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

CASITA, L.P., derivatively on behalf of MAPLEWOOD EQUITY PARTNERS (OFFSHORE) LTD., Plaintiff, -against- ROBERT V. GLASER, Defendant, and MAPLEWOOD EQUITY PARTNERS (OFFSHORE) LTD., Nominal Defendant.	Index No. 600782/07 **AMENDED COMPLAINT**

Plaintiff Casita, L.P. ("Casita"), by its undersigned attorneys and on behalf of nominal defendant MapleWood Equity Partners (Offshore) Ltd. (the "Company"), for its Amended Complaint against defendant Robert V. Glaser ("Glaser"), alleges as follows:

NATURE OF ACTION

1. This is a derivative action for breach of fiduciary duty against defendant Glaser, who, through his interest in certain voting-class shares in the Company and his control of the Company's Board of Directors and day-to-day operations, exercises complete dominion and control over the Company.

2. This action seeks compensatory and punitive damages and declaratory and injunctive relief on behalf of the Company for Glaser's improper use of the Company to

generate management fees and other compensation for himself, at the expense of the Company.

THE COMPANY

3. Nominal defendant the Company is an exempted company limited by shares incorporated in the Cayman Islands. The Company's purpose, as an offshore investment vehicle, is to invest in middle-market portfolio companies throughout the United States, improve their performance, and then sell those companies at a profit and realize investment returns for its shareholders.

4. By a written offering memorandum in 1998, the Company offered its shares to a limited number of investors, including plaintiff Casita. The Private Placement Memorandum distributed to potential investors stated that the Company would "be a growth-oriented investor, targeting companies with the potential to significantly expand revenues and profits within a five-year time frame," and that the Company would use a "buy and build" investment strategy to achieve a return of capital and investment gains "only upon the partial or complete disposition of a Company investment."

5. As set forth in the Company's Articles of Association (the "Articles"), the Company must be liquidated, and all of its capital returned to investors, by a date certain. There is, however, no requirement that the Company's life be extended until that time.

6. The Articles of Association divide the Company's shares into two classes—Class A and Class B. There are 4,999,900 Class A shares, which "confer upon the holders thereof rights to participate in the profits, [d]istributions or assets of the Company and the winding-up or repayment of capital," but no right to "receive notice of, attend at or vote at any general or other meeting of the Company." There are 100 Class B shares,

which, as described more fully below, entitle the holder to limited participation in the profits, distributions and assets of the Company, but confer full voting control.

7. In total, approximately two dozen investors (including Casita) have committed more than $40 million towards Class A shares of the Company. A secondary market exists for those shares, and investors may take, and some have taken, the opportunity to sell their shares during the life of the Company.

THE PARTIES

8. Plaintiff Casita is a limited partnership organized under the laws of the State of Delaware. Casita is an investment vehicle formed for the purpose of making investments in entities such as the Company.

9. In 1999, Casita purchased 61.9% of the issued and outstanding Class A shares by committing up to $25 million to the Company.

10. Casita's Class A shares entitle it to receive distributions and information from the Company and participate in all Company investments. However, because of the nature of Class A shares, neither Casita nor any of the other Class A shareholders have voting rights in the Company. All of the Class B shares of the Company, and hence all of the voting rights in the Company, are held by Glaser and/or entities he controls, as described more fully below.

11. Defendant Glaser holds a controlling interest in various entities that, as described more fully below, exercise complete dominion and control over the Company. Glaser is a citizen of the State of Florida.

ADDITIONAL RELEVANT ENTITIES

12. MapleWood Management LP (the "Manager") is the manager of the Company pursuant to the Articles of Association. The Manger is a limited partnership organized under the laws of the State of Florida.

13. MapleWood Partners LP (the "Advisor") is the advisor of the Company pursuant to the Articles of Association. The Advisor is a limited partnership organized under the laws of the State of Delaware.

14. MapleWood Holdings LLC ("MapleWood Holdings") is the general partner of both the Manager and the Advisor. It is a limited liability company organized under the laws of the State of Florida. Defendant Glaser is the managing member of MapleWood Holdings, and is also a limited partner in both MapleWood Holdings and the Advisor.

15. Glaser, the Manager, the Advisor and MapleWood Holdings are collectively referred to herein as "the Glaser Entities."

THE GLASER ENTITIES' COMPLETE CONTROL OVER THE COMPANY

16. All of the Class B shares of the Company, and hence all of the voting rights in the Company, are formally held by the Manager. The Manager, along with the Advisor, have employed these voting rights to control the Company's Board of Directors and to run the Company's day-to-day operations. MapleWood Holdings is the general partner of both the Manager and the Advisor, and defendant Glaser is the managing member of MapleWood Holdings. Glaser thus exercises complete dominion and control over all three entities—MapleWood Holdings, the Manager and the Advisor—that

control the Company’s voting rights and Board of Directors, and run its day-to-day operations.

17. The Articles of Association expressly provide that the Manager, as the holder of the Class B shares, must appoint all of the initial members of the Company’s Board of Directors. Thereafter, the Manager, as the holder of all voting shares in the Company, may elect and/or re-elect any such directors as the Manger sees fit. On information and belief, the Manager, in coordination and consultation with the advisor, has exercised its power to appoint the entirety of the Company’s Board of Directors with individuals who are entirely controlled by the Glaser Entities.

18. Moreover, although the Private Placement Memorandum offered to investors in 1998 identified an extensive team of purported advisors and employees of the Company, virtually all of these persons with the exception of Glaser either never were or are no longer affiliated with Glaser or the Company. For some time now, Glaser, through the corporate entities he dominates—the Manager, the Advisor and MapleWood Holdings—has essentially been managing the day-to-day operations of the Company.

19. Pursuant to Section 83 of the Articles and the Private Placement Memorandum, the Company delegated to Glaser the right to exercise all management, control and operational functions of the Company. The Private Placement Memorandum states:

> Mr. Glaser is responsible for the strategic and tactical management and oversight of the Manager, the Advisor, . . . and all functional units. All of the senior Principals will report to Mr. Glaser. Mr. Glaser’s role will be similar to that of a Chairman and Chief Executive Officer, reporting to a board, which he will chair . . . . As a chairman and chief executive officer does, Mr. Glaser has the authority to conduct all day-to-day affairs of the Manager and the Advisor.

20. Glaser chairs the Company's Investment Committee. Though decisions of the Investment Committee are required to be taken by majority vote of its members, Glaser's concurrence is required for all decisions.

21. In addition, Glaser controls the portfolio companies in which the Company invests, and has the effective right to appoint, and has in fact appointed, all managers and directors of such companies.

THE GLASER ENTITIES' CONFLICT OF INTEREST

22. The Glaser Entities, under Glaser's control, receive substantial compensation pursuant to certain agreements with the Company. Section 66 of the Articles of Association awards the Manager fees equal to "a percentage of the Company's total Commitments, excluding Commitments in Investments and Facilitating Investments which have been completely written off . . . ," and it also awards the Advisor certain advisory fees. These fees are the Glaser Entities' principal source of income. The Glaser Entities have financial incentives to commit as much of the Company's money as possible because the Glaser Entities' fees are a percentage of these commitments.

23. The Glaser Entities are also authorized to provide services to, and enter into separate consulting arrangements with, portfolio companies for additional fees. On information and belief, the Glaser Entities have done so.

24. If the Company earns only a modest profit, then the Articles of Incorporation provide that the Glaser Entities, with an interest only in Class B shares, are not eligible to participate in the Company's profits. In such a circumstance, the Glaser Entities will not earn any money beyond their fees. If, however, the Company earns enough to repay the Class A shareholders all of their initial capital plus a return of 8% per annum, then the

Glaser Entities, through their interest in Class B shares, will participate in any profits beyond that level.

25. To the extent profits are potentially large enough to be shared with the Glaser Entities, the Glaser Entities and the Company have a mutually aligned interest in selling the portfolio companies at the highest possible value to yield maximal proceeds for the Company.

26. However, once the Company can no longer realistically return 8% per annum—which has been the case for a considerable time due to the Company's poor performance—the Glaser Entities are not eligible to share in the profits of the Company. In this circumstance, there is a conflict of interest between the Glaser Entities, whose incentive is to maximize management and consulting fees from continuing portfolio company investments, and the Company, which can profit only from the sale of the portfolio companies at the most advantageous time—regardless of whether or not fees continue to be earned.

THE GLASER ENTITIES' FIDUCIARY DUTIES TO THE COMPANY

27. Notwithstanding any personal interest, the Glaser Entities owe fiduciary duties to the Company.

28. In particular, the Glaser Entities owe to the Company a fiduciary duty of loyalty, by which the Glaser Entities are required to act at all times in the best interests of the Company. The Glaser Entities must select and make investments on behalf of the Company that offer the greatest potential return and are in the best interests of the Company, without regard to the Glaser Entities' own interests in fees and other compensation.

29. The Glaser Entities also owe a fiduciary duty of good faith to the Company. The Glaser Entities are at all times required to operate in good faith with respect to the Company, and to be honest and candid and make complete disclosure in dealings with the Company and the Company's shareholders. The Glaser Entities are required to give the Company and its shareholders sufficient information to enable the Company (acting through its shareholders) and/or its shareholders to protect the Company's legal rights.

THE GLASER ENTITIES' BREACH OF THEIR
FIDUCIARY DUTIES TO THE COMPANY

30. The Company has principally invested in four portfolio companies: (i) AMC Computer Corp. ("AMC"); (ii) Corlund Electronics Inc. ("Corlund"); (iii) Uncle Julio's Corp. ("Uncle Julio's"); and (iv) Parts Depot, Inc. ("Parts Depot"). (The Company indirectly acquired the assets of another company, Tia's Restaurant ("Tia's"), through its investment in Uncle Julio's Corp.)

31. AMC and Corlund ceased operations shortly after the initial investment. The Company's investment in both companies is now worthless. Similarly, Uncle Julio's and Tia's performance has been marginal at best, with many of Tia's 27 locations having been shut down. The vast majority of the Company's investment in Parts Depot was recently forfeited to one of Parts Depot's creditors.

32. It has been clear for a considerable time that the Company cannot possibly return 8% or more per annum. Thus, for a considerable time, there has been a divergence of interest between the Glaser Entities and the Company. Because the Glaser Entities cannot share in the Company's profits, their only remaining interest in the Company is to maximize the management, advisory and consultant fees that the Company pays. The

Company, on the other hand, has a strong interest in maximizing the return on its investment, even if that return has no chance of reaching 8% per annum.

33. Rather than managing the Company in the best interest of the Company, as they were obligated to do, the Glaser Entities have instead breached their fiduciary duties to the Company. Specifically, the Glaser Entities breached their fiduciary duties to the Company by: (i) improvidently investing in AMC and refusing to take appropriate action to remedy or reveal to the Company or its shareholders a massive fraud at AMC, in order to protect the Glaser Entities' collection of management and consulting fees; (ii) refusing to sell Parts Depot at a time when it could return a reasonable value to the Company, in order to continue collecting management and consulting fees; and (iii) refusing to write down investments in AMC and Tia's, in order to continue collecting management and consulting fees from those investments.

34. In each of these instances, the Glaser Entities misused their fiduciary position to make a personal profit at the expense of the Company. Moreover, in each of these instances, the Glaser Entities withheld material information from the Company and its shareholders to prevent the Company (acting through its shareholders) and/or any of its shareholders from taking action to enforce the Company's legal rights.

A. <u>The Glaser Entities' Reckless Investment in, and Failure to Remedy or Reveal the Fraud at, AMC</u>

35. In or about 2002, the Glaser Entities caused the Company to invest in AMC, a computer hardware manufacturer.

36. During the Glaser Entities' due diligence into AMC, doubts arose concerning both AMC's financial performance and its compliance with generally accepted accounting principles ("GAAP"). The Glaser Entities' representative in charge of due

diligence determined that AMC did not have "adequate management" in the areas of "finance and accounting."

37. The Glaser Entities breached their fiduciary duty to the Company by forcing the Company to invest in AMC, notwithstanding the significant warning signs that they had uncovered. On information and belief, although investment in AMC was not in the best interest of the Company, the Glaser Entities caused the Company to invest in AMC because the Glaser Entities desperately needed to pay down a loan the Advisor owed (unconnected to the Company), and the AMC closing would generate substantial management and advisory fees for the Glaser Entities.

38. Soon after the Company acquired its interest in AMC, the Glaser Entities became aware that there was a massive accounting fraud underway at AMC. The heart of the fraud was the use of "pre-billing," or recognizing revenue before GAAP would permit its recognition, or, in many instances, recognizing purely fictitious revenue.

39. The Glaser Entities not only became aware of the accounting fraud at AMC, but also made the decision to perpetuate, rather than stop, such fraud. The Glaser Entities used their voting shares in AMC to name a majority of the members of AMC's Board of Directors, and the Glaser Entities posted one of their employees, Robert Reale, at AMC's offices, where Reale was given substantial managerial discretion and power. Upon information and belief, Reale was a principal architect of the fraud. Reale told defendant Glaser about AMC's fraudulent conduct on numerous occasions. The Glaser Entities breached their fiduciary duties by failing to end the fraud at AMC, despite having actual knowledge of the fraud.

40. The Glaser Entities further breached their fiduciary duties by failing to disclose the fraud to the Company and the Company's shareholders in an effort to prevent the Company (acting through its shareholders) and/or its shareholders from taking any action to protect the Company's investment. Although the Glaser Entities sent out periodic updates on the condition of the portfolio companies, none of these updates disclosed the fraud. For instance, none of these updates informed the Company or its shareholders that AMC's previous lender, GE Capital Corporation ("GECC"), had discovered that AMC was falsely inflating the amount of its accounts receivable through pre-billing and, therefore, that AMC was in default of its loan agreement with GECC. Instead, the updates stated that GECC had "arbitrarily imposed" a reserve against AMC's credit facility and that AMC was "in compliance with its senior loan covenants." The updates further provided the false reassurance that the "lenders were merely trying to squeeze the Company's liquidity, to force us to find a new lender."

41. Similarly, none of the Glaser Entities' periodic updates informed the Company or its shareholders that, under proper accounting principles, AMC had a stockholders' deficiency of more than $9 million as of December 31, 2002. To the contrary, the Company and its shareholders were continually informed that AMC had positive EBITDA. The year-end 2003 memorandum stated that the company had continually increased its EBITDA, from $0.56 million in 2001, to $1.9 million in 2002, and that AMC was expected to have "EBITDA of about $2.5 million" in 2003.

42. The Company and its shareholders were only later informed in the year-end 2004 memorandum that there had been an "EBITDA loss of $1.3 million in 2003," but

that "AMC finished [year 2004] with estimated revenues of $58 million and an estimated EBITDA of $1.3 million." In fact, EBITDA was negative for all years at AMC.

43. Had the Glaser Entities revealed the accounting fraud at AMC, or AMC's true financial condition, to the Company and its shareholders in a timely manner, the Company (acting through its shareholders) and/or its shareholders would have been in a position to demand, and would have demanded, remedial measures at AMC and/or prompt liquidation of AMC for the benefit of the Company. The Glaser Entities, however, placed their own interests in collecting continued management and advisory fees from the AMC investment above the interests of the Company.

44. This accounting fraud that the Glaser Entities were aware of, but did not disclose to the Company and its shareholders, was ultimately discovered by AMC's principal lender, causing AMC to lose funding. AMC is now defunct and its assets have been liquidated for the benefit of its creditors. Because AMC still owes millions to its creditors, the Company has recovered no value from the liquidation. As a direct result of the Glaser Entities' breaches of fiduciary duties, the Company has lost its entire investment in AMC.

B. <u>The Glaser Entities' Refusal to Sell Parts Depot</u>

45. In or about August 2000, the Company made a $10 million investment to acquire majority control of Parts Depot, a company based in Virginia that is a wholesale distributor of automotive parts.

46. Over the ensuing few years, the Company increased its $10 million initial investment in Parts Depot to $25.4 million. Although this investment performed well at least through 2006, and was advertised to the Company and its shareholders as an

investment that could possibly provide a return of all of the Company's capital, the Glaser Entities chose to retain Parts Depot until its performance declined dramatically and the investment became worth very little.

47. During the course of 2007, the Glaser Entities deliberately provided false information to the Company and its shareholders in an effort to prevent the Company (acting through its shareholders) and/or its shareholders from taking any possible legal action to force a sale of Parts Depot, which was only beginning to struggle. On information and belief, the Glaser Entities were intent on not selling Parts Depot at the end of 2006, in order to continue to garner additional management and advisory fees with respect to the investment.

48. Through the end of 2006, Glaser, on behalf of the Company, the Manager and the Advisor, continually touted the Parts Depot investment to the Company and its shareholders.

49. For example, at a December 31, 2005 meeting of investors, Glaser, through the Manager, described Parts Depot as "performing extremely well" and exceeding all projections.

50. By the end of the following year, at a December 15, 2006 meeting of investors, Glaser, through the Manager, reported that Parts Depot had $374 million in annual revenue and was one of the top wholesale auto parts companies in the United States.

51. At the end of 2006, Glaser, through the Manager, further claimed that the Parts Depot investment "could return all of the capital committed to the Funds" by Casita

and the other limited partners, making up for the substantial losses caused by the Company's other investments.

52. In contrast to the touted results from Parts Depot in the prior years, the year 2007 witnessed a massive downturn in Parts Depot's fortunes, and the year 2007 was financially devastating for Parts Depot.

53. Notwithstanding the magnitude of this downturn, the Glaser Entities concealed these developments from the Company and its shareholders. The Glaser Entities did so in order to prevent the Company (acting through its shareholders) and/or any of the shareholders from taking available steps, such as seeking the appointment of a Cayman provisional or permanent liquidator, to protect the Company's interest.

54. In particular, in May 2008, Casita learned the following material facts about the Parts Depot investment, which, upon information and belief, are still unknown to the Company and its other shareholders:

- During the first half of 2007, Parts Depot's financial performance weakened significantly.
- By August 2007, Parts Depot was suffering a severe liquidity crisis.
- By August 2007, Parts Depot was in default under its loan agreements.
- By August 2007, Parts Depot had accumulated $13 million in past due vendor payables.
- In a September 2007 transaction with TD Capital (Parts Depot's junior secured lender), Parts Depot agreed to a dramatic alteration of Parts Depot's capital structure, including dilution of the Company's interest in Parts Depot. Before the transaction, the Company, together with the MapleWood domestic fund, owned more than 70% of Parts Depot's shares. Following the transaction, that interest was reduced to approximately 13%.
- As a result of the transaction with TD Capital, the Glaser Entities gave up majority interest and control over Parts Depot, relinquishing both to TD Capital.

55. Casita only came into possession of information about the above non-disclosures, which had heretofore been hidden from the Company and its shareholders, as a result of this Court's order in the inspection action captioned Casita, L.P. v. MapleWood Equity Partners (Offshore) Ltd., Index No. 601824/06, which required the Glaser Entities to turn over certain documents to Casita (the "Inspection Action").

56. Among the documents turned over in the Inspection Action was a December 31, 2007 report (the "December 2007 Report") prepared by the Manager, MapleWood Holdings and Glaser concerning the Parts Depot investment. The December 2007 Report, which had not previously been shared with Casita, and upon information and belief with the Company or any of its other shareholders, spelled out the facts set forth above.

57. Casita did not come into possession of the above material facts until May 2008 as a result of the Inspection Action.

58. Throughout 2007 and into 2008, the Glaser Entities intentionally kept the Company and its shareholders in the dark about the status of the Parts Depot investment, in order to continue to reap management fees for the Manager and advisory fees for the Advisor.

59. Upon information and belief, the Glaser Entities intended to continue to conceal this information from the Company and its shareholders. These facts saw the light of day only because of this Court's order in the Inspection Action.

60. The Glaser Entities' purposeful and wrongful withholding of this information is particularly egregious in light of the fact that, under paragraph 113 of the Company's Articles of Association, the Manager is required to provide the Company's investors with

a schedule and summary description of each of the Company's investments at least semi-annually.

61. Had these material facts been made known to the Company and its shareholders in a timely manner, the Company (acting through its shareholders) and/or its shareholders would have been in a position to demand, and would have demanded, prompt liquidation of the Parts Depot investment for the benefit of the Company.

62. Even if the Glaser Entities had revealed the December 2007 Report on or about December 31, 2007, the disclosure would have been deficient and untimely. Given the materiality of Parts Depot's liquidity crisis and loan defaults in the first half of 2007, and the September 2007 transaction with TD Capital, these events should have been disclosed well before December 2007.

C. <u>The Glaser Entities' Failure to Timely Write Off AMC and Tia's</u>

63. As noted, the Glaser Entities' principal source of income is the substantial management and advisory fees they earn from the Company based on the amount of funded commitments. However, the Glaser Entities' fees are reduced to the extent that the Company's investments are sold, otherwise disposed of, or written off.

64. On December 19, 2006, the Company issued its 34th Capital Call for management and advisory fees, and on January 8, 2009, the Company issued its 35th Capital Call for management and advisory fees. In the Company's memoranda to the shareholders, the Company recognized that the management fees "exclud[e] investments which have been written off."

65. Section 111(b) of the Articles requires the Manager to "write-down Investments and Facilitating Investments on the Company's books of account at such

times and in such amounts as are required to make the financial statements provided to Members pursuant to Article 112 not materially misleading under the Company's method of accounting."

66. Despite the fact that Tia's was a failed investment by or before December 2005, the Tia's investment was not written off until June 30, 2006. Additionally, in Glaser's 2006 year-end report, he claims to have only recently written off the AMC investment despite the fact that AMC was worthless by or before May 2005, when it executed an assignment for the benefit of creditors. The Glaser Entities have yet to inform the Company or its shareholders of exactly when the AMC investment was written off.

67. The Glaser Entities have failed to timely dispose of or write off various Company investments so that they can continue to earn management fees thereon, contrary to the interests of the Company.

68. Moreover, despite their obligation to be candid and forthcoming with the Company and its shareholders, the Glaser Entities concealed material information and affirmatively misled the Company and its shareholders with regard to the above, with such misrepresentations often occurring in annual shareholder reports. The Glaser Entities' misconduct prevented the Company and/or any of its shareholders from taking action to protect the Company's interests.

THE GLASER ENTITIES' BREACHES OF THEIR FIDUCIARY DUTIES HAVE DIRECTLY HARMED THE COMPANY

69. The Glaser Entities' failure to address the accounting fraud at AMC has directly harmed the Company because the Company currently has substantially less capital than if the Glaser Entities had acted in the Company's best interests by exercising

greater prudence in investing in AMC and/or taking appropriate actions to address the accounting fraud at AMC before such fraud destroyed the Company's investment.

70. The Glaser Entities' failure to sell Parts Depot at an appropriate time has also directly harmed the Company because the Company currently has substantially less capital than if the Glaser Entities had acted in the Company's best interests and sold Parts Depot when it still had significant value.

71. The Glaser Entities' failure to liquidate AMC and Tia's in a timely fashion has further harmed the Company because the Glaser Entities' collection of unwarranted management fees from AMC and Tia's drained capital from those entities, which reduced the proceeds that the Company received upon their sale.

72. The Glaser Entities' dishonest and misleading statements to the Company and its shareholders regarding the status of the Company's investments have also harmed the Company by preventing the Company (acting through its shareholders) and/or its shareholders from taking appropriate legal action to protect the Company's assets and legal rights.

CASITA'S GOOD FAITH

73. Casita has acted in good faith at all times and is a proper plaintiff to bring this lawsuit on behalf of the Company.

74. Casita has acted equitably during the course of its investment in the Company and has honored all contractually proper capital calls as part of its $25 million commitment to the Company.

75. Casita has no ulterior motive in this litigation and seeks relief only for the benefit of the Company.

76. As set forth above, due to the Glaser Entities' complete dominion and control over the Company, if this derivative action is not permitted to proceed, the Company will have no alternative remedy because the Glaser Entities are in control of the Company and will prevent the Company from seeking any other form of relief. No other pending lawsuit seeks the form of redress requested herein on behalf of the Company.

77. Casita believes that this lawsuit is meritorious and that the Company is entitled to the relief requested herein.

CLAIM FOR RELIEF
(Breach of Fiduciary Duty)

78. Plaintiff repeats and realleges paragraphs 1 through 77 above.

79. The Glaser Entities at all relevant times exercised complete dominion and control over the Company through their interest in all of the Class B voting shares of the Company and their control of the Company's Board of Directors and day-to-day operations. The Glaser Entities further controlled certain portfolio companies and filled their management and Board positions with unqualified and dishonest employees, to the detriment of the Company.

80. The Glaser Entities' complete dominion and control over the Company makes any demand futile.

81. The Glaser Entities owed to the Company fiduciary duties of loyalty and good faith, which include the duty to act in the best interests of the Company at all times, to refrain from making secret profits at the Company's expense, and to disclose any conflicts of interest.

82. The Glaser Entities breached their fiduciary duties to the Company by misusing their fiduciary position to make a personal profit at the expense of the

Company. The Glaser Entities made and retained investments on behalf of the Company that were principally designed to generate fees and other compensation for the Glaser Entities, but were detrimental to the Company.

83. The Glaser Entities have also failed to be candid and truthful with the Company and its shareholders in order to prevent the Company (acting through its shareholders) and/or its shareholders from taking appropriate legal action to protect the Company's assets and legal rights.

84. The Glaser Entities' breaches of fiduciary duties have proximately caused the Company substantial harm because the Company is undercapitalized as a result of the Glaser Entities' misconduct.

85. At all relevant times, Casita has acted equitably and in good faith, without any ulterior motive, and in the belief that the Company is entitled to the relief sought on its behalf. The Company has no realistic avenue to redress the wrongs alleged herein apart from this lawsuit.

DEMAND FOR RELIEF

WHEREFORE, plaintiff respectfully demands judgment against defendant Glaser as follows:

(a) declaring that defendant has breached fiduciary duties to the Company;

(b) enjoining defendant from further breaches;

(c) appointing a neutral receiver for the Company and removing defendant from his control of the Company;

(d) ordering that the receiver liquidate the Company as soon as commercially practicable;

(e) awarding compensatory and punitive damages in an amount to be determined at trial, with interest, at the maximum rate permitted by law;

(f) awarding attorneys' fees, costs and disbursements in prosecuting this action to the extent permitted by law; and

(g) awarding such other and further relief as this Court deems just and proper.

Dated: January 12, 2009
New York, New York

ROPES & GRAY LLP

By: /s/ Jerome C. Katz
Jerome C. Katz
Russell L. Lippman
1211 Avenue of the Americas
New York, New York 10036
Telephone: (212) 596-9000
Fax: (212) 596-9090
jerome.katz@ropesgray.com
russell.lippman@ropesgray.com

KATTEN MUCHIN ROSENMAN LLP
Martin E. Karlinsky
575 Madison Avenue
New York, New York 10022
Telephone: (212) 940-8645
Fax: (212) 940-8776
martin.karlinsky@kattenlaw.com

Attorneys for Plaintiff Casita, L.P.