

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

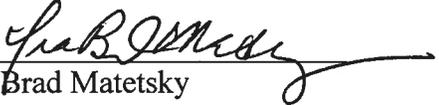
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HOLLY SCHEPISI, NEIL McPHERSON, KEVIN	:	Index No.
DRAGAN, BRETT HICKEY, AEGIS ALABAMA	:	Date of Filing:
VENTURE FUND, LP, AEGIS ALABAMA	:	September 17, 2008
VENTURE FUND GP, LLC, AEGIS TEXAS	:	SUMMONS
VENTURE FUND II, LP, and AEGIS TEXAS	:	
VENTURE FUND II GP, LLC,	:	
	:	Venue is based upon the
Plaintiff,	:	location where acts complained
	:	of in the Complaint occurred
-against-	:	
	:	
TODD ROBERTS and TMR BAYHEAD	:	
SECURITIES, LLC,	:	
	:	
Defendant.	:	
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TO: TODD ROBERTS	TMR BAYHEAD SECURITIES, LLC
29 Hulse Landing	29 Hulse Landing
Brick, New Jersey 08723	Brick, New Jersey 08723

YOU ARE HEREBY SUMMONED to answer the Complaint of Plaintiffs in this action and to serve a copy of your Answer on the 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.

Dated: New York, New York
September 17, 2008

GANFER & SHORE, LLP

By: 
Ira Brad Matetsky
William D. McCracken
360 Lexington Avenue
New York, New York 10017
(212) 922-9250
Attorneys for Plaintiffs

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

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	: Index No.
HOLLY SCHEPISI, NEIL McPHERSON, KEVIN	:
DRAGAN, BRETT HICKEY, AEGIS ALABAMA	:
VENTURE FUND, LP, AEGIS ALABAMA	: COMPLAINT
VENTURE FUND GP, LLC, AEGIS TEXAS	:
VENTURE FUND II, LP, and AEGIS TEXAS	:
VENTURE FUND II GP, LLC,	:
	:
Plaintiff,	:
	:
-against-	:
	:
TODD ROBERTS and TMR BAYHEAD	:
SECURITIES, LLC,	:
	:
Defendant.	:
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Plaintiffs, HOLLY SCHEPISI, NEIL McPHERSON, KEVIN DRAGAN, and BRETT HICKEY (collectively, the "Individual Plaintiffs") and AEGIS ALABAMA VENTURE FUND, LP, AEGIS ALABAMA VENTURE FUND GP, LLC, AEGIS TEXAS VENTURE FUND II, LP, and AEGIS TEXAS VENTURE FUND II GP, LLC, (collectively, the "Fund Entities"; all of the foregoing, collectively, "Plaintiffs"), by their attorneys, GANFER & SHORE, LLP, for their Complaint, state and allege as follows:

NATURE OF THE ACTION

1. Plaintiffs are four of the five principals of a series of investment funds as well as two of those funds and their general partners. The four Individual Plaintiffs have found it necessary to terminate the participation of the fifth principal, defendant Todd Roberts, as a limited partner in two of the funds. As permitted by the applicable partnership agreements, the general partner of each of the funds has determined that "cause" exists entitling the funds to repurchase Roberts' limited partnership interests.

2. The grounds of cause for the termination of Roberts as a limited partner and the repurchase of his limited partnership interests include, but are not limited to, Roberts' misconduct in causing the funds to pay hundreds of thousands of dollars to defendant TMR Bayhead Securities, LLC ("Bayhead"), an otherwise almost inactive broker-dealer that is wholly owned by Roberts, without disclosure to the other principals or to the investors in the two funds, and without any industry-accepted brokerage or investment management services having actually been performed. In addition, Roberts has made a long series of materially false, misleading, and omissive statements to Plaintiffs concerning the parties' business affairs and has irreparably destroyed the relationship of trust and confidence that must exist among partners and fiduciaries.

3. Roberts has stated that he will dispute the propriety of Plaintiffs' termination of his affiliation with the funds. A lengthy period of uncertainty concerning whether Roberts has been duly terminated would be damaging to the funds, to Plaintiffs, and most importantly to third-party investors in the funds. Accordingly, Plaintiffs bring this action seeking a declaratory judgment determining that Roberts was validly terminated as a principal of the funds, and determining the rights and liabilities of the parties in connection therewith. In addition, Plaintiffs seek to recoup the hundreds of thousands of dollars that Roberts diverted from the funds to Bayhead in his act of undisclosed self-dealing.

PARTIES

4. Plaintiff Holly Schepisi is a natural person and a resident of the State of New Jersey.

5. Plaintiff Neil McPherson is a natural person and a resident of the Province of Alberta, Canada.

6. Plaintiff Kevin Dragan is a natural person and a resident of the State of Texas.

7. Plaintiff Brett Hickey is a natural person and a resident of the State of New York.

8. Schepisi, McPherson, Dragan, and Hickey are four of the five members of plaintiff Aegis Alabama Venture Fund GP, LLC ("Alabama GP"), which is the general partner of plaintiff Aegis Alabama Venture Fund LP (the "Alabama Fund"). The other member of Alabama GP is defendant Todd Roberts. Roberts, individually, is also a limited partner in the Alabama Fund.

9. Schepisi, McPherson, Dragan, and Hickey are four of the five members of plaintiff Aegis Texas Venture Fund II GP, LLC ("Texas II GP"), which is the general partner of plaintiff Aegis Texas Venture Fund II, LP (the "Texas II Fund"). The other member of Texas II GP is defendant Roberts. Roberts, individually, is also a limited partner in the Texas II Fund.

10. Plaintiff Alabama Fund is an Alabama limited partnership with its principal place of business in Alabama.

11. Plaintiff Alabama GP is an Alabama limited liability company with its principal place of business in Alabama.

12. Plaintiff Texas II Fund is a Delaware limited partnership with its principal place of business in Texas.

13. Plaintiff Texas II GP is a Delaware limited liability company with its principal place of business in Texas.

14. Defendant Todd Roberts is a natural person and a resident of the State of New Jersey. Roberts maintains a business office in New York, New York.

15. Upon information and belief, Defendant Bayhead is a Delaware limited liability company with its principal place of business located in the State of New Jersey, which also transacts business within the County, City, and State of New York. Bayhead is a registered broker-dealer licensed by the U.S. Securities and Exchange Commission and licensed with the National Association of Securities Dealers.

FACTS

A. Organization of the Funds

16. The individual parties — including plaintiffs Schepisi, McPherson, Dragan, and Hickey, and defendant Roberts — have been among the principals of a series of investment vehicles over the past several years, including the Alabama Fund and the Texas II Fund.

17. The Alabama Fund was organized as a limited partnership as of December 27, 2007 for the purpose of qualifying as a certified capital company and operating as a venture capital partnership focused on small-business investing within the State of Alabama.

18. Alabama GP was formed to serve as the general partner of the Alabama Fund. Each of Schepisi, McPherson, Dragan, Roberts, and Hickey holds a one-fifth or 20% ownership interest in Alabama GP.

19. Roberts is a limited partner of the Alabama Fund. He is also a member of Alabama GP, of the management company for the Alabama Fund, Aegis Alabama Ventures Manager, LLC, and was a member of the Alabama Fund's Investment Committee.

20. The Texas II Fund was organized as a limited partnership as of January 2, 2008 for the purpose of qualifying as a certified capital company and operating as a venture capital partnership focused on small-business investing within the State of Texas.

21. Texas II GP was formed to serve as the general partner of the Texas II Fund. Each of Schepisi, McPherson, Dragan, Roberts, and Hickey holds a one-fifth or 20% ownership interest in Texas II GP.

22. Roberts is a limited partner of the Texas II Fund. He is also a member of Texas II GP, of the management company for the Texas II Fund, Aegis Texas Ventures Manager, LLC, and was a member of the Texas II Fund's Investment Committee.

B. Defendants' Unauthorized Withdrawals from the Funds

23. The Alabama Fund was closed on April 4, 2008. The Texas II Fund was closed on January 2, 2008.

24. The outside investors in both the Alabama Fund and the Texas II Fund were located and persuaded to invest through the diligent efforts of a number of people, including some of the Individual Plaintiffs and others. None of the investors in the Alabama Fund or the Texas II Fund were located, procured, or induced to invest through the efforts of Defendants, other than Defendant Roberts participating in efforts in his capacity as a General Partner of each fund.

25. Defendant Bayhead did not perform any broker-dealer or other services for the Alabama Fund or the Texas II Fund, either before or after their respective closings.

26. At no time did Plaintiffs agree to pay Defendants any brokerage, investment management, or other broker-dealer or investment banking fees from either the Alabama Fund or the Texas II Fund. Plaintiffs would have had no reason to agree to pay such fees and it would have been improper to do so, inasmuch as Defendants provided no brokerage or other services to or in connection with the Alabama Fund or the Texas II Fund.

27. Plaintiffs were not aware, at or about the time of the closing of the Alabama Fund or of the Texas II Fund, that Defendants intended to withdraw any moneys from the funds on account of any alleged brokerage fee or otherwise.

28. From the closing proceeds of the Alabama Fund, on or about the date of the closing, defendant Roberts caused the Alabama Fund to disburse to Bayhead the sum of \$175,000, purportedly as a brokerage fee, by wire-transferring that sum to Bayhead's account. Defendants did not advise Plaintiffs of their intent to cause the Alabama Fund to pay Bayhead this amount in a related-party transaction. Had Defendants so advised Plaintiffs, Plaintiffs would have objected to the payment as being unauthorized and improper, and prevented it from taking place.

29. Plaintiffs did not become aware that Roberts had caused the Alabama Fund to pay \$175,000 to Bayhead until over a month after the closing, when plaintiff Schepisi learned of it from a review of the Alabama Fund's books and records, including the closing statements and binders of closing documents.

30. From the closing proceeds of the Texas II Fund, on or about the date of the closing, defendant Roberts caused the Texas II Fund to disburse to Bayhead the sum of \$400,000, purportedly as a brokerage fee, by wire-transferring that sum to Bayhead's account. Defendants did not advise Plaintiffs of their intent to cause the Texas II Fund to pay Bayhead this amount to wholly benefit Roberts in a related-party transaction. Had Defendants so advised Plaintiffs, Plaintiffs would have objected to the payment as being unauthorized and improper, and prevented it from taking place.

31. Plaintiffs did not become aware that Roberts had caused the Texas II Fund to pay \$400,000 to Bayhead until months after the closing, when Plaintiffs learned of it from a review of the Texas II Fund's books and records, including the closing statements and binders of closing documents.

C. Plaintiffs Validly Terminate Roberts for Cause

32. Beginning as soon as they learned of the payments to Bayhead from the Alabama Fund and the Texas II Fund, Plaintiffs objected to the payments on behalf of the Alabama Fund and the Texas II Fund and their general partners, and demanded that Defendants immediately repay to each of the funds the moneys that they had taken from them.

33. Despite due and repeated demands, Defendants have refused to repay the moneys that Roberts caused the Alabama Fund and the Texas II Fund to pay to Bayhead, or any part of those moneys.

34. A meeting was held on September 17, 2008, at which defendant Roberts stated that he would not repay or cause Bayhead to repay these amounts and that Plaintiffs' demand that he do so would result in litigation. In addition, defendant Roberts

claimed that Plaintiffs had manufactured an issue of the payment of these fees solely to terminate him and claim increased economic benefits of the partnerships for themselves.

35. Before and at the September 17, 2008 meeting, Roberts has also made numerous materially false, misleading, and omissive oral and written statements to Plaintiffs in connection with the Fund Entities as well as the parties' other business ventures, including a fund known as Aegis New York Venture Fund, LP.

36. Section 8.10 of the Limited Partnership Agreement of the Alabama Fund, dated as of December 27, 2007, provides, in pertinent part:

8.10 Repurchase Rights.

(a) . . . [T]he Partnership shall have the right, upon the good faith determination of the General Partner for cause, . . . to repurchase, . . . at the Purchase Price (as defined below), any and all of the Partnership Interests held by each Partner other than the General Partner (the "Repurchase Right") at any time, and from time to time, up to, and including, the: 1st anniversary of the date hereof, in an amount of Partnership Interests up to but not exceeding 100% of each Partners' Percentage Interests outstanding on the date hereof. . . .

As used herein, Purchase Price shall mean the "Initial Contribution" for each Partner's Percentage Interest (or pro-rata portion thereof) as set forth on Exhibit A hereto plus a rate of return of 15% per annum on such Percentage Interest (or pro-rata portion thereof).

(b) Any payments required to be made pursuant to this Section 8.10 shall only be due and payable after (i) the Initial Expiration Date and (ii) full repayment by the applicable Partner of any notes that such Partner may have issued to the Partnership.

37. Section 9.10 of the Limited Liability Company Agreement of the Alabama GP, dated as of April 18, 2008, which governs Roberts' rights and obligations as a member of Alabama GP, provides:

SECTION 9.10 Repurchase Rights. In the event that 100% of any Members [*sic*] limited partnership interest in the Partnership are repurchased pursuant to the provisions of Section 8.10 of the Partnership Agreement, such Members Percentage Interest in the Company shall, without further action by the Company, other than the payment of the applicable purchase price, be deemed repurchased by the Company for the Purchase Price. As used herein, "Purchase Price" shall mean the "Capital Contributions" for each Member as set forth on Exhibit A hereto plus a rate of return of 15% per annum on such Capital Contribution.

38. Section 8.10 of the Amended and Restated Limited Partnership Agreement of the Texas II Fund, dated as of January 2, 2008, provides, in pertinent part:

8.10 Repurchase Rights.

(a) . . . [T]he Partnership shall have the right, upon the good faith determination of the General Partner for cause, . . . to repurchase, . . . at the Purchase Price (as defined below), any and all of the Partnership Interests held by each Partner other than the General Partner (the "Repurchase Right") at any time, and from time to time, up to, and including, the: 1st anniversary of the date hereof, in an amount of Partnership Interests up to but not exceeding 100% of each Partners' Percentage Interests outstanding on the date hereof. . . .

As used herein, Purchase Price shall mean the "Initial Contribution" for each Partner's Percentage Interest (or pro-rata portion thereof) as set forth on Exhibit A hereto plus a rate of return of 15% per annum on such Percentage Interest (or pro-rata portion thereof).

(b) Any payments required to be made pursuant to this Section 8.10 shall only be due and payable after (i) the Initial Expiration Date and (ii) full repayment by the applicable Partner of any notes that such Partner may have issued to the Partnership.

39. Section 9.10 of the Limited Liability Company Agreement of the Texas II GP, dated as of October 10, 2007, which governs Roberts' rights and obligations as a member of the Texas II GP, provides:

SECTION 9.10 Repurchase Rights. In the event that 100% of any Members limited partnership interest in the Partnership are

repurchased pursuant to the provisions of Section 8.10 of the Partnership Agreement, such Members Percentage Interest in the Company shall, without further action by the Company, other than the payment of the applicable purchase price, be deemed repurchased by the Company for the Purchase Price. As used herein, "Purchase Price" shall mean the "Capital Contributions" for each Member as set forth on Exhibit A hereto plus a rate of return of 15% per annum on such Capital Contribution.

40. The agreements governing the Alabama Fund and the Texas II Fund thus authorize the general partners of the respective funds to exercise repurchase rights with respect to non-vested portions of a limited partner's interest in the fund based on a determination that "cause" to do so exists. The term "cause" is not defined in the agreements and should be accorded its customary meaning in this context, which include but is not limited to Roberts' misconduct such as his causing hundreds of thousands of dollars of investors' money to be paid from the funds under the circumstances set forth herein, and his making of numerous materially false, misleading, and omissive statements concerning the business of the Fund Entities and other business matters.

41. On September 17, 2008, Alabama GP, as general partner of Alabama Fund, and Texas II GP, as general partner of Texas II Fund, each determined by action of a majority of their respective members (viz., the four Individual Plaintiffs) that cause existed to terminate Roberts as a limited partner of the respective funds and to repurchase his limited partnership interests as provided in the applicable partnership agreement. It was also determined to remove Roberts, effective immediately, as member of the Investment Committee of the Alabama Fund and the Texas II Fund. A copy of the letter advising Roberts of these determinations, which was hand-delivered to Roberts on September 17, 2008, is annexed hereto as Exhibit "A".

42. Roberts indicated that he disputed the validity of the foregoing actions and stated that he would contest them.

AS AND FOR A FIRST CAUSE OF ACTION
(For a Declaratory Judgment)

43. Plaintiffs repeat and reallege each of the foregoing allegations as if fully set forth herein.

44. As set forth above, on September 17, 2008, Alabama GP, as general partner of Alabama Fund, and Texas II GP, as general partner of Texas II Fund, each determined by action of a majority of their respective members (viz., the four Individual Plaintiffs) that cause existed to terminate defendant Todd Roberts as a limited partner of the respective funds and to repurchase his limited partnership interests as provided in the applicable partnership agreements. In addition, as a result of the determination of the majority of the members of the GP to repurchase 100% of the limited partnership interests of Roberts, the Alabama GP and the Texas II GP have determined to repurchase 100% of the percentage interests of Roberts in those entities. It was also determined to remove Roberts, effective immediately, as member of the Investment Committee of the Alabama Fund and the Texas II Fund.

45. Roberts has stated that he will dispute the propriety of these actions, including through litigation. A lengthy period of uncertainty concerning whether Roberts has been duly terminated as a limited partner and whether the funds have the right to repurchase his interests would be damaging to the funds, to Plaintiffs, and most importantly to third-party investors in the funds.

46. Accordingly, Plaintiffs request that the Court granting them a declaratory judgment, pursuant to Section 3001 of the Civil Practice Law and Rules, declaring that

that cause existed to terminate Roberts as a limited partner of the Alabama Fund and the Texas II Fund and to repurchase his limited partnership interests as provided in the applicable partnership agreements, and that Roberts was validly removed as a member of the Investment Committees of the Alabama Fund and the Texas II Fund, and otherwise declaring the rights and liabilities of the parties in connection therewith.

AS AND FOR A SECOND CAUSE OF ACTION

(For an Injunction)

47. Plaintiffs repeat and reallege each of the foregoing allegations as if fully set forth herein.

48. In light of Roberts' misconduct, including but not limited to his wrongful acts as set forth herein, Plaintiffs will be irreparably harmed if Roberts is permitted to represent to investors or third parties that he remains affiliated with any of the Fund Entities or to purport to take any action on their behalf.

49. Accordingly, the Court should grant Plaintiffs injunctive relief, temporarily, preliminarily, and permanently enjoining defendant Todd Roberts, and his agents, employees, attorneys, and all persons acting on his behalf or in concert with him, from representing that Roberts has any further affiliation with any of the Fund Entities or from doing any act under their name or on their behalf.

50. Plaintiffs have no adequate remedy at law.

AS AND FOR A THIRD CAUSE OF ACTION

(On behalf of the Texas II Fund for Breach of Fiduciary Duty)

51. Plaintiffs repeat and reallege each of the foregoing allegations as if fully set forth herein.

52. As a member of the general partner and the management entity for the Texas II Fund, defendant Todd Roberts owed the Texas II Fund and its investors the highest fiduciary duties of candor, loyalty, and good faith.

53. As Roberts' wholly owned and dominated entity, Bayhead shared in Roberts' fiduciary duty to the Texas II Fund or, in the alternative, Bayhead is deemed to have been on notice of all facts known to Roberts and has a duty not to aid and abet him by profiting from or providing material assistance in connection with Roberts' breach of his fiduciary duties.

54. As set forth above, on or about January 2, 2008, defendant Roberts caused the Texas II Fund to pay his wholly owned brokerage company, Bayhead, the sum of \$400,000, purportedly as a brokerage fee, even though no brokerage services had been provided, the payment had not been approved by anyone else connected with the Texas II Fund, and the payment was not disclosed to the Individual Plaintiffs.

55. The Individual Plaintiffs and the Texas II Fund have demanded that Defendants return the moneys that they improperly received from the Texas II Fund, but in violation of their fiduciary duties, Defendants have failed and refused to do so.

56. By reason of the foregoing, Defendants should be required to repay to the Texas II Fund the sum of Four Hundred Thousand Dollars (\$400,000), together with any other moneys that they may have withdrawn or caused to be paid to themselves from the Texas II Fund, together with interest at the rate of no less than nine percent (9%) per annum from January 2, 2008.

57. Additionally, because Defendants' conduct was willful and wanton and exhibited a high degree of moral culpability, Defendants should be ordered to pay to the

Fund punitive or exemplary damages, in an amount to be determined at trial, but not less than Eight Hundred Thousand Dollars (\$800,000), plus interest.

AS AND FOR A FOURTH CAUSE OF ACTION
(On behalf of the Texas II Fund for Conversion and Misappropriation)

58. Plaintiffs repeat and reallege each of the foregoing allegations as if fully set forth herein.

59. As set forth above, on or about January 2, 2008, defendant Roberts caused the Texas II Fund to pay his wholly owned brokerage company, Bayhead, the sum of \$400,000, purportedly as a brokerage fee, even though no brokerage services had been provided, the payment had not been approved by anyone else connected with the Texas II Fund, and the payment was not disclosed to Plaintiffs.

60. Defendants' receipt of \$400,000 from the Texas II Fund under these circumstances constituted a conversion and misappropriation of the Texas II Fund's assets.

61. The Individual Plaintiffs and the Texas II Fund have demanded that Defendants return the moneys that they improperly received from the Texas II Fund, but Defendants have failed and refused to do so.

62. By reason of the foregoing, defendants should be required to repay to the Texas II Fund the sum of Four Hundred Thousand Dollars (\$400,000), together with any other moneys that they may have withdrawn or caused to be paid to themselves from the Texas II Fund, together with interest at the rate of no less than nine percent (9%) per annum from January 2, 2008.

63. Additionally, because Defendants' conduct was willful and wanton and exhibited a high degree of moral culpability, Defendants should be ordered to pay to the

Fund punitive or exemplary damages, in an amount to be determined at trial, but not less than Eight Hundred Thousand Dollars (\$800,000), plus interest.

AS AND FOR A FIFTH CAUSE OF ACTION
(On behalf of the Alabama Fund for Breach of Fiduciary Duty)

64. Plaintiffs repeat and reallege each of the foregoing allegations as if fully set forth herein.

65. As a member of the general partner and the management entity for the Alabama Fund, defendant Todd Roberts owed the Alabama Fund and its investors the highest fiduciary duties of candor, loyalty, and good faith.

66. As Roberts' wholly owned and dominated entity, Bayhead shared in Roberts' fiduciary duty to the Alabama Fund or, in the alternative, Bayhead is deemed to have been on notice of all facts known to Roberts and has a duty not to aid and abet him by profiting from or providing material assistance in connection with Roberts' breach of his fiduciary duties.

67. As set forth above, on or about April 4, 2008, defendant Roberts caused the Alabama Fund to pay his wholly owned brokerage company, Bayhead, the sum of \$175,000, purportedly as a brokerage fee, even though no brokerage services had been provided, the payment had not been approved by anyone else connected with the Alabama Fund, and the payment was not disclosed to Plaintiffs.

68. The Individual Plaintiffs and the Alabama Fund have demanded that Defendants return the moneys that they improperly received from the Alabama Fund, but in violation of their fiduciary duties, Defendants have failed and refused to do so.

69. By reason of the foregoing, defendants should be required to repay to the Alabama Fund the sum of One Hundred Seventy-Five Dollars (\$175,000), together with

any other moneys that they may have withdrawn or caused to be paid to themselves from the Alabama Fund, together with interest at the rate of no less than nine percent (9%) per annum from April 4, 2008.

70. Additionally, because Defendants' conduct was willful and wanton and exhibited a high degree of moral culpability, Defendants should be ordered to pay to the Fund punitive or exemplary damages, in an amount to be determined at trial, but not less than Three Hundred Fifty Thousand Dollars (\$350,000), plus interest.

AS AND FOR A SIXTH CAUSE OF ACTION
(On behalf of the Alabama Fund for Conversion and Misappropriation)

71. Plaintiffs repeat and reallege each of the foregoing allegations as if fully set forth herein.

72. As set forth above, on or about December 27, 2007, defendant Roberts caused the Alabama Fund to pay his wholly owned brokerage company, Bayhead, the sum of \$175,000, purportedly as a brokerage fee, even though no brokerage services had been provided, the payment had not been approved by anyone else connected with the Texas II Fund, and the payment was not disclosed to the Individual Plaintiffs.

73. Defendants' receipt of \$175,000 from the Alabama Fund under these circumstances constituted a conversion and misappropriation of the Alabama Fund's assets.

74. The Individual Plaintiffs and the Alabama Fund have demanded that Defendants return the moneys that they improperly received from the Alabama Fund, but Defendants have failed and refused to do so.

75. By reason of the foregoing, defendants should be required to repay to the Alabama Fund the sum of One Hundred Seventy-Five Thousand Dollars (\$175,000),

together with any other moneys that they may have withdrawn or caused to be paid to themselves from the Alabama Fund, together with interest at the rate of no less than nine percent (9%) per annum from April 4, 2008.

76. Additionally, because Defendants' conduct was willful and wanton and exhibited a high degree of moral culpability, Defendants should be ordered to pay to the Fund punitive or exemplary damages, in an amount to be determined at trial, but not less than Three Hundred Fifty Thousand Dollars (\$350,000), plus interest.

WHEREFORE, Plaintiffs respectfully demands judgment:

A. On the First Cause of Action, granting a declaratory judgment, pursuant to Section 3001 of the Civil Practice Law and Rules, declaring that cause existed to terminate defendant Todd Roberts as a limited partner of the Alabama Fund and the Texas II Fund and to repurchase his limited partnership interests as provided in the applicable partnership agreements, and that Roberts was validly removed as a member of the Investment Committees of the Alabama Fund and the Texas II Fund, and otherwise declaring the rights and liabilities of the parties in connection therewith;

B. On the Second Cause of Action, temporarily, preliminarily, and permanently enjoining defendant Todd Roberts, and his agents, employees, attorneys, and all persons acting on his behalf or in concert with him, from representing that Roberts has any further affiliation with any of the Fund Entities or from doing any act under their name or on their behalf;

C. On the Third Cause of Action, granting plaintiff Aegis Texas Venture Fund II, LP a judgment against defendants in the principal amount of Four Hundred

Thousand Dollars (\$400,000) in compensatory damages together with an amount to be determined at trial, but not less than Eight Hundred Thousand Dollars (\$800,000), in punitive or exemplary damages;

D. On the Fourth Cause of Action, granting plaintiff Aegis Texas Venture Fund II, LP a judgment against defendants in the principal amount of Four Hundred Thousand Dollars (\$400,000) as compensatory damages together with an amount to be determined at trial, but not less than Eight Hundred Thousand Dollars (\$800,000), in punitive or exemplary damages;

E. On the Fifth Cause of Action, granting plaintiff Aegis Alabama Venture Fund, LP a judgment against defendants in the principal amount of One Hundred Seventy-Five Thousand Dollars (\$175,000) in compensatory damages together with an amount to be determined at trial, but not less than Three Hundred Fifty Thousand Dollars, in punitive or exemplary damages (\$350,000);

F. On the Sixth Cause of Action, granting plaintiff Aegis Alabama Venture Fund, LP a judgment against defendants in the principal amount of One Hundred Seventy-Five Thousand Dollars (\$175,000) in compensatory damages together with an amount to be determined at trial, but not less than Three Hundred Fifty Thousand Dollars, in punitive or exemplary damages (\$350,000);

G. Granting Plaintiffs pre-judgment interest on all sums awarded at the rate prescribed by law; and

H. Granting Plaintiffs such other and further relief as the Court may deem just and proper, including the costs, disbursements, and attorneys' fees of this action.

Dated: New York, New York
September 17, 2008

GANFER & SHORE, LLP

By: 
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