

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

-----X Index No.: 605687/2015

DAWN MECCA, INDIVIDUALLY AND AS A
SHAREHOLDER OF PAYBACK REPO, INC.,
D/B/A PRI AND, PAYBACK REPO, INC.,
AND AS A SHAREHOLDER OF RISK MANAGEMENT
AND LOSS MIIGATION SERVICES, INC., AND RISK
MANAGEMENT AND LOSS MITIGATION
SERVICES, INC.,

**VERIFIED
COMPLAINT**

Plaintiffs,

—against—

SCOTT LENNON, INDIVIDUALLY AND
AS PRESIDENT OF PAYBACK REPO, INC.,
D/B/A PRI AND, PAYBACK REPO, INC. AND
AS PRESIDENT OF RISK MANAGEMENT
AND LOSS MIIGATION SERVICES, INC.,
AND RISK MANAGEMENT AND LOSS
MITIGATION SERVICES, INC.,

Defendants.

-----X

Plaintiffs, **DAWN MECCA, INDIVIDUALLY and PAYBACK REPO, INC., D/B/A
PRI, AND PAYBACK REPO, INC., AND AS A SHAREHOLDER OF RISK
MANAGEMENT AND LOSS MITIGATION SERVICES, INC., AND RISK
MANAGEMENT AND LOSS MITIGATION SERVICES, INC.,** by her attorneys, The Law
Offices of Charles J. Casolaro, hereby complains of the Defendants and alleges as follows:

BACKGROUND

FIRST: That at all times hereinafter mentioned, DAWN MECCA, (hereinafter
“Plaintiff”) is a 49% owner of the defendant corporation PAYBACK REPO, INC. (hereafter

“PAYBACK”), with a place of business located at 343 Merrick Road, Lynbrook, New York 11563.

SECOND: That at all times hereinafter mentioned, Plaintiff was and still is the Chief Executive Officer of PRI RISK MANAGEMENT AND LOSS MITIGATION SERVICES, INC., (hereafter “PRI”) with a place of business located at 343 Merrick Road, Lynbrook, New York 11563.

THIRD: That at all times hereinafter mentioned, PAYBACK is a New York, domestic corporation with a principal place of business located as hereinabove mentioned.

FOURTH: That at all times hereinafter mentioned, PRI is a New York, domestic corporation with a principal place of business located as hereinabove mentioned.

FIFTH: That at all times hereinafter mentioned, SCOTT LENNON, (hereafter “DEFENDANT LENNON” or “LENNON”) is the President and a shareholder of PRI.

SIXTH: That at all times hereinafter mentioned, LENNON is a 51% owner of PAYBACK and its president.

SEVENTH: That at all times hereinafter mentioned, the Plaintiff is and was a shareholder and director of PAYBACK.

EIGHTH: That at all times relevant herein, PAYBACK is a repossession and asset recovery corporation that services the five boroughs of New York City, and Nassau and Suffolk counties.

NINTH: That at all times hereafter mentioned, PRI is a repossession and asset recovery corporation that services the five boroughs of New York City, and Nassau and Suffolk counties.

TENTH: That at all times hereafter mentioned, Plaintiff is and was a stockholder and officer of the defendant corporations, collectively.

ELEVENTH: That at all times hereafter mentioned, the Plaintiff has been unlawfully excluded from the daily operations of the Defendant corporations, collectively and by Lennon individually.

TWELFTH: That at all times hereafter mentioned, Lennon and the Defendant corporations purposefully excluded the Plaintiff from the daily operations of the corporations, refused to allow the Plaintiff to inspect the corporate books, refused and withheld the distribution of the corporate profits and dividends to the Plaintiff.

THIRTEENTH: That at all times hereafter mentioned, the Defendants collectively have violated the by-laws of the Defendant corporations.

FOURTEENTH: That at all times hereafter mentioned, the Defendant Lennon has purposefully redirected corporate profits in a deliberate attempt to conceal and hide the income generated by the Defendant Corporations from the Plaintiff.

FIFTEENTH: That at all times hereafter mentioned, the Defendant Lennon and the Defendant Corporations have illegally converted the corporate profits and have used the money in a way that violated the by-laws of the Corporations.

SIXTEENTH: That at all times hereafter mentioned, the Plaintiff has demanded the payment of her investment dividend; the Defendant Lennon and the Defendant Corporations have intentionally refused to respond to the Plaintiff and have not paid any sums of money to the Plaintiff.

SEVENTEENTH: That at all times hereafter mentioned, Defendant Lennon and the above-named Corporate Defendants have generated millions of dollars in revenue and have purposefully excluded the Plaintiffs from the Corporations for the sole purpose of converting, hide, secreting and embezzling said funds for the purposes for which said funds are not intended.

AS AND FOR A FIRST CAUSE OF ACTION
Breach of Contract

EIGHTEENTH: Plaintiff repeats and re-alleges each and every allegation contained within paragraphs marked “FIRST” through “SEVENTEENTH” with the same force and effect as if more fully set-forth hereinbelow.

NINETEENTH: The Defendant Lennon and Defendant Corporations have failed to properly remunerate the Plaintiffs of their lawfully earned corporate profits, as agreed.

TWENTIETH: Because of their actions, Defendant Lennon and Corporate Defendants breach of contract, Plaintiff is unable to support herself and is being deprived of a legally earned and entitled benefit.

TWENTY-FIRST: As a direct and proximate result of Defendants Lennon and the Corporations above-named conduct, Plaintiffs have been damaged in an amount of no less than \$1,000,000.00.

AS AND FOR A SECOND CAUSE OF ACTION
Larceny by Trick and Conversion of
Corporate Funds

TWENTY-SECOND: Plaintiff repeats and re-alleges each and every allegation contained within paragraphs marked “FIRST” through “TWENTY-FIRST” with the same force and effect as if more fully set-forth hereinbelow.

TWENTY-THIRD: The Defendants have used the revenue generated from the operations of business for purposes other than its lawful, business purpose.

TWENTY-FOURTH: Defendant Lennon has refused, after demand therefrom, to pay and distribute any regular income and dividend income to the Plaintiff. Rather, Defendant Lennon has purposefully misappropriated said funds for his own illegal benefit.

TWENTY-FIFTH: As a direct and proximate result of Defendants Lennon and the Corporations above-named conduct, Plaintiffs have been damaged in an amount of no less than \$1,000,000.00.

AS AND FOR A THIRD CAUSE OF ACTION
Corporate Dissolution

TWENTY-SIXTH: Plaintiff repeats and re-alleges each and every allegation contained within paragraphs marked "FIRST" through "TWENTY-FIFTH" with the same force and effect as if more fully set-forth hereinbelow.

TWENTY-SEVENTH: Defendant Lennon and the Defendant Corporations and their officers and directors engaged in conduct which is violative of their fiduciary duty to the shareholders, which includes Plaintiff Mecca.

TWENTY-EIGHTH: The continuance of the Defendant corporations is solely to enrich the majority stockholder (Defendant Lennon) by way of salaries and other benefits, to the exclusion of the Plaintiff and her rightful and legal distribution.

TWENTY-NINTH: Defendant Lennon, as majority stockholder, has wrongfully diverted assets and income and used said assets and income for his own benefit to the exclusion of Plaintiff and stockholder Mecca.

THIRTIETH: As a direct and proximate result of Defendants Lennon and the Corporations above-named conduct, Plaintiffs have been damaged in an amount of no less than \$1,000,000.00.

WHEREFORE, Plaintiffs seek judgment against Defendants, awarding Plaintiffs:

1. On the First Cause of Action, compensatory damages in the amount of not less than \$1,000,000.00 together with costs and any other relief the Court deems equitable;
2. On the Second Cause of Action, compensatory damages in the amount compensatory

damages in the amount of not less than \$1,000,000.00, together with costs and any other relief the Court deems equitable;

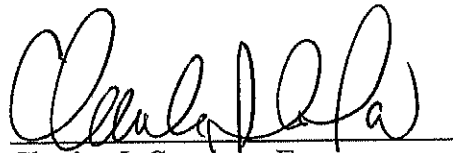
3. On the Third Cause of Action, dissolution of the defendant corporations as well as compensatory damages in the amount of not less than \$1,000,000.00 and punitive damages in an amount of not less than \$1,000,000.00, together with attorney's fees and prejudgment interest at the maximum rate allowed by law;

4. The appointment of a Receiver to manage and account for the corporate revenues and profits;

5. Disbursements, attorneys fees, and such further and other relief as the Court deems just and proper.

Dated: Garden City, New York
January 27, 2016

**THE LAW OFFICES OF CHARLES J.
CASOLARO**



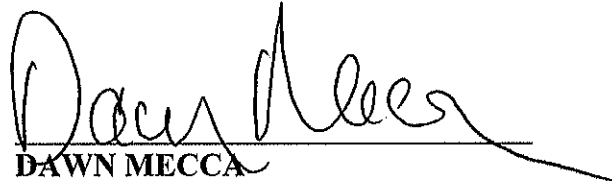
Charles J. Casolaro, Esq.
Attorneys for Plaintiffs
1050 Franklin Avenue, Suite 402
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Facsimile: (516) 706-0086

VERIFICATION

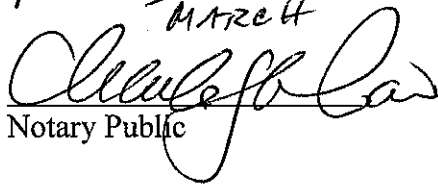
New York
STATE OF ~~FLORIDA~~)
) ss.:
COUNTY OF *NASSAU*)

DAWN MECCA, being duly sworn deposes and says:

I am the plaintiff in this civil case. I have read the foregoing VERIFIED
COMPLAINT, know the contents thereof, and the same is true to my knowledge except as to
those matters stated to be alleged upon information and belief, and as to those matters, I believe
them to be true.


DAWN MECCA

Sworn to before me this
1st day of January, 2016
MARZETT


Notary Public

CHARLES J. CASOLARO
Notary Public, State of New York
No. 01CA5041320
Qualified in Nassau County
Commission Expires March 27, *2019*