

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

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Leon Pokoik, individually and derivatively, on behalf of
Norsel Realities,
Leon Pokoik Family Partners, L.P.,
Kathie Pokoik, as Trustee of Leon Pokoik Lifetime Trust,
Davin Pokoik, individually, and as Trustee of Leon Pokoik
Grantor Retained Annuity Trust f/b/o G.P,
and derivatively, on behalf of Norsel Realities,
Alicia Pokoik Deters, individually, and as Trustee of
Leon Pokoik Grantor Retained Annuity Trust
f/b/o C. D., A. D. and J. D., and derivatively,
on behalf of Norsel Realities,

Index No. 653382-2014

**VERIFIED
AMENDED COMPLAINT**

Plaintiffs,

- against -

Norsel Realities, 575 Realities, Inc., 575 Associates, LLC
Steinberg & Pokoik Management Corp.,
Michael L. Steinberg, individually,
and as Trustee of Alan Jay Steinberg 2012 GRAT,
and as Trustee of Leslie S. Endelson 2012 GRAT,
and as Executor of The Estate of Alan Steinberg,
Jay Lieberman, individually,
and as Trustee of Rachel Crosse Revocable Trust,
and as Trustee of Peter Derfner Revocable Lifetime Trust,
Andrew Benenson,
Meredith K. Cohen,
Leslie Endelson,
Alison Granbery, individually,
and as Trustee of Meryl S. Sherman Family Dynasty Trust,
Johanna Igel, individually,
and as Trustee of Lisa Quattrochi 2012 GRAT,
Ronnie Igel, individually,
and as Trustee of The Johanna Igel 2005 Trust,
and as Trustee of The James Igel 2009 Trust,
and as Trustee of The Brian Igel 2002 Trust,
Carolyn A. Koslow, individually,
and as Trustee of Peter L. Koslow 2012 GRAT,
Peter Koslow,
William Koslow, individually,
and as Trustee of Michael S. Koslow Family Dynasty Trust,
Gary Pokoik, individually,
and as Trustee of Matthew Pokoik Trust dated 9/30/95

and as Trustee of Jonathan Pokoik Trust dated 12/11/95,
Jonathan Pokoik, individually,
and as Trustee of Marion Pokoik Dick Trust f/b/o Charlotte Pokoik,
and as Trustee of Marion Pokoik Dick Trust f/b/o Jonathan Pokoik,
and as Trustee of Marion Pokoik Dick Trust f/b/o Manuel Pokoik,
and as Trustee of Marion Pokoik Dick Trust f/b/o Mathew Pokoik,
Justine Pokoik Hopkins, individually,
and as Trustee of Marion Pokoik Dick Trust f/b/o Justine Pokoik,
Meryl Sherman, individually,
and as Trustee of Jeffrey M. Steinberg 2012 GRAT,
Diane L. Steinberg, individually,
and as Trustee of Michael L. Steinberg Dynasty Trust,
Francine Steinberg, individually,
and as Trustee of Stuart L. Steinberg 2012 GRAT,
Jeffrey Steinberg,
Stuart L. Steinberg,
and Norsel Realities, LLC, and
“John Doe” and “Jane Doe”, said names being fictitious,
intended to designate all partners, certain former
partners, and managers of Norsel Realities, individually,
the names of which are unknown to
plaintiffs at the commencement of this action.

Defendants.

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Plaintiffs, by their attorneys The Law Firm of Gary N. Weintraub, LLP, complaining of defendants, respectfully show this court and allege:

1. This action is brought by plaintiffs-owners of Norsel Realities because management and other owners / former owners have arranged so that landlord Norsel Realities would only receive \$7,200,000 annually from an affiliated company / tenant 575 Realities, Inc. under a rent renewal term starting January 1, 2015 and ending December 31, 2024, it appearing that managements and the other owners are purposely and grossly undervaluing the underlying property for estate tax and other personal reasons, not in the best interests of Norsel Realities, and the actual rent Norsel Realities is entitled to is \$20,300,000 annually, for a total damage to Norsel Realities of \$131,000,000 over the course of the 10-year renewal term.

The Parties

2. Plaintiff Leon Pokoik is an individual residing at 223 Robin Drive, Sarasota, Florida, 34236.

3. Plaintiff Kathie Pokoik is an individual residing at 223 Robin Drive, Sarasota, Florida, 34236.

4. Plaintiff Alicia Pokoik Deters is an individual residing at 4100 Montview Blvd., Denver, Colorado 80207, and the daughter of Leon and Kathie Pokoik.

5. Plaintiff Davin Pokoik is an individual residing at 80 Patricia Circle, Fairfield, Connecticut, 06825, and the son of Leon and Kathie Pokoik.

6. Upon information and belief, Norsel Realities, LLC is a limited liability company duly organized and existing pursuant to the laws of the State of New York, with its principal office and place of business at 575 Madison Avenue, New York, NY 10022.

7. Upon information and belief, Norsel Realities is a partnership duly organized and existing pursuant to the laws of the State of New York, with its principal office and place of business at 575 Madison Avenue, New York, NY 10022.

8. Defendant Michael Steinberg is an individual residing, upon information and belief, at 3170 South Ocean Blvd., Palm Beach, Fl 33480, or alternatively, 300 East 59th St. New York, NY, 10022.

9. Defendant Jay Lieberman is an individual residing, upon information and belief, in New York City.

10. Defendant Andrew Benenson is an individual residing, upon information and belief, at 46 Old Farm Road, Darien, CT 06820.

11. Defendant Meredith K. Cohen is an individual residing, upon information and belief, at 7 Bay Road, Quogue, NY 11959.

12. Defendant Leslie Endelson is an individual residing, upon information and belief, at 167 East 61st Street, #37E, New York, NY 10065.

13. Defendant Alison Granbery is an individual residing, upon information and belief, at 24313 Summerhill Avenue, Los Altos, CA 94024.

14. Defendant Johanna Igel is an individual residing, upon information and belief, in New York City.

15. Defendant Ronnie Igel is an individual residing, upon information and belief, at 239 East 79th Street, #14B, New York, NY 10019.

16. Defendant Carolyn A. Koslow is an individual residing, upon information and belief, at 5864 Vintage Oaks Circle, Delray Beach, FL 33484.

17. Defendant Peter Koslow is an individual residing, upon information and belief, at 5864 Vintage Oaks Circle, Delray Beach, FL 33484.

18. Defendant William Koslow is an individual residing, upon information and belief, at 6328 East Calle del Norte, Scottsdale, AZ 85251.

19. Defendant Gary Pokoik is an individual residing, upon information and belief, at 2400 Broadway, Suite 220, Santa Monica, CA 90404.

20. Defendant Jonathan Pokoik is an individual residing, upon information and belief, at 45 East 72nd Street, New York, NY 10021.

21. Defendant Justine Pokoik Hopkins is an individual residing, upon information and belief, at 25 Central Park West, #4Y, New York, NY 10023.

22. Defendant Meryl Sherman is an individual residing, upon information and belief, at 60 East End Avenue, #43C, New York, NY 10028,

23. Defendant Diane L. Steinberg is an individual residing, upon information and belief, at 300 East 59th Street, #2806, New York, NY 10022.

24. Defendant Francine Steinberg is an individual residing, upon information and belief, at 16326 Vintage Oaks Lane, Delray Beach, FL 33484.

25. Defendant Jeffrey Steinberg is an individual residing, upon information and belief, at 65 West 13th Street, #8F, New York, NY 10011.

26. Defendant Stuart L. Steinberg is an individual residing, upon information and belief, at 16326 Vintage Oaks Lane, Delray Beach, FL 33484.

Norsel Realities – Owners/ Managers

27. Plaintiff Leon Pokoik has a 4.166% interest in Norsel Realities.

28. Plaintiff Davin Pokoik has a 1.25% interest in Norsel Realities.

29. Plaintiff Alicia Pokoik Deters has a 1.25% interest in Norsel Realities.

30. Plaintiff Davin Pokoik is Trustee of Leon Pokoik Grantor Retained Annuity Trust f/b/o G.P., which contains a 1.035% interest in Norsel Realities.

31. Plaintiff Alicia Pokoik Deters is Trustee of Leon Pokoik Grantor Retained Annuity Trust f/b/o C.D, A.D. and J.D., which contains a 3.105% interest in Norsel Realities.

32. Upon information and belief, Michael Steinberg has or had a 3.333% interest in Norsel Realities.

33. Upon information and belief, defendant Michael L. Steinberg is Trustee of Alan Jay Steinberg 2012 GRAT and Leslie S. Endelson 2012 GRAT, and Executor of Estate of Alan Steinberg, all of which have an interest in Norsel Realities.

34. Upon information and belief, defendant Jay Lieberman is Trustee of Rachel Crosse Revocable Trust and Peter Derfner Revocable Lifetime Trust, both of which have an interest in Norsel Realities.

35. Upon information and belief, defendant Andrew Benenson has an interest in Norsel Realities.

36. Upon information and belief, defendant Meredith K. Cohen has an interest in Norsel Realities.

37. Upon information and belief, defendant Leslie Endelson has an interest in Norsel Realities.

38. Upon information and belief, defendant Alison Granbery is Trustee of Meryl S. Sherman Family Dynasty Trust, which has an interest in Norsel Realities.

39. Upon information and belief, defendant Johanna Igel is Trustee of Lisa Quattrochi 2012 GRAT, which has an interest in Norsel Realities.

40. Upon information and belief, defendant Ronnie Igel is Trustee of Johanna Igel 2005 Trust, James Igel 2009 Trust, and Brian Igel 2002 Trust, all of which have an interest in Norsel Realities previously belonging to Ronnie Igel.

41. Upon information and belief, at all relevant times, defendant Carolyn A. Koslow is Trustee of Peter Koslow 2012 GRAT, which has an interest in Norsel Realities.

42. Upon information and belief, defendant Peter Koslow has an interest in Norsel Realities.

43. Upon information and belief, defendant William Koslow is Trustee of Michael S. Koslow Family Dynasty Trust, which has an interest in Norsel Realities.

44. Upon information and belief, defendant Gary Pokoik is Trustee of Matthew Pokoik Trust dated 9/30/95 and Jonathan Pokoik Trust dated 12/11/95, both of which have an interest in Norsel Realities.

45. Upon information and belief, defendant Jonathan Pokoik, is Trustee of Marion Pokoik Dick Trust f/b/o Charlotte Pokoik, Marion Pokoik Dick Trust f/b/o Jonathan Pokoik, Marion Pokoik Dick Trust f/b/o Manuel Pokoik, and Marion Pokoik Dick Trust f/b/o Mathew Pokoik, all of which have an interest in Norsel Realities.

46. Upon information and belief, defendant Justine Pokoik Hopkins has an interest in Norsel Realities, and is Trustee of Marion Pokoik Dick Trust f/b/o Justine Pokoik, which has an interest in Norsel Realities.

47. Upon information and belief, defendant Meryl Sherman has an interest in Norsel Realities, and is Trustee of Jeffrey M. Steinberg 2012 GRAT, which has an interest in Norsel Realities.

48. Upon information and belief, defendant Diane L. Steinberg is Trustee of Michael L. Steinberg Family Dynasty Trust, which has an interest in Norsel Realities.

49. Upon information and belief, defendant Francine Steinberg is Trustee of Stuart L. Steinberg 2012 GRAT, which has an interest in Norsel Realities.

50. Upon information and belief, defendant Jeffrey Steinberg has an interest in Norsel Realities.

51. Upon information and belief, defendant Stuart L. Steinberg has an interest in Norsel Realities.

52. [Intentionally omitted].

53. Upon information and belief, defendant Michael Steinberg participates in managing Norsel Realities.

54. Upon information and belief, defendant Jay Lieberman participates in managing Norsel Realities.

575 Realities, Inc. – Owners/ Managers

55. Plaintiff Leon Pokoik is a partner of Leon Pokoik Family Partners, L.P., which has an 8.03% interest in 575 Realities, Inc. (“575 Realities”).

56. Upon information and belief, plaintiffs Davin Pokoik and Alicia Pokoik Deters each have .018% interests in 575 Realities.

57. Upon information and belief, defendant Michael Steinberg is a board of director and vice president of 575 Realities, and leads that entity’s management.

575 Associates, LLC – Owners/ Managers

58. Plaintiff Leon Pokoik is beneficiary of the Leon Pokoik Lifetime Trust, which has a 10.7794% interest in 575 Associates, LLC (“575 Associates”).

59. Plaintiff Davin Pokoik has a 1.0% interest in 575 Associates.

60. Plaintiff Alicia Pokoik Deters has a 1.0% interest in 575 Associates.

61. Upon information and belief, defendant Michael Steinberg is President and manager of, and also has an ownership interest in, 575 Associates.

Relationship Between Norsel Realities - 575 Realities - 575 Associates

62. Norsel Realities, 575 Realities and 575 Associates were originally and are largely continuing to be owned by the Steinberg and Pokoik families, and their issue.

63. Upon information and belief, 575 Realities leases from its affiliated company Norsel Realities the commercial office building located at 575 Madison Ave, New York, New York, and net leases the property to 575 Associates, an affiliated operating company.

The Dispute Over Ground Rent To Norsel Realities

64. The lease between Norsel Realities and 575 Realities, and specifically paragraph Second, (2)(B).(1) five of the Eighth Amendment of Lease dated January 1, 1995, provides 575 Realities shall be entitled to a ten year renewal period beginning January 1, 2015 and ending December 31, 2024.

65. The lease continues: “The net annual rent reserved to cover the first renewal term shall be a sum equal to five (5%) percent of the then appraised value of the land subject to this Lease covering the first renewal term, at the commencement thereof considered as unimproved and exclusive of any buildings or improvements thereon.”

66. Defendant Michael Steinberg sent a letter dated March 21, 2012 enclosing appraisals of the ground lease position (Norsel Realities) at 575 Madison Ave. which estimated the market value of the Norsel Realities leasehold at approximately \$76,000,000.

67. In the same letter, Mr. Steinberg announced that, commencing January 1, 2015, “we” intend to have 575 Realities pay Norsel a ground rent of \$5,100,000 annually thereafter through 2043, eliminating future rent renewal provisions commencing January 1, 2025 and January 1, 2035.

68. In the same letter, Mr. Steinberg stated that these numbers would be used "by the various Steinberg cousins" in order to establish GRATS (Grantor Retained Annuity Trusts).

69. In the same letter, Mr. Steinberg suggested that Leon Pokoik could GRAT his Norsel Realities interests "in one shot" "using only about \$4,000,000" of his remaining estate tax exemption.

70. Mr. Steinberg enclosed the two appraisals, one by Empire Valuation Consultants, LLC, and the other by Leitner Group, Inc., both of which applied numerous discounting measures and purported to be used for estate tax planning purposes.

71. By letter dated May 15, 2012, Jay Lieberman, on behalf of Norsel Realities, wrote to 575 Realities, "to serve as a reminder" that 575 Realities had the right to extend the term of the lease for a ten year period commencing January 1, 2015, and that "in the event Tenant elects to extend the term of the Lease, the rent fair market payable under the Lease during the First Renewal Period shall be at an annual rental rate of \$5,100,000.00."

72. Around that time, Leon Pokoik's representatives informed Michael Steinberg and managements that Leon Pokoik believed the appraisals were improper and that the proposed rent was unfairly low.

73. Around that time, Leon Pokoik and his children refused to sign amendments to the governing documents of Norsel Realities and 575 Associates, which Michael Steinberg and managements had proposed and which would have extended the duration of those entities, set to expire in 2016 and 2020, respectively.

74. In and around November 2012, plaintiff Leon Pokoik provided managements with an appraisal for purposes of determining the rent that valued the property at in excess of \$216,000,000, and that, applying the lease's 5% formula, led to a rent of \$10,500,000 for the January 1, 2015 renewal term.

75. From November 2012 through Spring 2014, Leon Pokoik continued to object to managements' proposal.

76. From November 2012 through Spring 2014, managements' attorney Gary Rappaport maintained on multiple occasions, in response to queries from plaintiffs' counsel, that the rent for the January 1, 2015 renewal term had not been fixed by management.

77. The 575 Realties financial statement for the year ended January 31, 2014, issued around September 2014, states that in August 2014 the ground lease was amended and that managements of Norsel Realties and 575 Realties reached an agreement that 575 Realties would pay Norsel Realties \$7,200,000 annually for the January 1, 2015 renewal term.

78. When asked by plaintiffs' counsel whether managements' rent figure was based on an appraisal, and if so, to provide it, managements' counsel Robert Safron in a September 26, 2014 email provided none, responding: "the materials on which these decisions were based, including any applicable appraisals, are proprietary information and are not being shared outside of the management groups."

79. On October 10, 2014, plaintiffs' counsel provided managements with an appraisal that valued the property at in excess of \$406,000,000, and that, applying the lease's 5% formula, established a rent of \$20,300,000 annually for the January 1, 2015 renewal term.

80. By letter dated October 10, 2014, plaintiffs' counsel wrote a letter to managements for Norsel Realties, 575 Realties, 575 Associates demanding that plaintiffs' October 2014 appraisal be used to set the rent received by Norsel starting January 1, 2015.

81. By letter dated October 10, 2014, plaintiffs' counsel wrote to Norsel Realties demanding that, among other things, Norsel Realties take any and all legal action to protect the partnership's interests.

82. Managements rejected both demands by letter from their attorney John D. Winter dated October 17, 2014.

83. Demands that managements act was in any event futile because of managements' collusion and self-interest.

84. Upon information and belief, managements are purposely undervaluing the market value of the Norsel Realties property so that it advances their personal estate tax strategies.

85. Upon information and belief, by amending the lease and/or agreeing to a rent of only \$7,200,000, Norsel Realities' owners and management are, without fair consideration, depriving Norsel Realities' owners out of the rent and therefore equity that they are entitled to under the lease.

86. Upon information and belief, Norsel Realities as a whole is damaged \$131,000,000, which is the difference between the \$72,000,000 Norsel Realities is set to receive under managements' arrangement (\$7,200,000 annually for 10 years), and the \$203,000,000 Norsel Realities has a right to receive under the lease (\$20,300,000 annually for 10 years, based upon the \$406,000,000 appraised value of the land).

87. Upon information and belief, Steinberg & Pokoik Management Corp. (SPMC), is a wholly owned subsidiary of 575 Realities, and acts as a real estate managing agent for the property.

88. Upon information and belief, Michael Steinberg and other Steinberg/ Pokoik family members and acquaintances receive compensation from SPMC for little or no work.

89. Upon information and belief, Michael Steinberg spends little or no time in New York.

90. Michael Steinberg, 575 Realities, and SPMC have refused to disclose to Leon Pokoik the compensation paid through SPMC.

91. Upon information and belief, Michael Steinberg and others have additional incentive to have the lowest rent as possible go to Norsel, because the more money that remains in 575 Realities, the more there is to pay persons at SPMC.

92. Upon information and belief, other current or former Norsel partners or Trustees of trusts containing partnership interests, including defendants Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, wrongfully consented and wrongfully agreed to have Norsel Realities receive less than it was entitled under the January 1, 2015 renewal term.

93. Upon information and belief, defendants Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, all agreed to have Norsel Realities receive less than it was entitled under the January 1, 2015 renewal term, because it advanced their own and/or their family members' estate planning strategies.

94. Upon information and belief, defendants Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, all have additional incentive to have less rent go to Norsel, because either themselves, their family members, or their friends receive compensation from SPMC.

AS AND FOR A FIRST CAUSE OF ACTION,
ASSERTED ON BEHALF OF NORSEL REALTIES

95. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs "1" through "94" of this complaint with the same force and effect as if more fully set forth herein.

96. Upon information and belief, by arranging and/or agreeing that Norsel Realities would only receive \$7,200,000 annually under the renewal term starting January 1, 2015, defendant Michael Steinberg breached his fiduciary duty to Norsel Realities, and is liable to Norsel Realities for \$131,000,000 (the difference between the \$72,000,000 managements have arranged for Norsel Realities to receive over 10 years, and the \$203,000,000 it should receive over that time based upon the appraised value of the property), plus interest.

AS AND FOR SECOND CAUSE OF ACTION,
ASSERTED ON BEHALF OF NORSEL REALTIES

97. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs "1" through "96" of this complaint with the same force and effect as if more fully set forth herein.

98. Upon information and belief, by arranging and/or agreeing that Norsel Realities would only receive \$7,200,000 million annually under the renewal term starting January 1, 2015, defendant Jay Lieberman breached his fiduciary duty to Norsel Realities, and is liable to Norsel Realities for \$131,000,000, plus interest.

AS AND FOR A THIRD CAUSE OF ACTION,
ASSERTED ON BEHALF OF NORSEL REALITIES

99. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs “1” through “98” of this complaint with the same force and effect as if more fully set forth herein.

100. In an October 17, 2014 email, managements’ counsel John Winter indicated that all Norsel Realities general partners agreed to the \$7,200,000 ground rent, other than plaintiffs.

101. Upon information and belief, by arranging and/or agreeing that Norsel Realities would only receive \$7,200,000 million annually under the renewal term starting January 1, 2015, defendants Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, breached their fiduciary duties to Norsel Realities, and are liable to Norsel Realities for \$131,000,000, plus interest.

AS AND FOR A FOURTH CAUSE OF ACTION,
ASSERTED BY PLAINTIFF LEON POKOIK

102. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs “1” through “101” of this complaint with the same force and effect as if more fully set forth herein.

103. Upon information and belief, by arranging and/or agreeing that Norsel Realities would only receive \$7,200,000 million annually under the renewal term starting January 1, 2015, defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, breached their fiduciary duties to Leon Pokoik, and are jointly and severally liable to plaintiff Leon Pokoik for \$5,457,460 (4.166% of \$131,000,000), plus interest.

AS AND FOR A FIFTH CAUSE OF ACTION,
ASSERTED BY PLAINTIFF DAVIN POKOIK

104. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs “1” through “103” of this complaint with the same force and effect as if more fully set forth herein.

105. Upon information and belief, by arranging and/or agreeing that Norsel Realities would only receive \$7,200,000 million annually under the renewal term starting January 1, 2015, defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, breached their fiduciary duties to Davin Pokoik, and are jointly and severally liable to plaintiff Davin Pokoik for \$1,637,500 (1.25% of \$131,000,000), plus interest.

AS AND FOR A SIXTH CAUSE OF ACTION,
ASSERTED BY PLAINTIFF ALICIA POKOIK DETERS

106. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs “1” through “105” of this complaint with the same force and effect as if more fully set forth herein.

107. Upon information and belief, by arranging and/or agreeing that Norsel Realities would only receive \$7,200,000 million annually under the renewal term starting January 1, 2015, defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, breached their fiduciary duties to Alicia Pokoik Deters, and are jointly and severally liable to plaintiff Alicia Pokoik Deters for \$1,637,500 (1.25% of \$131,000,000), plus interest.

AS AND FOR A SEVENTH CAUSE OF ACTION,
ASSERTED BY PLAINTIFF DAVIN POKOIK AS TRUSTEE

108. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs “1” through “107” of this complaint with the same force and effect as if more fully set forth herein.

109. Upon information and belief, by arranging and/or agreeing that Norsel Realities would only receive \$7,200,000 million annually under the renewal term starting January 1, 2015, defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, breached their fiduciary duties and are jointly and severally liable to plaintiff Davin Pokoik as Trustee of Leon Pokoik Grantor Retained Annuity Trust f/b/o G.P. for \$1,355,850 (1.035% of \$131,000,000), plus interest.

AS AND FOR AN EIGHTH CAUSE OF ACTION
ASSERTED BY PLAINTIFF ALICIA POKOIK DETERS AS TRUSTEE

110. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs “1” through “109” of this complaint with the same force and effect as if more fully set forth herein.

111. Upon information and belief, by arranging and/or agreeing that Norsel Realities would only receive \$7,200,000 million annually under the renewal term starting January 1, 2015, defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg,, breached their fiduciary duties and are jointly and severally liable to plaintiff Alicia Pokoik Deters, as Trustee of Leon Pokoik Grantor Retained Annuity Trust f/b/o C.D., A.D, and J.D. for \$4,067,550 (3.105% of \$131,000,000), plus interest.

AS AND FOR A NINTH CAUSE OF ACTION
ASSERTED ON BEHALF OF NORSEL REALTIES

112. Plaintiffs repeat and reallege each and every allegation set forth in paragraphs “1” through “111” of this complaint with the same force and effect as if more fully set forth herein.

113. Upon information and belief, on or about November 13, 2014, shortly after plaintiffs filed the instant lawsuit, Michael Steinberg, Jay Lieberman and possibly the other defendants arranged for Norsel Realities to transfer ownership of 575 Madison Avenue to a new entity, Norsel Realities, LLC.

114. Upon information and belief, on or about November 13, 2014, Michael Steinberg, Jay Lieberman and possibly the other defendants arranged for the Norsel Realities LLC to take over the ground lease from Norsel Realities.

115. Both transactions were made without informing plaintiffs and without plaintiffs’ consent.

116. Norsel Realities’ “Articles of Partnership” dated March 15, 1988, as amended by “First Amendment of Articles of Partnership by Norsel Realities,” dated January 1, 1988 (hereinafter “the Norsel Partnership Agreement”), states (i) “the affairs of the partnership shall be conducted by all of the partners,” (ii) “in case of a difference of opinion” among the partners with respect to management “the partners having more than 50% partnership interest” shall prevail,” and (iii) “except that in any event no partner or group of partners shall the right to sell the whole of the said co-partnership business or his share without the prior written consent of all of the partners.”

117. Upon information and belief, the transfer was made to in whole or in part to defeat the terms of the Partnership Agreement, including its April 30, 2016 expiration date.

118. Norsel Realities’ managers have refused to provide plaintiffs with the Norsel Realities, LLC operating agreement.

119. Norsel Realities' managers have refused plaintiffs' demand that managements take actions to protect the rights of Norsel Realities and its partners with respect to the two November 2014 transactions.

120. Plaintiffs request that the deed transferring 575 Madison Avenue from Norsel Realities to Norsel Realities, LLC, the assumption of ground lease, and all other instruments in connection therewith, be set aside and voided.

WHEREFORE, plaintiffs demand (1) a judgment against defendant Michael Steinberg and in favor of Norsel Realities for \$131,000,000, plus interest; (2) a judgment against defendant Jay Lieberman and in favor of Norsel Realities for \$131,000,000, plus interest; (3) a judgment against Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, in their individual and respective Trustee capacities as captioned, jointly and severally, and in favor of Norsel Realities for \$131,000,000, plus interest; (4) a judgment against defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, in their individual and respective Trustee/ Executor capacities as captioned, jointly and severally, and in favor of plaintiff Leon Pokoik for \$5,457,460 plus interest; (5) a judgment against defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, in their individual and respective Trustee/ Executor capacities as captioned, jointly and severally, and in favor of plaintiff Davin Pokoik for \$1,637,500 plus interest; (6) a judgment against defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine

Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, in their individual and respective Trustee / Executor capacities as captioned, jointly and severally, and in favor of plaintiff Alicia Pokoik Deters for \$1,637,500 plus interest; (7) a judgment against defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, in their individual and respective Trustee / Executor capacities as captioned, jointly and severally, and in favor of plaintiff Davin Pokoik as Trustee of Leon Pokoik Grantor Retained Annuity Trust f/b/o G.P for \$1,355,850, plus interest; (8) a judgment against defendants Michael Steinberg, Jay Lieberman, Andrew Benenson, Meredith K. Cohen, Leslie Endelson, Alison Granbery, Johanna Igel, Ronnie Igel, Carolyn A. Koslow, Peter Koslow, William Koslow, Gary Pokoik, Jonathan Pokoik, Justine Pokoik Hopkins, Meryl Sherman, Diane L. Steinberg, Francine Steinberg, Jeffrey Steinberg, and Stuart L. Steinberg, in their individual and respective Trustee / Executor capacities as captioned, jointly and severally, and in favor plaintiff Alicia Pokoik Deters, as Trustee of Leon Pokoik Grantor Retained Annuity Trust f/b/o C.D., A.D. and J.D. for \$4,067,550, plus interest; (9) the deed transferring 575 Madison Avenue from Norsel Realties to Norsel Realties, LLC, the assumption of ground lease, and all other instruments in connection therewith, be set aside and voided; and (10) such other and further relief as this court deems just and proper.

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Huntington, New York 11743
(631) 421 – 2500

ATTORNEY VERIFICATION

STATE OF NEW YORK)

: ss.:

COUNTY OF SUFFOLK)

I, the undersigned, an attorney admitted to practice in the courts of New York State, state that I am an associate at the **Law Firm of GARY N. WEINTRAUB, LLP**, the attorneys of record for the plaintiffs herein; I have read the foregoing **Verified Amended Complaint** and know the contents thereof; the same is true to my own knowledge, except as to the matters therein stated to be alleged on information and belief, and as to those matters I believe them to be true. The reason why this verification is made by me and not by the plaintiffs is that plaintiffs do not reside in the county wherein your affiant maintains his office. The grounds of my belief are conversations with plaintiffs, investigations made, and documents in my possession.

Dated: Huntington, New York
May 23, 2016



Leland S. Solon