

TAYLOR, COLICCHIO & STUDHOLME, LLP

502 Carnegie Center, Suite 103
Princeton, New Jersey 08540
(609) 987-0022
Attorneys for Petitioners, Stephanie
Markowitz and Jorge Olivares

STATE OF NEW YORK
SUPREME COURT: COUNTY OF KINGS

In the Matter of the Application of STEPHANIE
MARKOWTIZ and JORGE OLIVARES,

Petitioners,

VERIFIED PETITION

for the dissolution of MARIBELLE'S INC.

v.

Index No. _____

VICTOR FORREST STEVENS and
SYLVIA HOLDEN,

Respondents.

The Petition of Stephanie Markowitz and Jorge Olivares respectfully alleges and shows
to this Court as follows:

1. Petitioners, Stephanie Markowitz and Jorge Olivares, submit this Petition for dissolution of Maribelle's, Inc. (the "Corporation") upon the grounds specified and provided in BCL § 1104(a)(1), (2) and (3) in that the two equal groups of shareholders are so divided that the required votes by either the shareholders or directors to conduct and operate the Corporation's business cannot be obtained. The level of internal dissension between Stephanie Markowitz, Jorge Olivares (the "Petitioners"), Victor Forrest Stevens and Sylvia Holden (the "Respondents") is so intense that the management of the Corporation's affairs, and any votes required for the

Corporation's action, are impossible to secure. By reason of the foregoing, dissolution would be beneficial to both sets of shareholders.

2. Maribelle's, Inc. is a corporation duly organized under the Business Corporation Law of the State of New York and has its principal place of business and office at 325 Clinton Avenue, 9H, Brooklyn, New York 11205.

3. All of the issued and outstanding shares of stock in the Corporation are presently owned as follows:

- A. Petitioner, Stephanie Markowitz, owns and holds 25% and is a Director of the Corporation.
- B. Petitioner, Jorge Olivares, owns and holds 25% and is a Director of the Corporation.
- C. Respondent Victor Forrest Stevens owns and holds 25% and is a Director of the Corporation.
- D. Respondent Sylvia Holden owns and holds 25% and is a Director of the Corporation.

4. Petitioner, Stephanie Markowitz, was and is at all times hereinafter mentioned a resident of Brooklyn, New York.

5. Petitioner, Jorge Olivares, was and is at all times hereinafter mentioned a resident of Brooklyn, New York.

6. Respondent, Victor Forrest Stevens, was and is at all times hereinafter mentioned a resident of Brooklyn, New York.

7. Respondent, Sylvia Holden, was and is at all times hereinafter mentioned a resident of Brooklyn, New York.

8. The Corporation is in the business of operating Mary's Bar, a bar and restaurant located at 708 Fifth Avenue, Brooklyn, New York 11215.
9. The Corporation is governed by the Shareholder's Agreement (the "Agreement"), executed by all parties on March 23, 2011.
10. Per Paragraph 3.1 of the Agreement, Stephanie Markowitz is responsible for "managing the day to day operations" of the Corporation.
11. Even before the execution of the Agreement, the Petitioners and Respondents engaged in repeated disagreements over the direction of the construction and renovations of Mary's Bar.
12. In April, 2011, a crucial time for formulating the goals and direction of Mary's Bar, the Petitioners and Respondents did not speak to each other for three weeks.
13. In the summer of 2011, Petitioner Markowitz held several meetings with the three (3) other shareholders due to serious problems with the preparations for opening Mary's Bar, including a meeting with Respondent Stevens to discuss his lack of activity and with Respondent Holden in which both Petitioner Markowitz and Respondent Holden agreed that the relationship of the shareholders was dysfunctional and that the other shareholders were not sufficiently engaged in the development of Mary's Bar.
14. After the opening of Mary's Bar in the fall of 2011, the shareholders had serious disagreements over nearly all elements of operating the establishment, including inventory, staff, management, and finances.
15. In March, 2012, Petitioners requested that the shareholders meet and discuss their untenable working relationship, the escalating costs for running Mary's Bar, and buyout options. Respondents refused to meet.

16. In April 2012, with sales at Mary's Bar declining, Petitioners again sought a meeting of the shareholders to discuss certain capital improvements to the bar and the continuing problems between the shareholders. Respondents again refused to meet, but finally agreed to hold a shareholders meeting at the end of May, 2012.

17. The shareholders were unable to agree on an agenda for the May, 2011 meeting, thus a meeting was never held. Instead, Petitioner Markowitz and Respondent Stevens met to discuss buyout options, again with no result.

18. The shareholders again developed several disagreements over budget, insurance, loans and finances throughout May, 2012.

19. In July, 2012, the Corporation was insolvent and did not maintain enough cash to remit its monthly rental obligation.

20. In September, 2012, the shareholders finally met to discuss the financial status of Mary's Bar and a potential restructuring.

21. The shareholders agreed to invest more money into Mary's Bar, but also agreed that the venture would not be profitable even with new investment due to the dysfunctional relationship of the shareholders.

22. The shareholders also discussed buyouts for each shareholder, but were unable to agree upon the value of ownership interests.

23. In October, 2012, another shareholder meeting was held where the shareholders acknowledged that they could not agree on a proper valuation for buyouts.

24. For the remainder of 2012, the shareholders continued to argue as the Corporation continued to lose money.

25. In December, 2012, Petitioners retained this firm to attempt to negotiate a resolution to the issues between the shareholders. Respondents retained attorney Andrew M. Krisel.

26. All attempts to mediate and resolve the disputes between the Petitioners and Respondents, including a good faith offer of the sale of shares by the Petitioners, were unsuccessful.

27. On February 11, 2013, Petitioner Stephanie Markowitz called a shareholder's meeting to vote on the dissolution of the Corporation under BCL §1001 and Section 12 of the Agreement.

28. Section 12 of the Agreement states that "No dissolution or liquidation of the Corporation may occur without the vote of at least one hundred (100%) per cent of the shares entitled to vote."

29. The vote was split, with the Petitioners voting in favor of dissolution and the Respondents voting against.

30. In June, 2013, Respondent Holden, in violation of the Agreement, unilaterally opened a bank account in the name of the Corporation and attempted to reroute all credit sales from Mary's Bar to this account.

31. Petitioner Markowitz contacted the credit card processor for the Corporation and was able to have the funds returned to the normal business account, but Petitioner Holden's actions have further eroded the relationship between the shareholders.

32. After being unable to transfer credit funds to the new account due to Petitioner Markowitz's action, Respondents converted Mary's Bar to cash only sales and stated their intentions to deposit all proceeds into the new bank account.

33. Respondents took this action without any vote of the Directors or consent from Petitioners.

34. Mary's Bar continues to incur debt and is now unable to meet its monthly obligations, with no foreseeable way to pay off the debt held by the Corporation that has accrued since the opening of the venue, including, but not limited to, loans, tax liabilities, and outstanding balances to vendors and for professional services.

35. The operations of Mary's Bar will soon need to be shut down as debts continue to mount.

36. Petitioners believe that it will be beneficial to the shareholders that the Corporation be immediately dissolved.

37. The controversies between the Petitioners and Respondents are irreconcilable and prevent adequate and satisfactory management of the affairs and properties of the Corporation.

38. The Board of Directors has ceased to function and has become inoperative.

39. The continued existence of the Corporation remains a source of conflict and dispute between the shareholders, with no foreseeable resolution of issues.

40. For the reasons hereinabove set forth, dissolution of the Corporation is authorized under BCL § 1104(a).

41. The dissolution of the Corporation will not be injurious to the public, and the rights of those who have had dealings with the Corporation will not be affected by such dissolution.

42. No prior application for this relief has been made.

43. Liquidation of the Corporation is the only feasible means whereby the Petitioners can reasonably expect to obtain a fair return on their investments, or, for that matter, any return thereon.

44. Liquidation of the Corporation is necessary for the protection of the rights and interests of the Petitioners and the creditors and investors of the Corporation.

45. The Petitioners shall proceed by way of an Order to Show Cause in order to comply with the provisions of BCL § 1106.

WHEREFORE, the Petitioners pray for a final order of this Court dissolving Maribelle's Inc., for the appointment of a receiver, and for such other and further relief as may seem proper, together with the costs of these proceedings.

TAYLOR, COLICCHIO & STUDHOLME, LLP
Attorneys for Petitioners, Stephanie Markowitz and
Jorge Olivares

DATED: June 13, 2013

By: 
Philip M. Colicchio

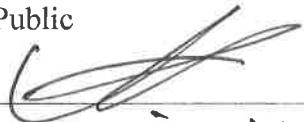
VERIFICATION

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

Before me, the undersigned Notary, Ling Xu, on this 12th day of June, 2013, personally appeared Stephanie Markowitz, known to me to be a credible person and of lawful age, who being by me first duly sworn on his/her oath, deposes and says:

That she is a Petitioner in the above captioned action; that she has read the foregoing petition and knows the contents thereof; and that every statement and allegation in said complaint are true and correct to her own personal knowledge.


Stephanie Markowitz

Notary Public


Printed Name: Ling Xu
My Commission Expires: 07/24/2014

Comm. No.:

