

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

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STUART D. GOLDSTEIN, EDWARD M. FOX,  
and DARIN S. GOLDSTEIN, both individually and  
derivatively on behalf of TEN SHERIDAN  
ASSOCIATES, L.L.C., and SDG MANAGEMENT  
CORP.,

Plaintiffs,

-against-

JEFFREY S. PIKUS and BLUESTAR  
MANAGEMENT CORP. D/B/A BLUESTAR  
PROPERTIES, INC.,

Defendants.  
-----X

Index No.

Date of Filing:

**SUMMONS**Plaintiff designates New York  
County as the place of trial.The basis for venue is that both  
Plaintiffs and Defendants either  
reside, or maintain their places of  
business, in New York County.**TO THE ABOVE-NAMED DEFENDANTS:**

**YOU ARE HEREBY SUMMONED** to answer the complaint in this action and to serve  
a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of  
appearance, on the plaintiff's attorneys within twenty (20) days after the service of this  
summons, exclusive of the day of service (or within thirty [30] days after 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  
April 18, 2014

**WARSHAW BURSTEIN, LLP**  
*Attorneys for Plaintiffs*

By: 

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Maxwell Breed

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To: JEFFREY S. PIKUS  
c/o Bluestar Properties, Inc.  
31 East 32<sup>nd</sup> Street, 12<sup>th</sup> Floor  
New York, New York 10016

BLUESTAR MANAGEMENT CORP.  
D/B/A BLUESTAR PROPERTIES, INC.  
31 East 32<sup>nd</sup> Street, 12<sup>th</sup> Floor  
New York, New York 10016

SUPREME COURT OF THE STATE OF NEW YORK  
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STUART D. GOLDSTEIN, EDWARD M. FOX,  
and DARIN S. GOLDSTEIN, both individually and  
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CORP.,

Index No.

**VERIFIED COMPLAINT**

Plaintiffs,

-against-

JEFFREY S. PIKUS and BLUESTAR  
MANAGEMENT CORP. D/B/A BLUESTAR  
PROPERTIES, INC.,

Defendants.  
-----X

Plaintiffs Stuart D. Goldstein (“Goldstein”), Edward M. Fox (“Fox”), Darin S. Goldstein (“Darin Goldstein”), Ten Sheridan Associates, L.L.C. (“Ten Sheridan”), and SDG Management Corp. (“SDG”) (collectively, the “Plaintiffs”), by their attorneys, Warshaw Burstein, LLP, as and for their complaint against defendants Jeffrey S. Pikus (“Pikus”) and Bluestar Management Corp. d/b/a Bluestar Properties, Inc. (“Bluestar”) (together, the “Defendants”), allege as follows:

**NATURE OF THE ACTION**

1. This case arises out of the many breaches of fiduciary duty and contract by Pikus, who, as a managing member of Ten Sheridan, has deliberately exceeded his authority, acted out of self-interest, and sought to enrich himself and his company, Bluestar, at the expense of Ten Sheridan and its members, all in derogation of his legal and contractual duties. Plaintiffs seek declaratory and injunctive relief confirming that Pikus’s authority as manager of Ten Sheridan is defined solely by the governing operating agreement, as well as money damages for the injuries caused as a result of Defendants’ intentional wrongdoing.

## **THE PARTIES**

2. Plaintiff Stuart. D. Goldstein is a natural person, with a business address at c/o SDG Management Corp., 888 Seventh Avenue, Suite 2400, New York, New York 10019, a managing member of Ten Sheridan, and the Chairman of SDG.

3. Plaintiff Edward M. Fox is a natural person, with a business address at c/o SDG Management Corp., 888 Seventh Avenue, Suite 2400, New York, New York 10019, a member of Ten Sheridan, and the former Chief Executive Officer of SDG.

4. Plaintiff Darin S. Goldstein is a natural person, with a business address at c/o SDG Management Corp., 888 Seventh Avenue, Suite 2400, New York, New York 10019, a member of Ten Sheridan, and the Chief Operating Officer of SDG.

5. Ten Sheridan is a limited liability company organized and existing under the laws of the State of New York, with its principal place of business located at c/o SDG Management Corp., 888 Seventh Avenue, Suite 2400, New York, New York 10019.

6. SDG is a corporation organized and existing under the laws of the State of New York, with its principal place of business located at 888 Seventh Avenue, Suite 2400, New York, New York 10019.

7. Defendant Jeffrey S. Pikus is a natural person, who is a citizen of the State of New York, with a business address at c/o Bluestar Properties, Inc., 31 East 32<sup>nd</sup> Street, 12<sup>th</sup> Floor, New York, New York 10016.

8. Bluestar is, upon information and belief, a corporation, through which Pikus does business, organized and existing under the laws of the State of New York, with its principal place of business located at 31 East 32<sup>nd</sup> Street, 12<sup>th</sup> Floor, New York, New York 10016.

## **BACKGROUND**

### **A. Goldstein and SDG**

9. For more than three (3) decades, Goldstein, through his company SDG and its affiliates, has acquired and managed multifamily rental properties throughout New York City, and primarily in Manhattan.

10. During that time, Goldstein has assembled a core group of reliable investors, who have participated, with Goldstein, in numerous real-estate ventures—the focus of which has always been stability, steady returns, and long-term growth of the underlying assets.

11. Those ventures, under the guidance of Goldstein and Fox, have been uniformly successful, and have created substantial good will and loyalty among Goldstein’s investor group.

12. Goldstein, Fox and SDG’s history of successfully improving, and turning around, the properties under their management has earned them a sterling reputation and the respect of their peers in New York City’s community of real-estate owner-operators.

13. Apart from their reputation and respect within the real-estate industry, Goldstein, Fox and SDG have established positive relations with, and good will among, the thousands of tenants residing at their properties.

### **B. Ten Sheridan**

14. In or around December 1997, Pikus approached Goldstein, seeking investors, capital and management expertise, for the prospective purchase and operation of a multifamily rental property, located at 10 Sheridan Square a/k/a 80 Grove Street, New York, New York 10014 (the “Property”), with which Pikus was then associated.

15. Ten Sheridan had been formed, by Pikus, around that time, to serve as the vehicle for the acquisition of the Property.

16. Pikus and Goldstein came to an initial understanding, reflected in preliminary writings signed in January 1997, that Goldstein would endeavor to assemble capital and investors for the Property's purchase and, through SDG, would then manage the Property.

17. In exchange for bringing the deal to Goldstein, Pikus would receive a percentage of the company's cash-flows, once the investors had been repaid, together with certain management authority.

18. The terms of Ten Sheridan's future operation were to be memorialized in an ensuing operating agreement, if the investment syndication were successful.

19. Pikus did not contribute any capital to the Property's eventual purchase, and has never since contributed any funds to Ten Sheridan.

**C. Ten Sheridan's Operating Agreement**

20. When Ten Sheridan closed on the Property's purchase in March 1997, Pikus, Goldstein, and Goldstein's investors—who make up more than 90% of the remaining members—entered into an Operating Agreement, dated March 18, 1997 (the "Operating Agreement"), which had been prepared by Pikus's attorney, to provide for Ten Sheridan's operation on a going-forward basis.

21. The Operating Agreement designates Pikus and Goldstein as managing members, and "Class A Members," of Ten Sheridan, and requires that both of them agree before the company can take certain major actions—such as whether to sell or refinance the Property.

22. With the exception of those major decisions, the Operating Agreement irrevocably delegates responsibility for the day-to-day management of the Property and the company to SDG.

23. That delegation, set forth at Section 5.2 of the Operating Agreement, includes, among other things, “the right to enter into, make and perform any and all contracts, leases and other agreements related to the management of the [Property], whether or not such agreements are with persons or entities affiliated with any Member” and was intended to protect Goldstein’s investors, who agreed to participate in Ten Sheridan provided that Goldstein and SDG were responsible for the Property’s and company’s day-to-day management.

24. To solidify those terms, and others, the Operating Agreement contains a “merger clause,” at Section 11.4, which, among other things, “merges” any previous agreements or understandings between or among Ten Sheridan’s members into the Operating Agreement, and expressly represents that no other agreements or understandings exist. That provision reads:

**Entire Agreement.** All understandings and agreements heretofore made between the members are merged in this Agreement, which alone fully and completely expresses their agreement with respect to the subject matter hereof. There are no promises, agreements, conditions, understandings, warranties, or representations, oral or written express or implied, among the Members, other than as set forth in this Agreement, other than as set forth in this Agreement and the Articles of Organization. All prior agreements among the Members (including any agreements binding the Company and the Members as members of the company) are superseded by this Agreement, which integrates all promises, agreements, conditions, and understandings among the Members with respect to the Company and its property.

25. To further protect Ten Sheridan’s investors, Section 5.6 of the Operating Agreement prohibits the managers from taking certain actions without the unanimous consent of the members, including, among other things, amending the Operating Agreement when the amendment would adversely affect the members.

26. Consistent with the strategy presented to Goldstein's investors—that Ten Sheridan was and is intended to be a long-term investment—the Operating Agreement provides for a termination date of December 31, 2079.

27. The Operating Agreement further provides, at Section 11.10, that Ten Sheridan's members may seek declaratory and equitable relief with respect to their respective rights and obligations.

**D. The Property and SDG's Successful Management Efforts**

28. The Property is a landmarked, 14-story mixed-use building, located in Manhattan's West Village, comprising 47,808 square feet, with about 4,000 square feet of retail space, and containing 73 residential apartments, all of which are rent-regulated.

29. The Property's apartment stock consists almost entirely of small studio and one-bedroom apartments, which tend to house young professionals for only a few years at a time, and are therefore prone to high turnover.

30. After Ten Sheridan purchased the Property in March 1997, SDG assumed management of the Property and implemented a program designed to maximize the Property's value and to create steady investment returns for all of the members.

31. That strategy, which involved, among other things, increasing cash-flows through major capital improvements and apartment renovations, allowed Ten Sheridan, among other things, to: (a) repay its investors far ahead of schedule; (b) make regular distributions to all of the members; (c) favorably refinance the Property's mortgage; (d) enhance the quality of life and services provided to the Property's tenants; and (e) dramatically increase the Property's overall value.



32. As a result of those, and other, accomplishments, Ten Sheridan's members have not only received substantial returns on their investments, but have also consistently praised Goldstein's and SDG's management of both the Property and the company.

**E. Pikus's Violations of the Operating Agreement**

33. In addition to being a co-managing member of Ten Sheridan, Pikus served from March 1997 until April 2014, as an at-will consultant to SDG, in which capacity he was to provide advice, on an as-needed basis, with respect to the Property's management.

34. During that time, and with increasing frequency during the past eighteen (18) months, Pikus, as co-managing member and SDG's consultant, has consistently acted outside the scope of his authority under the Operating Agreement and to the detriment of Ten Sheridan and its members.

35. Since early 2013, Pikus, often acting through Bluestar, has intentionally delayed the renovation of vacant units at the Property, demanded unnecessary and expensive renovations, and set unachievable rents once those apartment renovations were completed.

36. Pikus's intention was to artificially inflate the Property's rent roll and to stockpile vacant units, in order to benefit himself, if the Property were to be either refinanced or sold.

37. Defendants' actions have harmed Ten Sheridan (and, by extension, its members), which, inter alia, (a) lost rental income, (b) was forced to incur unnecessary broker costs and grant rent concessions to achieve otherwise unrecoverable rent amounts, and (c) funded expensive renovations that did not actually improve the business's bottom line.

38. During the same period, Pikus caused Ten Sheridan's cash reserves to be seriously depleted, based on his insistence on implementing unnecessary and duplicative apartment renovations for the purpose of obtaining negligible or nonexistent rent increases,

which, as would be later confirmed, were intended only to create the appearance that the value of his interest in the company had increased.

39. Pikus's "management" of those apartment renovations was also characterized by self-interest and ineptitude.

40. For instance, Pikus insisted on the use of new vendors, materials and designs—all of his choosing—that, coupled with his evident lack of construction management experience or expertise, created lengthy construction delays, contractor errors, and cost overruns, all of which harmed Ten Sheridan and its members.

41. Pikus's misconduct with respect to the renovation and re-letting of the Property's apartments, only added to a long history of failings as both SDG's consultant and as a co-managing member of Ten Sheridan.

42. In fact, since Ten Sheridan purchased the Property, Pikus has created difficulties for Ten Sheridan and SDG through his abusive, rude and patronizing behavior towards the tenants at the Property.

43. That behavior complicated, and often soured, relations with the Property's residents and caused Ten Sheridan substantial damage, as a result of, among other things, otherwise avoidable disputes, loss of good will, and reputational harm.

44. Pikus exacerbated such tenant disputes, on numerous occasions, by refusing to participate in the resolution process or resulting litigation, and by adopting positions often defying reason and even common sense.

45. Likewise, Pikus has entered into “exclusive” listing agreements with apartment brokers, which have caused, among other problems, delays and inefficiencies in the re-letting of the Property’s vacant apartments, thus harming Ten Sheridan and its members through the loss of otherwise collectible rent.

46. Pikus caused further harm to Ten Sheridan and its members by initiating and obtaining a minimal J-51 tax abatement for the Property in or around 2005, in the absence of any due diligence or exercise of reasonable care, and despite Goldstein’s and SDG’s objections.

47. Since September 2009, that supposed tax benefit has substantially damaged Ten Sheridan, both in terms of a reduced rent roll and out-of-pocket expenses, after the abatement caused the re-regulation of many of the Property’s apartments and resulted in litigation with various tenants.

48. Pikus’s gross and intentional misconduct, often carried out through Bluestar, exceeded Pikus’s authority under the Operating Agreement, interfered with SDG’s ability to manage the Property, and caused substantial harm to Goldstein, Fox, SDG, Ten Sheridan and its members.

**F. Pikus Attempts to Enrich Himself through a Premature Refinancing**

49. The reason for Pikus’s efforts to artificially inflate the Property’s rent roll and stockpile vacant apartments was confirmed in or around June 2013, when Pikus contacted Goldstein and stated that he desired to market and sell the Property.

50. Goldstein gave careful consideration to the proposal, spoke with his investors, and advised Pikus, by letter, in late July 2013, that it was not in the best interests of Ten Sheridan, or Goldstein’s investors, to sell the Property at that time, and that doing so would conflict with Ten Sheridan’s long-term investment strategy.

51. With his bid to prematurely sell the Property rebuffed, Pikus abruptly changed course and demanded, in or around November 2013, that Goldstein agree to refinance the Property's mortgage ahead of schedule.

52. Pikus's demand was both improvident and unusual, as the Property's mortgage, of approximately \$14.5 million, had only been given in late November 2011, and was not scheduled for renewal, or possible refinancing, until 2016.

53. As a result of those and other factors, Goldstein informed Pikus, both in writing and in conversation, that Goldstein and his investors were not prepared to prematurely refinance and increase Ten Sheridan's debt levels at the risk of the company's future health, especially when the existing mortgage had favorable terms and was in keeping with the longstanding investment strategy on which his investors relied.

54. Pikus, for his part, never provided any justification for his refinancing demand, thereby confirming that: (a) his efforts to artificially boost the rent roll and stockpile vacancies had been intended to increase the amount he would receive from a refinancing, at the expense of Ten Sheridan and its other members; and (b) he intended to use Ten Sheridan as his personal "piggybank," with Goldstein and his investors bearing all of the risk for Pikus's own enrichment.

**G. Pikus Breaches His Fiduciary Duty to Darin Goldstein**

55. In his capacity as co-managing member, Pikus singled out another investor member for disparate and unfair treatment to the detriment of Ten Sheridan and its members and in violation of, among other things, the Operating Agreement and his duties as a fiduciary.

56. In or around August 2004, Darin Goldstein, a member of Ten Sheridan, who, unlike Pikus, had contributed substantial personal funds to the Property's purchase, began leasing, and residing at, apartments at the Property, for which he paid "market" rents.

57. At all times since, Darin Goldstein has been a “model tenant,” paying his full rent on time, and even serving as a de facto on-site manager for Ten Sheridan, without compensation.

58. Both Darin Goldstein’s steady tenancy—in units prone to frequent turnover—and his services as on-site manager have created substantial value for Ten Sheridan and its members.

59. In or around November 2012, Darin Goldstein, who was then leasing and residing in combined Apartments 14D and E, sought to lease Apartment 14F, and to combine it with Apartments 14D and E.

60. At that time, Pikus claimed, without having been asked, that he “consented” to Darin Goldstein leasing and combining the three (3) units, and insisted that he pay above-market rents (more than \$10,000 per month for the ~1,400 square foot combined unit), and to fully fund the combination and renovation of the units.

61. In or around December 2012, Goldstein advised Pikus that, under the Operating Agreement’s express terms and Ten Sheridan’s operational history, Pikus’s “consent” to the leases was not required.

62. Goldstein also advised Pikus that his conduct toward Darin Goldstein amounted to a breach of fiduciary duty to Ten Sheridan and to Darin Goldstein, because, among other things: (a) the combination and renovation of the three (3) apartments would diversify the Property’s limited apartment portfolio and substantially increase the Property’s value, without cost to Ten Sheridan; and (b) Pikus was acting in bad faith (and outside the scope of his authority) by trying to impose onerous and unnecessary conditions upon leases that would benefit Ten Sheridan.

63. Pikus responded by purporting to “withdraw” his unnecessary consent, after Darin Goldstein had already entered into market-rate rent-stabilized leases for the units, and spent more than \$100,000 on high-end renovations out of his own pocket.

**H. Pikus Attempts to “Enforce” Superseded Documents**

64. Rather than communicate any rationale for his increasing demands and escalating misconduct, in January 2014, Pikus, through his newly retained counsel, groundlessly accused Goldstein and SDG of breaching their duties to Ten Sheridan, and made various demands that were contrary to, and not supported by, the Operating Agreement, including, among other things, that Goldstein rescind Darin Goldstein’s leases at the Property.

65. Goldstein, SDG and Darin Goldstein responded, through counsel and in writing, explaining the propriety of all of their actions with respect to Ten Sheridan and the Operating Agreement, and detailing Pikus’s long history of misconduct and interference with the Property’s management.

66. Shortly thereafter, Pikus “unveiled” two (2) documents signed by him and Goldstein in January 1997, that concerned, among other things, the assembly of the investment syndicate for the Property’s purchase, and that he wrongfully claimed entitled him to “equal say” in the day-to-day management of the Property and Ten Sheridan.

67. The documents that Pikus was attempting to “enforce” predated the Operating Agreement by months, were expressly superseded by the Operating Agreement’s “merger” clause, and, regardless, had never controlled Ten Sheridan’s operation.

**I. Pikus's Termination and This Action**

68. As a result of Pikus's escalating misconduct and bad faith, SDG terminated Pikus's at-will consultancy and relieved him of any role in the day-to-day management of the Property and Ten Sheridan on April 18, 2014.

69. Plaintiffs further determined that commencing this action was necessary to seek redress for Defendants' wrongdoing, and to confirm that Pikus was not acting in accordance with the Operating Agreement or fulfilling his legal duties.

**J. Basis for Derivative Claims**

70. Plaintiffs are entitled to bring suit on behalf of Ten Sheridan, derivatively and otherwise, because, under the Operating Agreement, both Goldstein and SDG are empowered to initiate litigation through Ten Sheridan, and, regardless, any request that Pikus consent to Ten Sheridan commencing an action against himself to seek redress for his misdeeds would be futile.

**AS AND FOR A FIRST CAUSE OF ACTION**

(Declaratory Judgment)

71. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs "1" through "70" above, as if the same were fully set forth herein.

72. For the reasons set forth at length above, Ten Sheridan's Operating Agreement, and applicable law, establish, among other things, that: (a) the Operating Agreement superseded any previous agreement or understanding between or among Ten Sheridan's members with respect to Ten Sheridan and the Property; (b) the Operating Agreement's express terms, including Sections 5.2 and Sections 5.6, limit Pikus's authority as co-managing member to management decisions concerning sale and financing of the Property; (c) all other management responsibility concerning the Property and Ten Sheridan was irrevocably delegated to SDG; and (d) Pikus's at-will consultancy for SDG is terminable at any time and for any reason.

73. Upon information and belief, Defendants, in derogation of the Operating Agreement, indisputable facts, and applicable law, maintain positions to the contrary.

74. By reason of the foregoing, there exists an actual, substantial and justiciable controversy between Plaintiffs and Defendants of sufficient immediacy to warrant the issuance of a declaratory judgment.

75. Plaintiffs have no adequate remedy at law.

76. By reason of the foregoing, Plaintiffs are entitled to a judgment declaring that: (a) the Operating Agreement is the sole document controlling Ten Sheridan's operations and superseded any previous agreement or understanding between or among Ten Sheridan's members; (b) Pikus's authority as manager of Ten Sheridan is limited to management decisions concerning sale and financing of the Property; (c) all other management responsibility was irrevocably delegated to SDG; (d) Pikus's at-will consultancy with SDG was properly terminated; and (e) Pikus is not permitted to interfere with the day-to-day management of the Property and Ten Sheridan.

**AS AND FOR A SECOND CAUSE OF ACTION**  
(Breach of Fiduciary Duty – Permanent Injunction)

77. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs "1" through "76" above, as if the same were fully set forth herein.

78. Pikus, as a co-managing member of Ten Sheridan, owes a fiduciary duty to Ten Sheridan and all of its members, including, without limitation, Goldstein and Darin Goldstein.

79. Pikus, acting individually and through Bluestar, has breached his fiduciary duty owed to Plaintiffs, as co-managing member of Ten Sheridan, by, among other things: (a) acting outside the scope of his authority as co-managing member of Ten Sheridan; (b) acting in his own self-interest and for his own benefit to the detriment of Ten Sheridan and its members; (c)



depleting Ten Sheridan's reserve accounts for no benefit to Ten Sheridan or its members; (d) acting in bad faith towards Goldstein, Fox, Darin Goldstein and other members of Ten Sheridan; (e) failing to exercise reasonable and ordinary care when unilaterally taking unauthorized actions on behalf of Ten Sheridan; (f) harassing residents of the Property and members of Ten Sheridan, including Darin Goldstein; and (g) entering into improper arrangements with "exclusive" apartment brokers.

80. As a result of Defendants' continuing and escalating misdeeds, Plaintiffs have suffered and continue to suffer irreparable injury in the form of, among other things, damage to their reputation and loss of trade and good will.

81. Plaintiffs have no adequate remedy at law.

82. By reason of the foregoing, Plaintiffs are entitled to a permanent injunction, enjoining and restraining Defendants from: (a) interfering with, and attempting to participate in, SDG's day-to-day management of the Property and Ten Sheridan; and (b) attempting to "enforce" documents that were superseded by the Operating Agreement and are legal nullities.

**AS AND FOR A THIRD CAUSE OF ACTION**  
(Breach of Fiduciary Duty and/or Loyalty)

83. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs "1" through "82" above, as if the same were fully set forth herein.

84. In addition to owing a fiduciary duty to Ten Sheridan and its members, Pikus owed a duty of loyalty to SDG, in his capacity as consultant, until he was relieved of his responsibilities in April 2014.

85. Pikus, acting individually and through Bluestar, breached his fiduciary duty and/or duty of loyalty to Plaintiffs, by, among other things, the acts and omissions set forth above.

86. By reason of the foregoing, Plaintiffs suffered damages in an exact amount to be determined at trial.

87. Defendants' conduct was wanton, oppressive, willful and malicious and consequently entitles Plaintiffs to an award of punitive damages.

**WHEREFORE**, Plaintiffs demand judgment as follows:

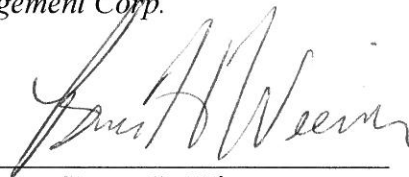
- A. as to Plaintiffs' First Cause of Action, judgment declaring that:
  - (a) the Operating Agreement is the sole document controlling Ten Sheridan's operations and superseded any previous agreement or understanding between Ten Sheridan's members;
  - (b) Pikus's authority as manager of Ten Sheridan is limited to management decisions concerning sale and financing of the Property;
  - (c) all other management responsibility was irrevocably delegated to SDG;
  - (d) Pikus's at-will consultancy with SDG was properly terminated; and
  - (e) Pikus is not permitted to interfere with the day-to-day management of the Property and Ten Sheridan;
- B. as to Plaintiffs' Second Cause of Action, a permanent injunction, enjoining and restraining Defendant from:
  - (a) interfering with, and attempting to participate in, SDG's day-to-day management of the Property and Ten Sheridan; and
  - (b) attempting to "enforce" documents that were superseded by the Operating Agreement and are legal nullities;
- C. as to Plaintiffs' Third Cause of Action, a money judgment, as against Defendant, in an amount to be determined at trial, and punitive damages of not less than \$1,000,000.00;
- D. for the costs and disbursements of this action; and

E. for such other and further relief as the court deems just and proper.

Dated: New York, New York  
April 18, 2014

WARSHAW BURSTEIN, LLP  
*Attorneys for Plaintiffs Stuart D. Goldstein,  
Edward M. Fox, Darin S. Goldstein, Ten  
Sheridan Associates, L.L.C., & SDG  
Management Corp.*

By: \_\_\_\_\_



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**VERIFICATION**

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

STUART D. GOLDSTEIN, being duly sworn, states:

1. I am a plaintiff, as well as a managing member of plaintiff Ten Sheridan Associates, L.L.C., and the Chairman of plaintiff SDG Management Corp., in the within action.
2. I have read the foregoing Complaint 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 them to be true. The grounds of my belief as to all matters not stated upon my knowledge are based upon the records of Ten Sheridan Associates, L.L.C. and SDG Management Corp.

  
STUART D. GOLDSTEIN

Sworn to before me this  
18 day of April, 2014



Notary public  
ALEXIS MERLINI  
Notary Public, State of New York  
No. 01ME6196679  
Qualified in Nassau County  
Commission Exp. November 12, 2014