

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

In the Matter of the Application of

INDEX NO.

MELVIN LEV and RONALD GLAZER,
Holders of a 66.66% Membership Interest,

Petitioners,

For Appointment of a Receiver or Liquidating
Trustee for RMD PROPERTIES LLC, Pursuant
to §703 of the Limited Liability Company Law,
and PROSPECT HEIGHTS ASSOCIATES,
L.P., Pursuant to the Limited Partnership Act,

VERIFIED PETITION

- Against -

DOUGLAS ROSENBERG, NOAH
DEVELOPMENT CORPORATION and R&H
INVESTMENT CO. LLC,

Respondents.

Petitioners Melvin Lev (“Lev”) and Ronald Glazer (“Glazer”) (collectively, “Petitioners”), by their undersigned attorneys Greenbaum, Rowe, Smith & Davis LLP, respectfully show to this Court as follows:

NATURE OF THE PROCEEDING

1. This is a proceeding to judicially confirm the dissolution of both: (a) RMD Properties LLC (“RMD”), a limited liability company in which Petitioners no longer wish to participate with respondent Douglas Rosenberg (“Rosenberg”); and (b) Prospect Heights Associates, L.P. (“PHA”), a partnership in which RMD holds more than a 99% partnership interest.

2. Importantly, this proceeding also seeks the prompt appointment of a liquidating trustee to wind up the affairs of both RMD and PHA, and an Order compelling Rosenberg to provide an accounting together with all ancillary financial records for both RMD and PHA.

THE PARTIES

3. RMD is a domestic limited liability company organized under the Limited Liability Company Law of the State of New York. A true and correct copy of RMD's Articles of Organization is annexed hereto as Exhibit "A."

4. The Articles of Organization designate Kings County as the location of RMD's principal office.

5. RMD was to be operated pursuant to the terms of its written Operating Agreement, a true and correct copy of which is annexed hereto as Exhibit "B."

6. RMD was formed so as to hold a limited partnership interest in Prospect Heights Associates, L.P. ("PHA"), a limited partnership formed under the laws of the State of New York. A true and correct copy of PHA's original Limited Partnership Agreement is annexed hereto as Exhibit "C."

7. PHA is the owner of certain real property located at 781 Washington Avenue, Brooklyn, New York (the "Building").

8. Petitioner Lev is an individual residing in the State of New York, County of New York. Lev holds a 33.33% membership interest in RMD.

9. Petitioner Glazer is an individual residing in the State of New York, County of New York. Glazer also holds a 33.33% membership interest in RMD.

10. Upon information and belief, respondent Rosenberg is an individual residing in the State of New York, County of Richmond. Rosenberg holds a 33.33% membership interest in RMD.

11. RMD owns a 98.9% limited partnership interest and a 0.25% general partnership interest in PHA.

12. Respondent Noah Development Corporation (“Noah”) is a New York corporation. Noah owns a 0.75% general partnership interest in PHA. Noah is the managing general partner of PHA.

13. Respondent R&H Investment Co. LLC (“R&H”) is a limited liability company organized under the laws of the State of Maine, with its principal office located in Portland, Maine. R&H holds a 0.1% limited partnership interest in PHA.

FACTUAL ALLEGATIONS

14. PHA was formed in 1981 to acquire, rehabilitate, own, maintain, operate and manage the Building, which is a 67 unit residential housing development. For many years, the Building was a HUD project, with the majority of apartment units therein designated as affordable and/or low income housing.

15. PHA has, for the past 35 years, developed, owned, rehabilitated and managed the Building, and continues to do so to the present.

16. Through a series of assignments and/or purchases, the parties came to hold the aforementioned ownership interests in PHA, to wit: (a) RMD owns a 98.9% limited partnership interest and a 0.25% general partnership interest; (b) Noah owns a 0.75% general partnership interest and serves as the managing general partner; and (c) R&H owns a 0.1% limited partnership interest. A true and correct copy of the most recent such Assignment dated January

10, 2012, wherein R&H assigned its 0.25% general partnership interest to Noah and assigned a 49.65% limited partnership interest to RMD – while retaining a 0.1% limited partnership interest – is annexed hereto as Exhibit “D.” A true and correct copy of an Amendment to PHA’s Limited Partnership Agreement, also dated January 10, 2012 and confirming the parties’ respective ownership interests in PHA, is annexed hereto as Exhibit “E.”

17. After years of doing business together in RMD and PHA, Rosenberg unilaterally threw Lev and his belongings out of RMD’s office in or about August 2015. At that time, Rosenberg had made demand to obtain more than his *pro rata* share of the proceeds from the sale of real property made by another entity in which the parties were co-members. The Petitioners refused to make an excess distribution to Rosenberg and he retaliated.

18. Rosenberg, both individually and through his control of Noah – the managing general partner of PHA – has long controlled the finances, books and records of RMD. Notwithstanding this position and his obligations with respect to providing accountings, Rosenberg has failed to provide the requisite financial information to Petitioners.

19. In fact, Rosenberg has intentionally jumbled documents from the parties’ business dealings, making it nearly impossible for Lev to make sense of the parties’ dealings.

20. In furtherance of his efforts to make matters difficult for the Petitioners and commencing in or about early 2016, Rosenberg and Noah have consistently failed and refused to provide Petitioners with RMD’s financial records, notwithstanding that RMD’s Operating Agreement requires that, within seventy-five (75) days after the end of each taxable year, a complete accounting of RMD’s affairs is to be sent to all members.

21. Rosenberg and Noah even failed to timely provide to Petitioners Forms K-1 relating to the 2015 fiscal year. In fact, PHA’s accountant, Jack Zuckerman, CPA, advised Lev

that he was specifically instructed by Rosenberg not to release the financial statements or other materials, including tax returns, to the Petitioners.

22. Indeed, Petitioners have consistently sought and demanded that Rosenberg timely provide them with requisite tax forms K-1, along with financial information and/or an accounting for RMD. Petitioners retained counsel to address Rosenberg's abject failure to meet his obligations under the Operating Agreement, with counsel transmitting a written demand on or about June 28, 2016. A true and correct copy of this demand is annexed hereto as Exhibit "F."

23. In late July 2016, Rosenberg responded by providing Petitioners with a "draft" financial statement for 2015. While Respondents note that Rosenberg has altogether failed to provide the actual and complete financials as required, the contents of the "draft" 2015 financials also caused Petitioners further concern.

24. In this regard, Petitioners discovered that Rosenberg simply took for himself an unexplained sum of no less than \$52,000 from RMD and/or PHA during 2012 – without ever advising Petitioners.

25. Moreover, based upon the limited documentation, it appears that Rosenberg has unilaterally changed the \$52,000 debt that he owed to RMD and/or PHA into a \$108,000 debt owed to Rosenberg from RMD and/or PHA.

26. Rosenberg has provided no explanation of any kind for this \$160,000 swing in RMD's and PHA's financials.

27. Equally as troubling, a comparison of the "draft" 2015 financials to the limited records provided by Rosenberg for 2014 shows, among other things, that: (a) RMD's and PHA's financial expenses inexplicably increased by more than \$21,000 in 2015; (b) RMD's and PHA's tax and insurance costs increased by nearly \$26,000 in 2015; (c) RMD's and PHA's "income

from operations before depreciation and amortization” decreased nearly \$29,000 in 2015; and (d) the companies’ net loss went from approximately \$6,500 in 2014 to approximately \$66,800 in 2015.

28. Rosenberg has failed to provide any explanation for these changes in RMD’s and PHA’s finances, over which he has exclusive control.

29. Clearly, Rosenberg and/or Noah have engaged in a derogation of their duties to Petitioners, RMD and PHA, charged unwarranted “management fees,” incurred unnecessary payroll costs and otherwise surreptitiously converted certain proceeds from RMD’s business operations.

30. When confronted with such failures and derogations of duty, Rosenberg has brazenly stated that he can behave and act as he sees fit and without input from Petitioners, as he is the managing general partner through Noah. Rosenberg has also failed and refused to provide any distributions to Petitioners for the past two years.

31. While Rosenberg provided Forms K-1 to Petitioners in or about early July 2016, he has altogether failed to provide Petitioners with complete financial records or an accounting as required under the Operating Agreement. Nor, for that matter, has Rosenberg responded in any fashion to Petitioners’ demand that he cease incurring unnecessary and inappropriate fees and costs and/or converting funds belonging to RMD to his own use.

32. As a result of Rosenberg’s unlawful conduct, Petitioners seek to dissolve and liquidate their business interests with Rosenberg.

33. Thus, Petitioners have agreed in writing that, as collective 2/3 holders of RMD, they are dissolving RMD in accordance with RMD’s Operating Agreement. See §7.1.2 of

RMD's Operating Agreement, Exhibit "B"; Petitioners Written Agreement to Dissolve RMD, Exhibit "G".

34. Moreover, pursuant to §8.01(ii) of PHA's Limited Partnership Agreement, PHA shall be automatically dissolved upon the dissolution of any one of its general partners, unless any remaining general partner "elects to continue the business." See Exhibit "D," §§ 7.03 and 8.01. Because it is undisputed that RMD is a 0.25% general partner in PHA, RMD's dissolution automatically causes the dissolution of PHA absent the objection of Noah, the only other general partner.

35. In that RMD holds a 98.9% limited partnership interest and a 0.25% general partnership interest in PHA, it would be grossly inequitable and even unlawful for Noah – holding a 0.75% general partnership interest and yet in control of PHA as its managing general partner – to prohibit a dissolution.

36. So as to avoid any anticipated procedural wrangling from Noah and/or Rosenberg, Petitioners have called an election by all limited partners – namely RMD and R&H, a holder of a 0.1% limited partnership interest – to formally dissolve PHA should Noah otherwise obstruct its dissolution. See Exhibit "D," §8.01(iii) of the Limited Partnership Agreement; Exhibit "H," written election to dissolve.

37. Indeed, Lev and Glazer have voted in writing, on behalf of RMD, to dissolve PHA and are in the process of seeking such a vote from R&H in favor of dissolution as well. As RMD's Operating Agreement provides that 60% of the members' must vote in favor of any matter requiring approval of the members, Lev's and Glazer's collective two-thirds membership interest in RMD permits them to cause RMD to vote in favor of dissolution of PHA. See Ex. "B," §5.2.2.

38. As a result of the foregoing, RMD was dissolved in accordance with its Operating Agreement. As a result of the foregoing, PHA will be imminently dissolved in accordance with its Limited Partnership Agreement. Their purpose and business are no more.

39. In order to facilitate an orderly winding up of the affairs of both RMD and PHA, most notably the settlement of any debts and the liquidation of their chief asset – the Building – Petitioners bring this action and seek the appointment of a fiscal agent and liquidating trustee, along with other relief as set forth below, to effectuate the dissolution and winding up of both RMD and PHA.

40. Petitioners have not made any demand upon RMD and/or PHA to bring an action against Rosenberg.

41. Such a demand would be a futile and useless act because, aside from Petitioners, Rosenberg is the only other member in RMD and, through Noah, the managing general partner of PHA. Rosenberg and/or Noah, the perpetrators of the waste of corporate assets and refusal to provide corporate financial records complained of herein, are incapable of making an independent and disinterested decision to institute and vigorously prosecute this action.

FIRST CAUSE OF ACTION
(Appointment of Liquidating Trustee)

42. Petitioners repeat and reallege Paragraphs 1 through 41 above as if set forth fully herein.

43. Pursuant to §703 of the Limited Liability Company Law, in the event of dissolution and good cause shown, the Court may wind up the affairs of a limited liability company.

44. By reason of RMD's dissolution through written agreement of 2/3 of the members pursuant to RMD's Operating Agreement, to say nothing of the ongoing dereliction of duties by

Rosenberg, there is an urgent need for the prompt appointment of a liquidating trustee to wind up RMD's affairs.

45. Moreover, by virtue of the impending dissolution of PHA upon the written election of the limited partners in PHA, should such a step become necessary, the same need exists with respect to winding up the affairs of PHA, whether pursuant to New York Partnership Law §68 or New York Partnership Law §121-803(a).

46. In light of the allegations raised herein, Rosenberg cannot be trusted to wind up RMD's and/or PHA's affairs. He has demonstrated his willingness to subordinate RMD's and/or PHA's interests to those of his own.

47. As a direct and proximate result of the foregoing, Petitioners are entitled to relief under the Limited Liability Company Law and/or the New York Partnership Law.

WHEREFORE, Petitioners demand judgment against respondents Douglas Rosenberg and Noah Development Corporation as follows:

(a) Declaring the dissolution of RMD and PHA, and appointing a liquidating trustee to wind up the affairs of RMD and PHA, including but not limited to overseeing the sale of the Building;

(b) For a temporary restraining order and preliminary injunction enjoining and restraining Rosenberg and/or Noah from using any of the assets of RMD and/or PHA outside the ordinary course of business, including but not limited to utilizing the assets of RMD and/or PHA for personal expenses and/or legal costs;

(c) For an Order appointing a receiver for the duration of this litigation;

(d) For an accounting;

(e) For compensatory and consequential damages;

- (f) For punitive damages;
- (g) For attorneys' fees;
- (h) For interest and costs of suit;
- (i) For such other and further relief that the Court deems equitable and just.

SECOND CAUSE OF ACTION
(Direct and Derivative Claims - Breach of Fiduciary Duty)

48. Petitioners repeat and reallege Paragraphs 1 through 47 above as if set forth fully herein.

49. Rosenberg, by reason of his position of trust and control as a member of RMD, owed to Petitioners the fiduciary duties of loyalty, honesty and due care.

50. Similarly, Noah, by reason of its position of trust and control as a general partner in PHA, similarly owed to Petitioners and RMD the fiduciary duties of loyalty, honest and due care.

51. By engaging in the aforesaid conduct, including but not limited to failing and refusing to provide Petitioners with tax returns, financial statements and/or other information about the operations of RMD and/or PHA and misappropriating funds from RMD and/or PHA, Rosenberg and Noah breached their fiduciary duties owed to Petitioners, RMD and PHA.

52. As a direct and proximate result thereof, Petitioners, RMD and PHA have been damaged in an amount to be determined at trial.

WHEREFORE, Petitioners demand judgment against respondents Douglas Rosenberg and Noah Development Corporation as follows:

- (a) Declaring the dissolution of RMD and PHA, and appointing a liquidating trustee to wind up the affairs of RMD and PHA, including but not limited to overseeing the sale of the Building;

(b) For a temporary restraining order and preliminary injunction enjoining and restraining Rosenberg and/or Noah from using any of the assets of RMD and/or PHA outside the ordinary course of business, including but not limited to utilizing the assets of RMD and/or PHA for personal expenses and/or legal costs;

(c) For an Order appointing a receiver for the duration of this litigation;

(d) For an accounting;

(e) For compensatory and consequential damages;

(f) For punitive damages;

(g) For attorneys' fees;

(h) For interest and costs of suit;

(i) For such other and further relief that the Court deems equitable and just.

THIRD CAUSE OF ACTION
(Accounting)

53. Petitioners repeat and reallege Paragraphs 1 through 52 above as if set forth fully herein.

54. Pursuant to Article VIII of RMD's Operating Agreement, the members are required to keep complete and accurate books and records. All members are also entitled to a complete accounting of RMD's affairs within seventy-five (75) days of the end of the most recent taxable year.

55. Similarly, pursuant to Article IX of PHA's Limited Partnership Agreement, the managing general partner – i.e., Rosenberg and/or Noah – is required to keep and maintain complete and accurate books and records. All partners are also entitled each year to a copy of the unaudited financial report furnished by PHA to HUD.

56. Rosenberg and/or Noah, as the managing general partner, have steadfastly failed and refused to provide Petitioners with tax returns or financial statements for either RMD or PHA, despite the relevant operating documents calling for such production. Petitioners have no adequate remedy at law.

57. By reason of the foregoing, Rosenberg and/or Noah should be required and compelled to account for the business affairs of RMD and PHA.

WHEREFORE, Petitioners demand judgment against respondents Douglas Rosenberg and Noah Development Corporation as follows:

(a) Declaring the dissolution of RMD and PHA, and appointing a liquidating trustee to wind up the affairs of RMD and PHA, including but not limited to overseeing the sale of the Building;

(b) For a temporary restraining order and preliminary injunction enjoining and restraining Rosenberg and/or Noah from using any of the assets of RMD and/or PHA outside the ordinary course of business, including but not limited to utilizing the assets of RMD and/or PHA for personal expenses and/or legal costs;

(c) For an Order appointing a receiver for the duration of this litigation;

(d) For an accounting;

(e) For compensatory and consequential damages;

(f) For attorneys' fees;

(g) For interest and costs of suit;

(h) For such other and further relief that the Court deems equitable and just.

FOURTH CAUSE OF ACTION
(Breach of Contract)

58. Petitioners repeat and reallege Paragraphs 1 through 57 above as if set forth fully herein.

59. As a party to RMD's Operating Agreement, Rosenberg agreed to abide by its terms and carry on RMD's business as set forth in that Operating Agreement.

60. Rosenberg has breached his obligations under RMD's Operating Agreement as a result of the foregoing by, amongst other things: (a) giving himself distributions prior to repaying Petitioners in full for their initial capital contributions; (b) failing and refusing to devote sufficient time to RMD's business affairs; and (c) failing and refusing to provide Petitioners with access to RMD's books and records and failing and refusing to provide Petitioners with complete accountings.

61. Similarly, as a party to PHA's Limited Partnership Agreement, Noah – wholly owned and controlled by Rosenberg – agreed to abide by its terms and carry on PHA's business as set forth in that Limited Partnership Agreement.

62. Noah has breached its obligations under PHA's Limited Partnership Agreement as a result of the foregoing by, amongst other things: (a) failing to properly maintain the Building and/or make proper arrangements for its management; (b) failing to maintain complete books and records and/or make such books and records available upon demand by other partners; and (c) failing to provide to other partners annual financial reports for PHA, notwithstanding repeated demand therefor.

63. As a direct and proximate result of Rosenberg's and Noah's breach of contract, Petitioners, RMD and PHA have been damaged in an amount to be determined at trial.

WHEREFORE, Petitioners demand judgment against respondents Douglas Rosenberg and Noah Development Corporation as follows:

(a) Declaring the dissolution of RMD and PHA, and appointing a liquidating trustee to wind up the affairs of RMD and PHA, including but not limited to overseeing the sale of the Building;

(b) For a temporary restraining order and preliminary injunction enjoining and restraining Rosenberg and/or Noah from using any of the assets of RMD and/or PHA outside the ordinary course of business, including but not limited to utilizing the assets of RMD and/or PHA for personal expenses and/or legal costs;

(c) For an Order appointing a receiver for the duration of this litigation;

(d) For an accounting;

(e) For compensatory and consequential damages;

(f) For attorneys' fees;

(g) For interest and costs of suit;

(h) For such other and further relief that the Court deems equitable and just.

FIFTH CAUSE OF ACTION

(Tortious Interference with Contract)

64. Petitioners repeat and reallege Paragraphs 1 through 63 above as if set forth fully herein.

65. At all times relevant hereto, Petitioners and Rosenberg were the sole members of RMD and parties to its Operating Agreement, governing the manner in which RMD was to operate and handle its business operations.

66. Noah, a corporation in which Rosenberg is the sole shareholder, certainly had knowledge of RMD's Operating Agreement.

67. Notwithstanding that knowledge, Noah tortiously interfered with RMD's Operating Agreement by, among other things, preventing the provision of all required tax returns, financial statements and/or other records to Petitioners and causing Rosenberg to fail to uphold his obligations under the Operating Agreement.

68. With full knowledge of the terms of RMD's Operating Agreement, Noah's tortious conduct was willful and intentional, with malice, for the purpose of enriching itself and/or Rosenberg at the expense of Petitioners and/or RMD.

69. As a direct and proximate result of Noah's tortious interference with contractual relations, Petitioners and RMD have suffered and continue to suffer irreparable harm and damages.

70. Noah's tortious conduct was performed with a conscious disregard of Petitioners' and RMD's rights, such as to constitute oppression, fraud or malice, thereby rendering them liable for punitive damages as well.

WHEREFORE, Petitioners demand judgment against respondents Douglas Rosenberg and Noah Development Corporation as follows:

(a) Declaring the dissolution of RMD and PHA, and appointing a liquidating trustee to wind up the affairs of RMD and PHA, including but not limited to overseeing the sale of the Building;

(b) For a temporary restraining order and preliminary injunction enjoining and restraining Rosenberg and/or Noah from using any of the assets of RMD and/or PHA outside the ordinary course of business, including but not limited to utilizing the assets of RMD and/or PHA for personal expenses and/or legal costs;

(c) For an Order appointing a receiver for the duration of this litigation;

- (d) For an accounting;
- (e) For compensatory and consequential damages;
- (f) For punitive damages;
- (g) For attorneys' fees;
- (h) For interest and costs of suit;
- (i) For such other and further relief that the Court deems equitable and just.

SIXTH CAUSE OF ACTION

(Tortious Interference with Prospective Economic Advantage)

71. Petitioners repeat and reallege Paragraphs 1 through 70 above as if set forth fully herein.

72. At all times relevant hereto, RMD's Operating Agreement called for distributions to be made to its members only upon the repayment to Petitioners of all capital contributions they made at RMD's inception (\$240,000) each. Rosenberg made no capital contribution whatsoever.

73. Despite this obligation, Rosenberg and/or Noah have, in fact, made distributions to themselves notwithstanding that neither Lev nor Glazer has in fact been repaid in full their respective capital contribution, with each Petitioner still owed \$20,000 of such sum.

74. Moreover, Rosenberg took a total of \$52,000 from RMD and/or PHA in 2012, which as recently as 2014 was reflected on RMD's draft financial statements provided to Petitioners as a "loan receivable affiliates."

75. In a draft financial statement for calendar year 2015 – just provided by Rosenberg in July 2016 after repeated demand, and still in "draft" form – the \$52,000 "loan" that Rosenberg took from RMD and/or PHA has disappeared, having been replaced by an entry of a "loan payable affiliates" in the amount of \$108,000.

76. Upon information and belief, Rosenberg has simply deleted any reference to the \$52,000 he took from RMD and/or PHA and replaced it with a notation that, somehow, RMD and/or PHA now owes him \$108,000. In that Rosenberg has consistently failed and refused to provide any relevant financial documents or tax returns to Petitioners, neither Lev nor Glazer has seen any evidence whatsoever that Rosenberg actually repaid the \$52,000 to RMD and/or PHA, let alone that he would somehow be owed money by RMD.

77. Certainly, Petitioners and RMD had an expectation of continued access to those funds and a continued opportunity to utilize such funds.

78. Rosenberg and/or Noah had knowledge of the above and the terms of RMD's Operating Agreement.

79. Notwithstanding their knowledge of the foregoing and Petitioner's and RMD's expected economic benefit therefrom, Rosenberg and/or Noah have tortiously interfered with Petitioners' and RMD's prospective economic advantage by, among other things: (a) providing distributions to Rosenberg notwithstanding that neither Lev nor Glazer have been repaid their full capital contribution; and (b) upon information and belief, refusing and failing to repay a "loan" Rosenberg took from RMD and/or PHA and simply erasing it from the entities' financial records. Petitioners and RMD have, accordingly, been deprived of the use of these funds due to the actions of Rosenberg and Noah.

80. With full knowledge of the aforementioned economic relationships and circumstances, Rosenberg's and Noah's tortious conduct was willful and intentional, with malice, for the purpose of enriching themselves at the expense of Petitioners and RMD.

81. As a direct and proximate result of Rosenberg's and/or Noah's tortious interference with prospective economic benefit, Petitioners and RMD have suffered and continue to suffer irreparable harm and damages.

82. Rosenberg's and/or Noah's tortious conduct was performed with a conscious disregard of Petitioners' and RMD's rights, such as to constitute oppression, fraud or malice, thereby rendering Rosenberg and Noah liable for punitive damages as well.

WHEREFORE, Petitioners demand judgment against respondents Douglas Rosenberg and Noah Development Corporation as follows:

(a) Declaring the dissolution of RMD and PHA, and appointing a liquidating trustee to wind up the affairs of RMD and PHA, including but not limited to overseeing the sale of the Building;

(b) For a temporary restraining order and preliminary injunction enjoining and restraining Rosenberg and/or Noah from using any of the assets of RMD and/or PHA outside the ordinary course of business, including but not limited to utilizing the assets of RMD and/or PHA for personal expenses and/or legal costs;

(c) For an Order appointing a receiver for the duration of this litigation;

(d) For an accounting;

(e) For compensatory and consequential damages;

(f) For punitive damages;

(g) For attorneys' fees;

(h) For interest and costs of suit;

(i) For such other and further relief that the Court deems equitable and just.

SEVENTH CAUSE OF ACTION
(Unjust Enrichment)

83. Petitioners repeat and reallege Paragraphs 1 through 82 above as if set forth fully herein.

84. Accordingly, as detailed above, Rosenberg and/or Noah have been unjustly enriched as a direct and proximate result of their misappropriation of funds and/or property rightfully belonging to RMD and/or PHA.

WHEREFORE, Petitioners demand judgment against respondents Douglas Rosenberg and Noah Development Corporation as follows:

(a) Declaring the dissolution of RMD and PHA, and appointing a liquidating trustee to wind up the affairs of RMD and PHA, including but not limited to overseeing the sale of the Building;

(b) For a temporary restraining order and preliminary injunction enjoining and restraining Rosenberg and/or Noah from using any of the assets of RMD and/or PHA outside the ordinary course of business, including but not limited to utilizing the assets of RMD and/or PHA for personal expenses and/or legal costs;

(c) For an Order appointing a receiver for the duration of this litigation;

(d) For an accounting;

(e) For compensatory and consequential damages;

(f) For punitive damages;


(g) For attorneys' fees;

(h) For interest and costs of suit;

(i) For such other and further relief that the Court deems equitable and just.

GREENBAUM, ROWE, SMITH & DAVIS LLP

By: _____


MARC J. GROSS

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Dated: September 15, 2016

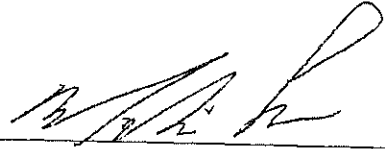
TO: Michael J. Marino, Esq.
Attorneys for Respondents Douglas Rosenberg and Noah Development Corporation
61 High Avenue
Nyack, New York 10960

VERIFICATION

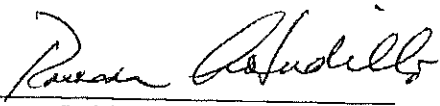
STATE OF NEW YORK)
COUNTY OF Queens) ss:

MELVIN LEV, being duly affirmed, deposes and says:

I am one of the two Petitioners in this proceeding. I have read the foregoing Petition and know the contents thereof; and the same is true to my own knowledge, except as to those matters therein stated to be alleged upon information and belief, and as to those matters I believe them to be true.



Melvin Lev

Sworn to before me this
18th day of September 2016,


Notary Public

[Seal]

ROSSANA ASTUDILLO
Notary Public State of New York
No. 01AS6178395
Qualified in Queens County
Commission Expires 12/03/ 2019