereafter, Respondent unilaterally, and despite Petitioner's explicit objections, amended the Lease by lowering the rent due from the Tenant and allowing the Tenant to pay RET due for the Building on a delayed schedule, which Tenant did not do.

20. Subsequently, the Tenant stopped paying rent to the LLC. Instead, upon information and belief, the Tenant sends rent checks directly to Respondent, who cashes or deposits them in such a way that Petitioner cannot track or account for the funds.

21. The Tenant, despite being made aware of Petitioner's objections, dismissed them.

22. Upon information and belief, Respondent has unilaterally diverted all the payments made to the LLC to himself.

23. Petitioner has not received any income from the LLC in the last three years.

24. Bank documents show that Respondent either cashed the checks in check-cashing businesses or withdrew the funds deposited into the LLC's account and transferred them to other businesses controlled by him or to himself personally.

25. Public records confirm that the Tenant, despite its contractual obligations, has not paid all of the RET due under the Lease, thereby exposing the LLC to liability for non-payment of RET and placing the Building in jeopardy of foreclosure.

26. As of the date of this Petition, the delinquent RET amounts to over $115,000.00.

[1] Respondent's unlawful misappropriation of the security deposit and other improper actions is the subject matter of a pending lawsuit which Petitioner initiated (one of many), entitled Daniel Hodak, as fifty percent owner of behalf of Hoham 932 Grand Street LLC v. Gadi Ruham, Index No.: 652117/2020.

27. Public Court records reveal that on July 17, 2023, Respondent, in the LLC's name, has commenced a nonpayment commercial action against Tenant in Civil Court, Kings County, entitled Hoham 932 Grand Street, LLC v. Disruption Grain, LLC d/b/a/ Interboro Spirits and Ales, Index No. LT-321601/23/KI (the "L&T Action").

28. The attorneys representing the LLC in the L&T Action, Morris Tenenbaum PLLC, are Respondent's principal attorneys in most of litigation where the Petitioner's and Respondent's interests are adverse. Indeed, Morris Tenenbaum PLLC was already once disqualified by the Court from representing one of the Petitioner and Respondent's entities in its liquidation proceeding.

29. Pursuant to the petition filed in the L&T Action, the Tenant owes the LLC $174,286.49 for unpaid RET and rent.

30. The L&T Action was commenced without Petitioner's knowledge or consent.

31. Respondent's actions make the management of the LLC impossible, which prohibits the LLC's from achieving its purpose of renting out the Building and generating income for the benefit of its members.

32. It is also financially unfeasible to continue the LLC's existence, particularly because the rent payments are being diverted away from the LLC and there is an outstanding amount of over $115,000.00 due in RET, which may lead to the foreclosure of the Building, the LLC's sole asset and the ownership of which is the LLC's sole purpose of existence.

FIRST CAUSE OF ACTION
(Judicial Dissolution Pursuant to LLC Law §702)

33. Petitioner repeats and realleges each and every allegation contained in the preceding paragraphs with the same force and effect as if set forth at length herein.

34. LLC Law §702 provides that "[o]n application by or for a member, the supreme court in the judicial district in which the office of the limited liability company is located may decree dissolution of a limited liability company whenever it is not reasonably practicable to carry on the business in conformity with the articles of organization or operating agreement."

35. Petitioner is a member of the LLC.

36. The sole purpose and business of the LLC was to acquire, own, and lease the Building, to generate income for its members.

37. Because of Respondent's conduct and the growing balance of the outstanding RET, it is not practical to carry on the business of the LLC.

AS AND FOR A SECOND CAUSE OF ACTION

(Appointment of Receiver or Liquidating Trustee Pursuant to LLC Law §703(a))

38. Petitioner repeats and realleges each and every allegation contained in the preceding paragraphs with the same force and effect as if set forth at length herein.

39. LLC Law §703(a) provides that "[u]pon cause shown, the supreme court in the judicial district in which the office of the limited liability company is located may wind up the limited liability company's affairs upon application of any member, or his or her legal representative or assignee, and in connection therewith may appoint a receiver or liquidating trustee."

40. In light of the across the board unlawful actions of Respondent, including his actions with respect to every business jointly owned by the parties and not just the LLC, the extreme acrimony and pending litigation between the parties, good cause exists for the appointment of a receiver or liquidating trustee, pursuant to LLC Law §703(a), to pursue the Tenant for its default under the Lease, sell the Building, and wind up the affairs of the LLC.

AS AND FOR A THIRD CAUSE OF ACTION

(Production of Books and Records of the LLC Pursuant to LLC Law §1102)

41. Petitioner repeats and realleges each and every allegation contained in the preceding paragraphs with the same force and effect as if set forth at length herein.

42. Respondent, without Petitioner's consent, removed the books and records of the LLC from the LLC's office.

43. Despite numerous demands, Respondent has failed to produce the LLC's books and records to Petitioner. Petitioner requires the books and records of the LLC to effectuate the dissolution of the LLC sought by this Petition.

44. Respondent should be compelled to produce the LLC's books and records to Petitioner.

WHEREFORE, the Petitioner demand judgment against the Respondent as follows:

a) On First Cause of Action, dissolving the LLCs pursuant to LLC Law §702;

b) On Second Cause of Action, appointing a receiver or liquidating trustee to wind up the affairs of the LLCs pursuant to LLC Law §703(a); and

c) On Third Cause of Action, compelling Respondent to produce the LLC's books and records to Respondent pursuant to LLC Law §1102; and

d) granting such other and further relief as the Court may deem just and proper.

Dated: December 6, 2023

MANDEL AKSELROD, P.C.
40 Exchange Place, Suite 1203
New York, New York 10005
(212) 668-1700

By: */s/Daniel Akselrod*

Attorneys for Petitioner Daniel Hadok

VERIFICATION

STATE OF NJ)
ss.)
COUNTY OF Bergen)

DANIEL HODAK, being duly sworn, deposes and says: I am the Petitioner in the above-entitled action; I have read the foregoing Petition for Judicial Dissolution of Limited Liability Company pursuant to New York LLC Law § 702 and know the contents thereof, the same is true to my own knowledge, except as to the matters therein stated to be alleged upon information and belief, and as to those matters I believe it to be true.

DANIEL HODAK

Sworn to before me this
7 day of December, 2023

JUAN JOSE RIVERA - NOTARY PUBLIC
No. 50177060
Comm. Exp. November 10, 2026
NEW JERSEY

CERTIFICATE OF CONFORMITY

The undersigned does hereby certify that he is an attorney at law duly admitted to practice in the State of New jersey and is a resident of the State of New Jersey, that he makes this certification in accordance with the requirements of the Clerk of the County of New York pertaining to the acknowledgement of the proof of the Verification to the Petition for Dissolution, to be filed in Supreme Court, New York County; that the foregoing acknowledgment of Daniel Hodak named in the foregoing instrument taken before Juan Jose Rivera, a Notary in the State of New Jersey, being the state in which it was taken, and based upon my review thereof, appears to conform with the laws of the State of New Jersey as to the purpose for which it is submitted and filed.

DANIEL AKSELROD