

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

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Application of Joseph Yahudaii,

Index No.

Petitioner,

**PETITION OF DISSOLUTION OF
TRUE GATE HOLDING, LTD.
PURSANT TO BUSINESS
CORPORATION LAW SECTIONS
1104 AND 1104-A**

In the Matter of the Application for Dissolution
Of True Gate Holding, Ltd., a New York
Domestic Corporation

v.

Mehry Noghrei

Respondent.

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TO THE SUPREME COURT OF THE STATE OF NEW YORK:

The petition of Joseph Yahudaii respectfully alleges as follows:

1. True Gate Holding, Ltd. is a domestic corporation (the "Corporation") organized under the Business Corporation Law of the State of New York and has its offices at 37 Piccadilly Road, Great Neck, New York 11023.

2. Petitioner resides at 37 Piccadilly Road, Great Neck, New York 11023 and is the owner of fifty (50%) percent of the outstanding shares of the Corporation. There are issued and outstanding a total of ten (10) shares of the Corporation's stock, which is the stock entitled to vote at the election of directors and Petitioner is the holder of five (5) shares thereof.

3. The names and addresses of all shareholders and all officers/directors of the Corporation are as follows:

Joseph Yahudaii ("Petitioner" or Yahudaii")
37 Piccadilly Rd
Great Neck, NY 11023

50% Shareholder and
Chief Executive Officer

Mehry Noghrei ("Noghrei")
14 Clover Drive
Great Neck, New York 11021-1819

50% shareholder and
Principal Executive Officer

4. The Corporation is a single asset corporation. Its only asset is the mortgage (the "Mortgage") it holds on property located at 75-79 East 115th Street, New York, New York. The Mortgage was purchased and assigned to the Corporation in 1997.

5. The Petitioner is the owner of one-half of the shares of stock of said Corporation, entitled to vote and files this petition for voluntary dissolution of the Corporation on the grounds specified in Sections 1104 and 1104-A of the Business Corporation Law.

6. The Corporation was formed on November 19, 1997. Its status is active and its Chief Executive Officer or Chairman is your Petitioner, Joseph Yahudaii, and the Corporation's Principal Executive Officer is shareholder Mehry Noghrei. Each of these individuals (together, referred to herein as the "Shareholders") holds fifty (50%) percent of the outstanding and issued stock of the Corporation.

7. The Shareholders signed a Shareholders' Agreement dated November 1997, (a copy of which is annexed hereto as Exhibit "A". pursuant to which they acknowledge that they each own five (5) shares of stock in the Corporation and agreed that in the event of default of the Mortgage, the Corporation, without further notice, may foreclose on the Mortgage.

8. The Mortgagor is in default under the Mortgage, and the Mortgage has matured. The Mortgagor's last payment on the Mortgage was January 2007.

9. The Petitioner filed an action to foreclose the Mortgage in his name, individually, pursuant to an assignment of the Mortgage from the Corporation to him. However, after trial, the Court (Marcy S. Friedman J.S.C.) held that the foreclosure action should be brought in the

name of True Gate Holding, Ltd. since, it held, that the assignment to Petitioner was not supported by consideration.

10. The Court dismissed, without prejudice, to the Petitioner's right to bring a new action consistent with a decision; namely, on behalf of True Gate Holding, Ltd., the party that holds the Mortgage. A copy of the Court's decision (J. Marcy S. Friedman) is annexed hereto as Exhibit "B".

11. In accordance with the by-laws of the Corporation, a copy of which is annexed hereto as Exhibit "C", a Notice of Special Meeting of Shareholders of the Corporation was served on November 6, 2012 to the Shareholders of the Corporation, scheduling the meeting for November 19, 2012 at 10:00 A.M. to appoint and/or elect Joseph Yahudaii as President of the Corporation and authorize the Corporation and Joseph Yahudaii to execute any and all documents necessary, or on in connection with, the commencement and maintenance of a foreclosure action on the Mortgage, consistent with Justice Friedman's Order. A copy of the Notice of Special Meeting is annexed hereto as Exhibit "D".

12. The Notice of Special Meeting was issued at the direction of Joseph Yahudaii, as holder of fifty (50%) percent of the Corporation's outstanding shares entitled to vote.

13. Noghrei failed and/or refused to attend the special meeting, despite the fact the Mortgage is due, the Mortgage is in default for more than thirty (30) days, and any action to foreclose the Mortgage must be commenced by January 4, 2013 or otherwise be time barred.

14. It is relevant to note, that Noghrei is the mother-in-law of the mortgagor, namely, Nourallah Baroukhian. Noghrei's actions have created a deadlock among the directors and shareholders of the Corporation who are equally divided regarding the management of the affairs

of the Corporation. Specifically, regarding the foreclosure of the Mortgage held by the Corporation. The Corporation has no other assets and does no other business.

15. The deadlock between the sole shareholders and officers of the Corporation will result in the loss of the ability to foreclose on the Mortgage, if such action is not commenced by January 4, 2013.

16. While paragraph "4" of the Shareholders' Agreement (Exhibit "B") authorizes the foreclosure action, any attack on the commencement of such action by Noghrei after January 4, 2013 may result in the inability to recommence a timely action.

17. The amount owed to the Corporation, pursuant to the Mortgage and underlying note exceeds \$800,000. A copy of the notice regarding the default and referencing the debt is annexed hereto as Exhibit "E".

18. Since Petitioner and Noghrei are the only officers and sole equal shareholders of the Corporation, and they are deadlocked regarding the foreclosure of the Mortgage held by the Corporation, the conduct and management of the business affairs of the Corporation are at a standstill. Such deadlock will result in a loss to the Corporation of its only asset and its ability to recover more than \$800,000 due to it.

19. The reasons which compelled the Petitioner to ask for a dissolution of the Corporation pursuant to BCL 1104 are herein before specified.

20. In addition, the Petitioner is entitled to a judicial dissolution of the Corporation pursuant to special circumstances pursuant to BCL 1104-A. The Petitioner is the holder of fifty (50%) percent of the outstanding shares of the Corporation, which corporation is not an

investment company under the Investment Company Act of 1940 nor is the stock listed on any National Securities Exchange or quoted in an over the counter market.

21. Shareholder/Director/Officer Noghrei is guilty of oppressive actions towards the Petitioner/Shareholder and the assets of the Corporation are being wasted or diverted for non-corporate purposes by Noghrei since she is attempting to interfere with the foreclosure on the Mortgage and benefit her son-in-law at the expense of the Corporation and the Petitioner.

22. It is respectfully submitted that the liquidation of the Corporation and foreclosure of the Mortgage, the preservation of the foreclosed proceeds to then be distributed to the Shareholders, as directed by the Court, are the only means by which the Petitioner will recover his investment and the Corporation will preserve, and not lose, its only asset.

23. It is in the beneficial interest of the Petitioner that the Corporation be dissolved so that the other shareholder/officer/director can no longer frustrate the Petitioner's ability to realize the value of the Corporation's sole asset and to commence the foreclosure action before the statute of limitations has run.


24. By refusing or impeding the Corporation from foreclosing on the Mortgage, Noghrei has breached her fiduciary duty owed by her to Petitioner and the Corporation.

25. Based upon the foregoing, it is respectfully submitted that the Court grant the Petition to dissolve the Corporation and for such other and further relief as the Court deems proper, together with the costs of this proceeding.

Dated: New York, New York
November 19, 2012

TOBACK BERNSTEIN & REISS LLP

By: _____

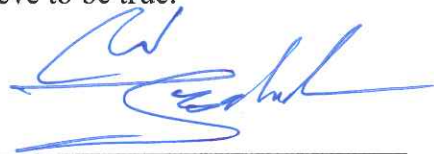


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(212) 869-2300

VERIFICATION

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

I, **JOSEPH YAHUDAII** being duly sworn, say: I am a shareholder/officer and petitioner in the within action; I have read the foregoing Petition and know the contents thereof; and 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 to be true.



JOSEPH YAHUDAII

Sworn to before me this
19th day of November, 2012



Notary Public

BRIAN K. BERNSTEIN
Notary Public State of New York
No. 31-4755434
Qualified in New York County
Commission Expires Febraury 28, 20 14