

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

-----X Index No. 652246/10

JG CLUB HOLDINGS, LLC, as assignee of TDK Holdings,
LLC, Individually and derivatively
on behalf of JACARANDA CLUB, LLC,

Plaintiffs,

**PLAINTIFFS' SECOND
AMENDED
VERIFIED COMPLAINT**

-against-

JACARANDA HOLDINGS, LLC, DAVID M. TALLA
a/k/a MICHAEL TALLA and CLUB AT 60TH ST., INC.,

Defendants

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Plaintiffs, JG Club Holdings, LLC, as assignee of TDK Holdings,
LLC individually and derivatively on behalf of Jacaranda Club, LLC, by their attorney,
Henry E. Rakowski, Esq., as and for their complaint, hereby avers as follows:

1. Plaintiff, JG Club Holdings, LLC, (hereinafter "JG Club Holdings") is a domestic limited liability company, is the assignee of TDK Holdings, LLC, the 48.9% member of Plaintiff Jacaranda Club, LLC.

2. Plaintiff, Jacaranda Club, LLC, (hereinafter "Sapphire") is a domestic limited liability company, that owns and operates a gentlemen's night club, cabaret, bar and restaurant at 333 East 60th Street, New York City doing business under the name "Sapphire".

3. Upon information and belief, Defendant, Jacaranda Holdings, LLC (hereinafter "Jacaranda Holdings") is a domestic limited liability company, doing business in the State, County and City of New York, is the 51.1% member and managing member of Defendant, Jacaranda Club, LLC, is controlled and operated by its managing member,

Defendant, David Michael Talla a/k/a Michael Talla, and the instant causes of action arise out of said relationships.

4. Upon information and belief, Defendant, David Michael Talla a/k/a Michael Talla, (hereinafter “Talla”) is an individual doing business in the State, County and City of New York, is the managing member of Defendant, Jacaranda Holdings, LLC, the manager of Plaintiff, Jacaranda Club, LLC, and the shareholder and president of Defendant, Club at 60th Street, Inc., and the instant causes of action arise out of said relationships.

5. Upon information and belief, Defendant, Club at 60th Street, Inc., (hereinafter “Landlord”) is a domestic corporation, doing business in the State County and City of New York, is the sub-sublandlord of Plaintiff, Jacaranda Club, LLC, at the premises known as 333 East 60th Street, New York City, (hereinafter the “Premises”) is owned and operated by its president, Defendant, David Michael Talla a/k/a Michael Talla, and the instant causes of action arise out of said relationships.

BACKGROUND FACTS

6. Prior to December 23, 2008, Defendant, Landlord, sub-subleased the Premises to 333 East 60th Street Inc., operating a gentleman’s nightclub and bar operating under the name “Score’s”.

7. On December 23, 2008, 333 East 60th Street Inc. closed on its sale of all or substantially all of its assets and the gentlemen’s nightclub and bar as a going concern to Plaintiff, Sapphire, pursuant to an asset purchase agreement dated effective November 4, 2008. In connection with that transaction, Defendant, Talla, signed the Bill of Sale on behalf of Sapphire, signed the consent to the assignment of the lease on behalf of

Landlord, and signed the Assignment and Assumption Agreement of the sub-sublease of the Premises on behalf of “Sapphire”.

8. The Sub-sublease of the Premises is dated August 11, 2003 between 333 East 60th Street Inc. (hereinafter “Score’s”) and Defendant, Landlord, with expiration date of October 30, 2008, a five-year term. Score’s exercised its renewal option for an additional five-year term commencing October 1, 2008.

9. The two-page Operating Agreement of Plaintiff, Jacaranda Club, LLC, dated December 4, 2008, is signed twice by Defendant, David M. Talla, once on behalf of Sapphire by Defendant, Jacaranda Holdings, as its managing member and a second time on behalf of Jacaranda Holdings, the Managing Member of Sapphire. The other member, TDK Holdings, LLC signed by Jeff Wasserman and Glen Bernardi, its members.

10. On March 17, 2009, Talla, as managing member of Jacaranda Holdings, the managing member of Sapphire, consented to the assignment by TDK Holdings, LLC of its entire membership interest of Sapphire to Plaintiff, JG Club Holdings, LLC.

11. Under the Operating Agreement of Sapphire, Defendant, Jacaranda Holdings, was named managing member, who has the authority to do such acts as are necessary or convenient to, or for the furtherance of the purposes described therein, including all statutory powers possessed by managing members under New York’s Limited Liability Company Law.

12. Plaintiff, Sapphire began operating effectively on or about January 1, 2009, and, according to the 2009 tax return prepared by accountants selected and hired by Defendants, in 2009 Sapphire earned \$8.532 million in gross sales and declared a total rental expense to Defendant, Landlord, of \$2.170 million.

13. On September 24, 2010, Jack Rifenbark, the in-house counsel for Defendant, Talla, and appointed by Talla to be Sapphire's vice president, sent an e-mail to Jeffrey Wasserman, the managing member of JG Club Holdings alleging that Sapphire owed "over 2m in back rent due to a continuing inability to pay the rental obligation assumed from Scores."

14. According to Sapphire's 2009 tax return, prepared by the accountants selected and hired by Talla, the monthly rent paid to the Landlord worked out to \$180,000 per month.

15. According to Sapphire's general ledger supplied on December 3, 2010, by Jacaranda Holdings pursuant to an accounting demanded by JG Club Holdings, Sapphire's rent increased to \$3.895 million or \$324,583 per month for the eleventh month period through November, 2010, an increase of almost double in monthly rent that no arms-length tenant would ever agree to pay.

16. The first time that JG Club Holdings learned of the increase in rent was after JG Club Holdings' accountants could evaluate Sapphire's general ledger. Defendants gave no prior or subsequent notice to Plaintiffs of the rent increase. Had Defendants given any advance notice of the huge rent increase, Plaintiffs would have objected and litigation would have ensued on January 1, 2010.

17. Notwithstanding the e-mail of Jack Rifenbark of September 24, 2010, according to Sapphire's tax return ending in 2009, prepared by the accountants selected by Talla, Sapphire does not declare any liability owing to the landlord or any liability claimed is self-serving, in furtherance of the conflict of interest, and in further breach of Defendants' fiduciary duties.

18. Prior to December, 2010, as far as Plaintiffs understood, Sapphire was paying the Landlord \$180,000 per month in rent. As of January 1, 2011, Landlord accepted what amounts to no more than \$180,000 month rent from Sapphire without any reservation of rights to demand a different sum.

19. Defendants, Jacaranda Holdings and Talla's, domination, manipulation and control over Sapphire, as its managing member and manger, respectively, and simultaneously owning Landlord, is a fundamental conflict of interest that cannot be reconciled.

20. Defendants, Talla and Jacaranda Holdings, have acted on the conflict of interest by dominating and controlling Sapphire such that it to pays Landlord a rent far in excess of the market rent.

21. The payments of what amounts to a increase of double the rent to Landlord is excessive and a breach of the fiduciary obligation owed to Sapphire and JG Club Holdings, because Talla and Jacaranda Holdings are looting Sapphire its cash assets to assure that no distribution would be made to Plaintiff, JG Club Holdings and that Sapphire appears to be insolvent and unable to pay its arms-length debts as they mature.

22. The looting of Sapphire has resulting in the deliberate under capitalization of Sapphire.

23. Even at a monthly rental of \$180,000, Sapphire is paying a rent far in excess of market.

24. Given Defendant, Talla's, untenable position as manager of Sapphire and at the same time, the owner and president of Landlord, Talla has an inherently defective

conflict of interest and failed to assert the rights of Plaintiff, Sapphire, against the Landlord in a non-biased manner against himself.

25. Defendant, Talla's, self-interest and self dealing is made clear when he dispatched Jack Rifembark, his vice president and in-house counsel, to assert the false allegation that Sapphire owes over \$2 million in back rent to Landlord.

26. Talla's motive is made transparent by an agreement he executed on behalf of Landlord with First Bank and Trust Company of Illinois ("First Bank") entitled Second Amendment to Loan Documents, dated October 14, 2009. In that Agreement, a loan owed to First Bank by MJG Club Holdings, LLC in the sum of \$7.858 million was assumed by Landlord. MJG Club Holdings, LLC is an entity that operated a gentlemen's nightclub, bar and restaurant on West 23rd Street. Paragraph 16 (i) of that Agreement provides as follows:

[Landlord] shall not cause or permit the Sublease to be amended, modified or terminated or the Sub-sublease to be amended or modified, without the prior written consent of Lender. Unless [Landlord] has effectuated the transfer by Jacaranda Club of its liquor licenses, cabaret license and other operating licenses for the Sapphire Club New York to [Landlord], [Landlord] shall not cause or permit the Sub-sublease to be terminated without the prior written consent of Lender.

Plaintiff, JG Club Holdings, was not a party to that Agreement, but it demonstrates the managing member's motivation to fabricate claims of large liabilities, which Sapphire cannot pay, to position a transfer of Sapphire's assets and good will to Landlord without consideration to its Members or to Sapphire.

27. Plaintiffs are now in possession of explicit evidence that Defendants intend to gratuitously transfer the assets, good will and business of Sapphire as a going concern to Landlord.

28. Plaintiffs would not only be damaged by the theft of the corporate opportunities, capital contributions, and lost distributions, but the company has potential to “go public”, thereby amplifying the value of the assets that would be gratuitously transferred and damages that Plaintiffs would suffer if Defendants were permitted to continue on their present course of conduct.

29. The general ledger delivered on December 3, 2010 to Plaintiff, JG Club Holdings, by Defendants, Jacaranda Holdings and Talla, also demonstrate the looting of Sapphire when Defendants caused Sapphire to directly pay First Bank the debt owed by Landlord in significant sums exceeding \$200,000 and making additional transfers totaling about \$800,000.

30. Defendants failed to disclose that Sapphire assumed Landlord’s debt to First Bank and that they were making direct payments of Landlord’s debt from Sapphire’s bank account. Under Talla’s misguided management, self-dealing and failure to observe corporate formalities, Plaintiff, Sapphire, has effectively assumed the Landlord’s debt owed to First Bank in contravention of Defendants’, Talla and Jacaranda Holdings’, fiduciary obligation to Plaintiffs.

31. Landlord assumed a \$7 million debt originally owed by MJG Club Holdings to First Bank after the nightclub at the west side property became untenable after New York City stripped it of its certificates of occupancy and licenses to operate a nightclub for an adult use.

32. Defendants have acted in bad faith, casually siphoning off the cash assets of Sapphire to suit their whims and greed, depriving Plaintiff, JG Club Holdings, of a distribution and making it disingenuously appear that Sapphire was insolvent, while arms-length creditors of Sapphire continue to go unpaid.

33. Defendants, Jacaranda Holdings and Talla, failed to meet their fiduciary obligations to Plaintiffs, have abused their managerial positions, have acted recklessly and without any legitimate business purpose, and should be removed from their respective positions.

34. The above conduct demonstrates an outrageous abuse of power of the position of manager and managing member to the harm and detriment of Sapphire and the minority member, JG Club Holdings.

35. Defendants are engaged in a self-serving course of conduct whereby they are operating Sapphire for their own personal business and benefit and to Plaintiffs' detriment and harm.

36. Defendants' conduct has imperiled the soundness of the Plaintiff's capital account and JG Club Holdings' capital accounts are not being adequately protected, given Defendants' conflict of interest

37. Further demonstrating Defendants' callous and self-serving operation of Sapphire, Defendants willfully refuse to pay the vendors who renovated and constructed the Sapphire club, even though these hard working vendors deserve to be paid.

38. Since Jacaranda went operational in January, 2009, the manager and managing member have not ordered any distributions to any member, but Defendants are enjoying the significant monies being siphoned off in an improper manner.

39. Plaintiffs seek damages by reason of Defendants' self-dealing, breaches of their fiduciary duty, waste, diversion, misconduct, mismanagement, malfeasance, wrongdoing, and misallocation and misappropriation of Sapphire's assets.

40. Plaintiff, JG Club Holdings, is the minority member of Sapphire and brings this action derivatively and on Sapphire's behalf to recover restitution and damages from Defendants, to oust the managing member, oust the manager, reset the rent being paid to the Landlord to a market rent, and evaluate the amount of any distributions and order a distribution of same.

Futility of Demand

41. By virtue of the foregoing, any demand on Sapphire, Talla or Jacaranda Holdings, the managing member and manager, is therefore futile.

42. Defendants' actions constitute a breach of their fiduciary duties and a misappropriation of funds by Defendants who are in a position of having direct access to Sapphire's cash assets to the exclusion of JG Club Holdings.

**AS AND FOR A FIRST CAUSE OF ACTION
AGAINST DEFENDANTS FOR AN ACCOUNTING**

43. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs "1" through "42", supra, as if more fully set forth at length herein.

44. Defendants should be directed to provide an equitable accounting of all funds that they received directly or indirectly from Sapphire, and to deliver a copy of all records, regardless of form that they are stored, including a full download of all un-redacted back-ups of the computer entries of any financial, banking and "quickbooks" type software programs, to allow Plaintiff to determine where funds and assets of

Sapphire have been paid, transferred or diverted and otherwise dispersed in an improper manner.

45. Defendants should be required to disclose any interest they own in any entity not listed in the above-caption which entity received a payment from Sapphire in excess of \$10,000 in the aggregate since January, 2009.

**AS AND FOR A SECOND CAUSE OF ACTION
AGAINST DEFENDANTS FOR DAMAGES/RESTITUTION**

46. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs “1” through “45”, supra, as if more fully set forth at length herein.

47. Defendants should be ordered to return all excessive funds that they received from Sapphire.

48. A Judgment should be entered against Defendant, Landlord, for a sum of money representing the excess of fair market rent paid to it by Sapphire.

49. A Judgment should be entered against Defendant, Talla, for a sum of money representing any funds that he received from Sapphire directly or indirectly.

50. A Judgment should be entered against Defendants, Landlord and Talla, for a sum of money representing the payments Sapphire made on its behalf of First Bank.

**AS AND FOR A THIRD CAUSE OF ACTION
AGAINST DEFENDANTS, TALLA AND JACARANDA HOLDINGS,
DIRECTING A DISTRIBUTION**

51. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs “1” through “50”, supra, as if more fully set forth at length herein.

52. Plaintiffs estimate that after Defendants make restitution to Sapphire, over \$4 million would become available for a distribution.

53. Plaintiffs respectfully request that an order be issued directing the manager and managing member to make a distribution to its members pursuant to Sapphire's Operating Agreement after a hearing to determine the actual amount of restitution.

**AS AND FOR A FOURTH CAUSE OF ACTION
AGAINST DEFENDANTS, TALLA AND JACARANDA HOLDINGS,
FOR THE REMOVAL OF THE MANAGER AND MANAGING MEMBER**

54. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs "1" through "53", supra, as if more fully set forth at length herein.

55. Removal of Defendants, Jacaranda Club as managing member and Talla as manager, at least with respect to the complained of conflicts of interest should be ordered.

56. Given Talla's ownership of the Landlord and his ordering the looting of Sapphire to pay himself an exorbitant rent, he should be removed from any future dealings between Sapphire and Landlord. Defendants should likewise be removed from any decisions on which vendors to pay. Plaintiff, JG Club Holdings, should be substituted as managing member and manager for these purposes.

57. Given Talla's decision in his capacity as manager and managing member of Jacaranda Holdings, which is Sapphire's managing member, to loot Sapphire by using its bank account to pay First Bank a debt that is owed to First Bank by Landlord, he should be removed from making any unilateral decisions on paying any vendor, employee, independent contractor expected to incur bills in excess of \$50,000 per year in the aggregate.

58. Given Talla's refusal to distribute the cash profits from Sapphire to the minority member, after concealing profits by distributing Sapphire's profits directly and

indirectly to himself using subterfuge, he and Jacaranda Holdings should be removed from making any decisions in the future on when and how much of a distribution should be made.

59. Given Defendants past propensity to conceal the true facts from Plaintiffs, JG Club Holdings, the minority member, it should be directed that the minority member shall have free and unfettered access directly to any computer records, business documentation and records, and financial records without any conditions or further hindrance by the Defendants, including the right to download all un-redacted financial information to a flash drive for examination and review.

**AS AND FOR A FIFTH CAUSE OF ACTION
AGAINST DEFENDANTS, FOR AN EQUITABLE REFORMATION
OF THE LEASE**

60. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs "1" through "59", supra, as if more fully set forth at length herein.

61. Defendants domination and control over Sapphire resulted in a rent being paid of \$180,000 per month for 2009, which is excessive and far in excess of market value.

62. The unilateral decision by Defendants to dominate and control Sapphire to pay Landlord a rent increase of \$180,000 a month to over \$320,000 a month rent for 2010 is irresponsible, reckless, deceitful, wrongful, fraudulent and in contravention of the most basic principals of fiduciary obligation owed by Defendants, Jacaranda Holdings and Talla, to Plaintiffs.

63. The payment of such a grossly excessive rent to Landlord demonstrates that Defendants, Jacaranda Holdings and Talla, abused their dual position as managing member and manager of Sapphire, respectively, and also owning and operating Landlord.

64. Defendants Jacaranda Holdings and Talla are fatally conflicted in their positions and interest to Sapphire and have looted over \$3 million of Sapphire's assets in 2010 alone.

65. To avoid fraud and to achieve equity, Plaintiffs pray that the Court will equitably reform the lease between Sapphire and Landlord such that a market rent, to be determined after considering reports prepared of such a calculation, plus a nominal increase per year is paid to Landlord.

66. Landlord's acceptance of what amounts to twelve monthly payments of rent from Sapphire for 2009 at \$180,000 per month for a year without any reservation of rights operated an estoppel and waiver of any claims that Sapphire owed Landlord or has agreed to pay Landlord a rent in excess of \$180,000 per month.

67. Landlord never sent any notices of any arrears of rent, notices to cure, notice to quit and has always accepted rent without the reservation of any rights, and therefore any claims of arrears have long since been waived and Landlord is estopped from asserting any arrears.

68. Defendants have profited from their own wrong and the Court is respectfully requested to intervene and achieve equity in favor of Sapphire and the minority member who has been victimized by Defendants.

**AS AND FOR A SIXTH CAUSE OF ACTION
AGAINST DEFENDANTS, TO SET ASIDE FRAUDULENT CONVEYANCES**

69. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs “1” through “68”, supra, as if more fully set forth at length herein.

70. The payments orchestrated by Defendants to Landlord for excessive rent and to First Bank for a debt that Sapphire did not owe, were either gratuitous or the consideration paid was either unfair or insufficient within the meaning of the New York State Debtor and Creditor Law § 270 et. seq. and therefore must be set aside as it relates to Plaintiffs.

71. That the transfers of cash assets of Sapphire were made in bad faith and were not arms length transfers.

72. The transfers were made with the intent to hinder, delay and defraud the minority member, an existing or future creditor of Jacaranda Club, LLC, so that it would disingenuously appear that Sapphire was insolvent, clearing a path for Defendants to avoid and neglect making a distribution of profits and to wrongfully transfer the good will and assets of Sapphire to Landlord or on Landlord’s behalf.

73. Defendants should not be permitted to profit from their own wrongs.

74. Any transfers between close companies that have common ownership or on behalf of the company with common ownership that is not supported by consideration and is only supported by unfair or insufficient consideration is fraudulent as it relates to Plaintiffs and must be set aside pursuant to New York Debtor and Creditor Law § 270 et. seq.

75. By virtue of the foregoing, all transfers of funds to Landlord which exceed market value of the rent or on behalf of Landlord to First Bank are void, are defective and must be set aside as a matter of law.

76. In the event that Defendants cannot immediately return the wrongfully transferred funds, it is respectfully requested that a money judgment be entered against Defendants jointly and severally for the aggregate sum of such transfers adjudged to be fraudulent plus the payment of accruing interest and costs.

**AS AND FOR A SEVENTH CAUSE OF ACTION
AGAINST DEFENDANTS, FOR THE REIMBURSEMENT
OF DEFENDANTS' LEGAL FEES**

77. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs "1" through "78", supra, as if more fully set forth at length herein.

78. The fraudulent conveyances averred herein should be found by the Court to have been made with the actual intent to hinder, delay and/or defraud Plaintiffs.

79. By virtue of the foregoing, Plaintiff should be entitled to recovery judgment for their reasonable attorneys fees pursuant to New York Debtor and Creditor Law § 276-a.

**AS AND FOR AN EIGHTH CAUSE OF ACTION
AGAINST DEFENDANTS, TALLA AND JACARANDA HOLDINGS,
FOR MONEY DAMAGES**

80. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs "1" through "70", supra, as if more fully set forth at length herein.

81. Defendants' conduct as described herein is what is known to Plaintiffs and what Plaintiffs have been forced to uncover and reveal for themselves given Defendants' conduct in concealing the true nature of their conduct towards the Plaintiffs.

82. During the pendency of this lawsuit and as a result of the equitable accounting and other disclosures that Defendants will have to make, it may be revealed other wrongdoing perpetrated by Defendants.

83. Plaintiffs respectfully request that this Court enter a money judgment against Defendants for such other and further damages to which this Court may be alerted.

**AS AND FOR AN EIGHTH CAUSE OF ACTION
AGAINST DEFENDANTS, TALLA AND JACARANDA HOLDINGS,
FOR DISSOLUTION OF JACARANDA CLUB, LLC**

84. Plaintiffs repeat and reallege each and every allegation set forth herein at paragraphs "1" through "83", supra, as if more fully set forth at length herein

85. The Operating Agreement of Plaintiff, Jacaranda Holdings, LLC, at ¶ 2 provides that the managing member shall manage the business of Sapphire.

86. While necessary given the demonstrated conflicts of interest and wrongdoing herein, removing the managing member from the operation of the business and replacing it with any minority member is a violation of the Operating Agreement.

87. Any further involvement between these parties in the operation of and management of Sapphire will condemn Sapphire to operating under conditions that have proven to be completely untenable.

88. This Court simply cannot be expected (and should not attempt) to continuously intervene in perpetuity in the disputes between the parties regarding the operation of Sapphire. Jacaranda Club, LLC should be dissolved (hopefully through

the successful sale of Sapphire), and the profits from the sale should be distributed among the proper parties.

89. Plaintiffs claim of damages to date should be resolved by this Court and the money judgment entered with respect to damages appropriately applied in connection with whatever ultimate distribution from the dissolution occurs.

90. Given the Defendants' abuse of their power arising under their respective position as landlord and manager and managing member, even during the course of this action, a receiver should be immediately appointed, who would be given full powers to investigate, report and stand in and act in place of the manager and managing member for all purposes, including, but not limited to, scouting a suitable location to move the operations of Sapphire when its current lease expires in or about October, 2013, advertise and market the Sapphire club as a going concern for immediate sale, collect all cash and other revenue and income into a secure account into which Defendants cannot reach, make distributions of profits, pay a rent at market rates until further disposition as to that issue, and pay only those bills which are arms length and required for the normal operation of Sapphire.

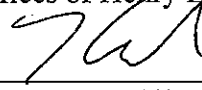
WHEREFORE, Plaintiff respectfully requests that an order be issued directing the clerk of the court to enter judgment against as follows:

1. On the first cause of action against Defendants for an equitable accounting of all payments made by Sapphire to or on behalf of Defendants, including the disclosure of any entities who received funds from Sapphire in which Defendants have any interest;
2. On the second cause of action against Defendants for restitution of all sums wrongfully paid to the Landlord in excess of market rent and paid on behalf of Landlord to First Bank;
3. On the third cause of action against Defendants, Talla and Jacaranda Holdings, directing a distribution of Sapphire's profits;
4. On the fourth cause of action against Defendants, Talla and Jacaranda Holdings for the removal of the manager and managing member;
5. On the fifth cause of action against Defendants for the equitable reformation of the lease so that market rent is being paid by Sapphire;
6. On the sixth cause of action against Defendants setting aside any fraudulent conveyances;
7. On the seventh cause of action against Defendants for the reimbursement of Plaintiff's legal fees;
8. On the eighth cause of action against Defendants for any money damages that are revealed after the commencement of this law suit;

9. On the ninth cause of action dissolving Jacaranda Club, LLC pursuant to Section 702 of the New York Limited Liability Company Law on the grounds that it is not reasonably practicable to carry on the business of Sapphire in conformity with the Jacaranda Operating Agreement and on separate application for the appointment of a receiver; and
10. For the costs and disbursements of this action and for such other and further relief as this Court may deem just and proper.

Dated: Bellmore, New York
February 10, 2012

Yours, etc.
Law Offices of Henry E. Rakowski



Attorney for Plaintiff
2631 Merrick Road, Suite 201
Bellmore, New York 11710
(516) 409-6900

VERIFICATION

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

Jeffrey Wasserman, being duly sworn, states that he is the Manager of JG Club Holdings, as assignee of TDK Holdings, LLC, a member of Jacaranda Club, LLC, the plaintiffs in this action, and that the foregoing second amended complaint is true to his own knowledge, except as to matters therein stated to be alleged on information and belief and as to those matters he believes it to be true and that he is executing this verification in such capacity.

JG Club Holdings, LLC

By: _____
Jeffrey Wasserman
Manager

Sworn to before me this

9th day of February, 2012



Notary Public

SALLY WASSERMAN
NOTARY PUBLIC
STATE OF NEW YORK
NEW YORK COUNTY
02WA6137089
COMM. EXP: 11 / M / 2013