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At a ~~Term~~, Part 12 of the Supreme Court of the State of New York held in and for the County of Bronx at 851 Grand Concourse, Bronx, New York on the 31st day of May, 2011.

PRESENT:

JOHN A. BARONE

Hon. _____
J.S.C.

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In the Matter of the Application of JEAN MONDESIR, JACK GALATI, PAT KIET, LOURMEL APOLLON, EFRAIN IVAN MARTINEZ, SURJIT SINGH, WEERA VONGSOASUP, ANGELO CIAVARELLA, EDWIN SEMEXANT and CHARLES JOSEPH, individually and as directors of Citywide Corporate Transportation, Inc., and CITYWIDE CORPORATE TRANSPORTATION, INC.,

Index No.: 260026/08

Petitioners,

ORDER TO SHOW CAUSE

For the Dissolution of Citywide Corporate Transportation, Inc., a corporation organized under the laws of the State of New York, pursuant to Article 11 of the Business Corporation Law.

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NOW, upon the reading and filing of the annexed Affirmation of Roberta C. Pike dated May 25, 2011, the exhibits annexed thereto, the Affidavit of Pat Duriya (a/k/a Pat Kiet) dated May 18, 2011, and upon all of the pleadings and proceedings heretofore had,

LET Citywide Corporate Transportation, Inc. (the "Corporation"), the New York State Tax Commission, and all other interested persons show cause before this Court, at IAS Part 12, Room 710, to be held at the Courthouse located at 851 Grand Concourse, Bronx, New York, on the 6 day of July, 2011 at 9:30 a.m., or as soon thereafter as counsel can be heard, why an Order should not be made and entered pursuant to N.Y. Bus. Corp. Law §§ 1113 and 1114 authorizing and directing the Corporation to distribute certain assets, pending final dissolution of the Corporation:

- a. to those creditors listed in the 2011 Citywide Schedule of Corporate Liabilities annexed hereto;
- b. to each shareholder of the Corporation whose current whereabouts are known to it the sum of One Thousand Two Hundred Five and 00/100 (\$1,205.00) Dollars for each share held; and
- c. such other and further relief as this Court deems just and proper.

published in NY County
ORDERED that a copy of this Order be published by the Corporation in the New York Law Journal and the Riverdale Press, ~~both newspapers~~ published in Bronx County, New York, once a week in each of the three (3) weeks immediately preceding the aforesaid hearing;

Sufficient cause appearing therefor,

LET a copy of this Order, together with the papers on which it is granted, be served upon (a) the respondent Corporation by ~~personal service~~ *Overnight Mail* on or before the 2 day of June, 2011; (b) the New York State Tax Commission by ~~first class mail~~ *Overnight Mail* on or before the 2 day of June, 2011; and (c) upon the law offices of Ira S. Newman, counsel for certain respondent shareholders, by overnight mail on or before the 2 day of June, 2011; and

LET a copy of this Order, without the papers on which it is granted, be served upon each of the 166 shareholders of the Corporation set forth in Schedule "D" of the initial Order to Show Cause, annexed hereto as Exhibit "A," by first class mail on or before the 2 day of June, 2011, together with a letter from the Corporation's counsel in the form annexed hereto as Exhibit "M," providing a summary of the relief sought in the instant application and stating that a full copy of the papers submitted in support of this order can be found published on the website of Pike & Pike, P.C., www.pikeandpike.com, or obtained upon request from the Corporation's counsel.

[Signature]
ENTER
JOHN A. BARONE
S.C.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF BRONX

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In the Matter of the Application of JEAN MONDESIR,
JACK GALATI, PAT KIET, LOURMEL APOLLON,
EFRAIN IVAN MARTINEZ, SURJIT SINGH, WEERA
VONGSOASUP, ANGELO CIAVARELLA, EDWIN
SEMEXANT and CHARLES JOSEPH, Individually
and as directors of Citywide Corporate Transportation, Inc.,
and CITYWIDE CORPORATE TRANSPORTATION, INC.,

Index No.: 260026/08

Petitioners,

**AFFIRMATION
IN SUPPORT**

For the Dissolution of Citywide Corporate Transportation,
Inc., a corporation organized under the laws of the State of
New York, pursuant to Article 11 of the Business
Corporation Law.

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Roberta C. Pike, an attorney duly admitted to practice in the courts of the State of New York,
does hereby affirm the following statements to be true under the penalty of perjury:

1. I am a partner in the law firm of PIKE & PIKE, P.C. ("P&P"), general counsel to
Petitioner Citywide Corporate Transportation, Inc. ("Citywide" or "the Corporation"). I am familiar
with the facts and circumstances of this action based upon conversations had with representatives
of the Citywide and files maintained in my office.

2. I submit this Affirmation in Support of the Corporation's instant application for an
Order directing the distribution of certain assets pending final judicial dissolution of the Corporation.

BACKGROUND

3. This is a special proceeding brought pursuant to N.Y. Bus. Corp. Law § 1102
seeking to dissolve Citywide. (A copy of the initial Order to Show Cause filed on January 23,
2008 and Verified Petition dated December 21, 2007 are annexed hereto as Exhibit "A.")

4. An Answer was filed on behalf of two shareholders of the Corporation, *to wit*,

Jean Barthelemy and Belvir Singh, in which they objected to the manner in which Citywide, its officers and directors conducted the Corporation's financial affairs. They also asserted counterclaims seeking the appointment of a receiver and demanding to review and inspect Citywide's books and records pursuant to N.Y. Bus. Corp. Law §624.¹

5. The object of this proceeding is to permit Citywide to sell its assets, satisfy its liabilities, to distribute the remainder to the shareholders, and to dissolve.

6. Although Citywide prospered for many years as an executive car service company, an industry-wide slump in the ground transportation services market that began in 2001 had a severely adverse impact on Citywide. Moreover, soon after the downturn, Citywide lost two of its largest corporate accounts.

7. Sales that were as high as \$22 million in 2000 fell to \$4.8 million by 2004.

8. As a result of the decrease in business, many of the shareholder-drivers left Citywide.

9. In an attempt to avoid liquidation, the Corporation affiliated itself with another black car company, Charter Acquisition, LLC ("Charter"). Together Citywide and Charter formed a new corporation, CMC Management, Inc. ("CMC").

10. Charter owned an 80% interest in CMC and Citywide owned a 20% interest.

11. As a result of the formation of CMC, Citywide was able to reduce its operational

¹ In addition, a shareholder derivative action was commenced in Nassau County on November 18, 2008 against the directors of Citywide (Index No. 08-020821) alleging that Citywide's financial demise was not the result of market changes but misconduct by the board of directors. Citywide's motion for a change of venue to Bronx County was granted and the shareholder derivative action was transferred to this Court. By telephone conversation on or about March 28, 2011 counsel for the plaintiffs in both actions informed undersigned counsel of his intention to recommend to his clients and, upon securing their consent, seek permission to discontinue both the shareholder derivative action and the counterclaim filed herein.

expenses, to wit, it no longer had a need for its employees, its Bronx office, a reservations center, dispatching office, or to provide billing or customer services.

12. Prior to filing the initial Order to Show Cause and Verified Petition seeking judicial dissolution, in or about April, 2006 and August, 2006, the Corporation made two unsuccessful attempts to obtain the consent of its shareholders to dissolve. Although there was virtually no opposition to the proposed dissolution, the Corporation was unable to garner the requisite two-thirds of the votes of all of the outstanding shares entitled to vote. This was due to shareholder disinterest in, rather than opposition to, the proposed dissolution.

13. At the time the initial Order to Show Cause was entered in February 2008 Citywide held the following assets:

a. Federal Communications Commission (“FCC”) licenses covering the operation of stations KDF751 and KVN917, corresponding to frequency assignments 478/481.43750 MHz and 478/481.33750 MHz, respectively.

b. A lease of FCC call signal KDF751 on frequency 478.4375 MHz/481.43750 MHz to NAMSI Reality, LLC (“NAMSP”).

c. Real property located at 967 East Gun Hill Road, Bronx, New York (“the Building”).

d. A lease of the front section of the second floor of the Building to Jacqueline Malcolm and Willie Smith d/b/a My Place Salon.

e. A lease of half of a first-floor office and the parking lot of the Building to Citywide Car Sales, LLC.

f. 20% ownership interest in CMC Management, Inc.

g. Two promissory notes in the sums of \$234,000.00 and \$75,000.00 secured by mortgages obtained in connection with the sale of 957 East Gun Hill Road, Bronx, New York.²

14. The current status of each of these assets is as follows:

a. This Court granted Citywide permission to sell its FCC Radio Station licenses by "So-Ordered" Stipulations dated June 29, 2009 (annexed hereto as Exhibit "B") and October 28, 2010 (annexed hereto as Exhibit "C"). The first license (KDF751) was sold in September 2009 for \$40,000.00. The sale of the second license (KVN917) for \$35,000.00 was completed in January of this year³.

b. The monthly lease payments to Citywide from NAMSIS for FCC call signal KDF751 on frequency 478.4375 MHz/481.4375 MHz were in the sum of \$2,000.00. In December, 2008, by mutual consent between NAMSIS and Citywide, NAMSIS started sending the lease payments directly to P&P. By written permission (annexed hereto as Exhibit "D") of Citywide Treasurer Pat Duriya, a/k/a Pat Kiet, P&P was authorized to apply the payments to open invoices owed by Citywide to P&P. The various deposits made into the escrow account that represented NAMSIS lease payments from December, 2008 to February 11, 2009 are detailed on

² 957 East Gun Hill Road was owned by Citywide in connection with its business, and it was sold on June 25, 2004. At the time of the sale, Citywide received two promissory notes from the buyer, and each was secured by a mortgage. The promissory note for \$234,000.00 was secured by a mortgage on 957 East Gun Hill Road, and the promissory note for \$75,000.00 was secured by a mortgage on 541 South 5th Avenue, Mount Vernon, New York. Both notes provided for interest only payments at a rate of seven (7%) percent, and the principal of both loans was to be repaid in five years.

³ The June 29, 2009 order authorized Citywide to sell the first license (KDF751) for \$35,000.00; and the sale was effectuated for \$40,000.00. Claiming a mistake was made in coming to that sale price, the buyer maintained that the second license (KVN917) must be sold for \$35,000.00 not the \$40,000.00 amount authorized in the 2009 order. Therefore, counsel requested an amended Order allowing the second sale to go through for \$35,000.00. That request was granted, and the amended sale price authorized, in the "So-Ordered" Stipulation dated October 28, 2010.

the P&P escrow account register (annexed hereto as Exhibit "E").

c. This Court granted Citywide permission to sell the Building by "So-Ordered" Stipulation (annexed hereto as Exhibit "F") dated November 17, 2008. The contract for the sale of the Building for \$582,000.00 was signed on December 28, 2008; the Closing took place on April 29, 2009.

d. Citywide no longer receives monthly payments on the lease of the front section of the second floor of the Building to Jacqueline Malcolm and Willie Smith as the Building was sold.

e. Citywide no longer receives monthly payments on the lease of half of the first-floor office and parking lot of the Building to Citywide Car Sales, LLC. as the building was sold.

f. This Court granted Citywide permission to sell its 20% interest in CMC by "So-Ordered Stipulation (annexed hereto as Exhibit "G") dated September 15, 2010. Following the entry of the Order, the sale went forward and Citywide received \$69,506.50 from CMC as a result of the transaction.

g. Citywide still holds the mortgages on 957 East Gun Hill Road, Bronx and 541 South 5th Avenue, Mount Vernon. Although the due date under both notes has passed, the borrower has not repaid the principal, and is apparently unable to so. However, upon information and belief, Citywide continues to collect the interest-only, monthly payments based upon the interest rate of seven (7%) per annum. See Affidavit of Pat Duriya (hereinafter "Duriya Aff.") ¶4.

15. Thus, Citywide's sole remaining assets to be liquidated are the two private

mortgages on which it receives a monthly payment in the amount of \$1,800.00.⁴ (See Duriya Aff. ¶5).

16. The proceeds from the sale of the building, the FCC licenses and the interest in CMC Management, less authorized distributions, are presently being held in escrow by P&P. The total sum in escrow is \$358,459.38. (See “Funds held in escrow for Citywide by P&P, PC” dated April 4, 2011, annexed hereto as Exhibit “H.”)

17. As of February 28, 2011, the total of Citywide’s bank accounts’ balances was \$60,331.94. (See Duriya Aff. ¶7.)

18. Inasmuch as the only remaining assets to be liquidated are the two mortgages and Citywide will continue to receive payments in satisfaction of those mortgages for some time into the future, we believe it is in the best interests of the Corporation, its shareholders and creditors to make a distribution of the funds currently in the Corporation’s possession rather than wait until the notes on the mortgages are satisfied and/or liquidated.

DISCUSSION

(Request for Attorneys’ Fees)

19. P&P has represented Citywide in various general corporate and litigation matters since 2001.

20. Citywide has not had the ability to fully meet its payment obligation to P&P for legal services rendered. At the time the initial Petition was filed P&P was owed \$7,929.61. At

⁴Another potential asset is a pending shareholder derivative action. However, as stated in Footnote No. 1, it is our understanding that plaintiffs therein will be seeking discontinuance of that action in the near future.

the time the supplemental affirmation was filed on or about March 8, 2009, the sum owed P&P by Citywide was \$27,635.24.

21. As of the invoices dated May 1, 2011, Citywide has open and outstanding invoices for legal work and disbursements in the sum of \$107,439.84⁵ (a copy of the P&P's rate schedule for Citywide is annexed hereto as Exhibit "P") of which \$1,916.15 is for disbursements. Said sum takes into account payments made to P&P by Citywide from February 1, 2008 to January 12, 2009 that were applied against open invoices, as well as distributions that were authorized in connection with the sale and/or liquidation of the assets.

22. More specifically, between February 1, 2008 and January 12, 2009, Citywide paid P&P a total of \$22,000.00. The listing of the checks, along with copies thereof, is detailed in the document entitled "Citywide Payments to P&P, 02-01-08 to 01-12-09" (annexed hereto as Exhibit "J").

23. The amount due P&P is for invoices for legal services dated April 1, 2008 to the present and/or disbursements advanced between May 1, 2008 to the present.

24. The only pending matters for which this firm is rendering legal services on behalf of Citywide are in connection with the instant dissolution proceeding and the shareholders' derivative action described above.

25. As mentioned *supra*, \$1,916.15 of the outstanding balance represents reimbursement of disbursements. The unpaid disbursements include, but are not limited to those

⁵ Copies of the invoices have been omitted from this application inasmuch as the firm prepares detailed billing descriptions, which include privileged communications and client confidences. However, a complete set of the invoices will be submitted to this Court in their entirety. In addition, redacted copies will be provided to Ira S. Newman, as attorney for Jean Barthelemy and Belvir Singh, and a redacted copy will be provided to any other interested party upon request.

detailed on the invoices identified as Pike & Pike P.C. Account 8151.dis (Annexed hereto as Exhibit "K".)

26. The legal work that has previously been performed and invoiced, but remains unpaid, was on the following concluded matters:

a. *Azeem Ahmad Saeed v. Citywide Corporate Transportation, Worker's Compensation Board Case #0996.1183*

On or about August 15, 2005, Citywide forwarded to this office a copy of a claim made to the Worker's Compensation Board ("WCB") by a driver named Azeem A. Saeed who was injured in an accident in September, 1999 while affiliated with Citywide. Citywide was named as "employer" in the claim. This office represented Citywide and vigorously denied that Saeed was an employee. It was Citywide's position that he was an independent contractor. There were various hearings over the course of the next two and a half years. The case was ultimately settled under a WCB Section 32 Agreement by means of a Stipulation of Settlement signed in or about March, 2008 for a lump sum of \$3,000.00. This case has been closed since 2008.

At this time the firm is owed \$1,516.50 in connection with the legal services rendered in connection with this matter.

b. *LOMTO Federal Credit Union, f/k/a League of Mutual Taxi Owners Federal Credit Union v. Citywide Corporate Transportation, Inc., et al., Index No. 303956/08, New York Supreme Court, County of Bronx.*

During the month of March, 2007 the president of the League of Mutual Taxi Owners Federal Credit Union ("LOMTO"), Richard Kay, contacted me as corporate counsel to Citywide because of his concern that Citywide would be unable to pay the balloon payment due on the LOMTO mortgage on Citywide's premises at 967 E. Gun Hill Road, Bronx, NY by the April 30, 2007 due date. We negotiated a modification and extension of the mortgage with LOMTO, which was executed on April 16, 2007. It provided, among other things, that Citywide would have until October 31, 2007 to pay the balloon payment of \$188,571.12. In the meantime, this firm rendered legal services in connection with Citywide's efforts to obtain the shareholders' approval to dissolve the corporation so that its assets could be sold and its debts paid, including the mortgage. The services rendered included, among other things, preparing and mailing explanatory letter, notices ballots to the shareholders and receiving and tracking the response. Despite the two separate mailings to shareholders, there were insufficient votes returned for a quorum. As such, Citywide

decided that we should petition the Court for dissolution of the corporation.

As a result of not being able to get the necessary shareholder approval to sell the building, Citywide was unable to make the balloon payment by October 31, 2007. I explained the situation to Mr. Kay, and he agreed to enter into a Forebearance Agreement with Citywide. The terms of the Agreement stated that Citywide acknowledged that the Note and Mortgage were in default, but that LOMTO would not commence any action to foreclose if, amongst other things, Citywide obtained, by March 31, 2008, an Order from the New York State Supreme Court permitting the dissolution of Citywide and the liquidation of its assets and that Citywide should enter into a contract for the sale of the Premises for a price in excess of the indebtedness by May 20, 2008. The Agreement was executed on or about February 6, 2008. During the term of the Agreement some serious tax and insurance concerns arose that this office ultimately was able to get resolved.

The stipulation granting Citywide the permission to sell its real estate assets was not obtained until November 17, 2008. Consequently, on or about May 12, 2008, LOMTO filed a Summons and Complaint seeking to foreclose on the Note and Mortgage. On or about December 12, 2008 the Court issued an Order granting the foreclosure. However, this office was in regular contact with LOMTO regarding the sale of the property and when LOMTO learned that a contract to sell it had been signed on or about December 15, 2008 (this office handled the sale), they agreed to wait for the closing rather than foreclose. On or about April 29, 2009, LOMTO was paid in full and LOMTO and Citywide entered into a Consent to Discontinuance of Action and to Cancellation of Lis Pendens, thus ending the lawsuit.

At this time the firm is owed \$1,957.50 in connection with the legal services rendered in connection with this matter.⁶

c. Citywide Shareholders N.Y. Business Corporation Law, Section 624 Demand

On or about February 11, 2008, this office received a letter from Ira S. Newman, an attorney who had been retained by four shareholder-drivers of Citywide demanding to inspect Citywide's books and records pursuant to N.Y. Business Corporation Law (BCL) Section 624. The demand was to inspect, among other things: books and records of accounts; minutes of shareholder, board of director and executive committee meetings and shareholder information. This office had been in various discussions with Mr. Newman with regard to this demand when he informed

⁶Although the Order dated November 17, 2008 granted us permission to be paid for legal services rendered in connection with the sale of the building, we felt that the Forebearance Agreement was not necessarily related to the sale and thus did not take the payment for same.

us that he had been contacted by a group of Citywide shareholders and he would be filing a derivative action against Citywide on their behalf. The Complaint described below made the request to review the records moot and no further action was taken in this matter.

At this time the firm is owed \$15.00 for services rendered in connection with this matter.

d. *Jean Barthlemy et al. v. Jean Mondesir, Citywide Corporate Transportation, et al.*, NY State Supreme Court, County of Nassau, Index No. 08-020821

On or about November 18, 2008, this office received the Summons and Complaint filed against Citywide and its Board of Directors on behalf of twenty two (22) Citywide shareholders. The lawsuit (hereinafter the "Derivative Action") alleged, among other things, that the defendants had been guilty of gross mismanagement, unjust enrichment, misapplication of corporate funds, and breach of fiduciary duty. This office is representing Citywide as a nominal defendant, and outside counsel is handling the defense of the other defendants.

On Citywide's behalf, our office prepared an Answer to the voluminous ten count, one hundred and thirty nine allegation complaint. After service of the Answer, our office sought a change of venue from Nassau County where the action was commenced to Bronx County, which is a more appropriate venue for the case given that the within dissolution was already pending in Bronx County, and because Citywide was headquartered in Bronx County. That motion was granted by Justice Stephen A. Bucaria by order dated February 17, 2009.

Thereafter, our office endeavored to respond to the Plaintiff's voluminous discovery demands. This entailed an initial response to a voluminous Notice for Discovery and Inspection and a Response to Plaintiff's First Set of Interrogatories. The preparation of the responses required review of a substantial volume of the client's documents and review of our office's files regarding other matters that were handled on Citywide's behalf, as well as significant interaction with corporate actors in order to prepare the responses. In addition to providing formal written discovery responses, our office also coordinated and made available to Plaintiff's counsel in the Derivative Action a substantial volume of corporate records that had been turned over to our office by various corporate actors.

More recently, we have appeared at a Preliminary Conference, compliance conferences, and hearings on a discovery motion directed to the other defendants in the Central Compliance part.

On March 28, 2011, I received a call from Ira Newman. He said that, subject

to obtaining his clients' consent, he planned to discontinue the action (as well as counterclaims asserted in the dissolution action) because any judgment "would just be a piece of paper." He expressly asked me if I would confer with Scott R. Cohen, Defendants' counsel, to see if he had any objections. I conferred with Mr. Cohen on that same date and immediately informed Mr. Newman that Mr. Cohen had no objection. I further informed Mr. Newman that was my understanding and belief that an Order of the Court approving the discontinuance of the action would be required.

Thereafter, during a telephone conference with Mr. Newman on April 4, 2011 regarding an upcoming court conference, he stated he would be meeting with his clients and, assuming they agree, he expects to make the motion in late April or early May.

At this time the firm is owed \$48,490.50 in connection with the legal services rendered in connection with this matter.

e. In addition, P&P had provided Citywide with general legal advice since the time that we were first engaged. That representation has covered a variety of areas. It included, *inter alia*, advice regarding the election of officers and directors, advice regarding the conducting of shareholders' meetings and board meetings, and advice regarding day to day corporate issues, governance, and other issues. Ultimately, we were called upon to assist the corporation in regard to its winding up and dissolution.

At this time the firm is owed \$46,733.69 for services rendered in connection with these matters.

(Other Creditors)

27. The following professional services and fees have remained outstanding since the filing of the initial Petition seeking dissolution (See 2011 Citywide Schedule of Corporate Liabilities, attached hereto as Exhibit "L"):

a. Legal fees in the amount of \$24,630.00 to Andrew Mantovani Esq, for services

rendered prior to the filing of the petition of dissolution;

b. \$24,393.61 owed to the Black Car Assistance Corporation (“BCAC”)⁷

representing a residual amount due for workers’ compensation claims by drivers.⁸

28. N.Y. Business Corporation Law §1113 provides as follows:

§ 1113 Preservation of assets; appointment of receiver

At any stage of an action or special proceeding under this article, the court may, in its discretion, make all such orders as it may deem proper in connection with preserving the property and carrying on the business of the corporation, including the appointment and removal of a receiver under article 12 (Receivership), who may be a director, officer or shareholder of the corporation.

29. N.Y. Business Corporation Law §1114 provides as follows:

§1114. Certain sales, transfers, security interests and judgments void

A sale, mortgage, conveyance or other transfer of, or the creation of a security interest in, any property of a corporation made, without prior approval of the court, after service upon the corporation of a summons in an action, or of an order to show cause in a special proceeding, under this article in payment of or as security for an

⁷The BCAC is an industry association serving the black car segment of the ground transportation industry. Its purpose is to advance the interests of the industry, and, among other activities, it lobbies on behalf of the industry. A past major issue that confronted the black car industry starting in or about 1990, which issue has been resolved through legislative action, was the filing of workers’ compensation claims by drivers against their affiliated bases. The industry has long maintained that all affiliated drivers are independent contractors, and this stance has been upheld in the New York Courts. However, the Workers’ Compensation Board produced inconsistent results when confronted with the independent contractor defense. Moreover, negative findings by the Workers’ Compensation Board would have devastating effects upon premium calculations by the State Insurance Fund (the “SIF”) where an affiliated driver would be found to be an employee of a base. Therefore, the Black Car Assistance Corp devised an agreement (denominated as an “Endorsement Agreement”) with the SIF. Pursuant to the Endorsement Agreement, the SIF was to be reimbursed for each claim where workers’ compensation liability was established and benefits were paid. In order to avail itself of the benefits of the Endorsement Agreement, each BCAC member was required to pledge either a letter of credit or cash collateral in order to cover its reimbursement obligations in the event that the member did not satisfy its obligations as they became due. The present sum due represents the residual amount due to the BCAC for monies it paid to SIF in connection with workers’ compensation claims made against Citywide from 1990 through 2000.

⁸The Schedule of Corporate Liabilities that was Exhibit “B” to the Supplemental Affirmation dated March 8, 2008 also listed a tax debt of \$13,050.00 owed to the City of New York Department of Finance and a \$7,500.00 debt owed to Steve Gordon, CPA. The tax payment was made as part of the sale of the building and Pat Duriya paid Steve Gordon out of the funds in Citywide’s operating account (see Duriya Aff. ¶8).

existing or prior debt or for any other or for no consideration, or a judgment thereafter rendered against the corporation by confession or upon the acceptance of any offer, shall be void as against such persons and to such extent, if any, as the court shall determine.

30. Thus, pursuant to Section 1113 of the Business Corporation Law, this Court may make orders that permit the preservation of Citywide's assets and the carrying on of its business; and Section 1114 of the Business Corporation Law requires the Court's permission for the conveyance or transfer of Citywide's property.

31. As set out previously, the bulk of the assets held by Citywide at the time of the initial Order to Show Cause was entered have been liquidated. There is a total sum of \$418,791.32; the sum of \$358,459.38 is being held in escrow on Citywide's behalf by P&P and Pat Duriya, Treasurer, is in possession of \$60,331.94 currently held in Citywide's various bank accounts.

32. At present, therefore, it is in the best interests of Citywide to permit it to pay its outstanding debts. This will not only satisfy long-standing creditors but will also allow P&P to continue to represent Citywide to ultimately wind up Citywide's affairs.

(Partial Disbursement to Shareholders)

33. Citywide also requests that it be allowed to make a partial disbursement to the shareholders identified in the Exhibit "D" annexed to the Verified Petition in support of the initial Order to Show Cause. No objection to the validity or integrity of that list has been made by any interested party herein.

34. Citywide proposes that, after the above-referenced creditors are paid, a sum be retained in escrow in anticipation of further costs and expenses to be incurred with regard to the

within proceeding⁹ as well as any future expenses to be incurred that may arise from the outstanding shareholders' derivative action, the administration of the current mortgages, and any other matter that may arise up until and including final dissolution, including the processing of any shareholder disbursement checks returned or not deposited. This escrow balance will be maintained until such time as a final dissolution and distribution is ordered.

35. Citywide's Treasurer, Pat Duriya, will continue to receive and hold the mortgage interest payment paid unless this Court directs otherwise.

36. Citywide further proposes that the remainder of the monies (in excess of those held in escrow) be disbursed to the shareholders (those listed in the Exhibit "D" annexed to the initial Order to Show Cause) in the sum of \$1,205.00 for each share held, for a total distribution to the shareholders in the sum of \$200,030.00 (166 shareholders x \$1,205.00).

37. Citywide does not, at this time, seek a final dissolution order pursuant to N.Y. Bus. Corp. Law § 1111 as it still has the above-referenced matters to be addressed and resolved.

(Service of Supporting Papers Via Counsel's Website or Upon Request)

38. In order to preserve the limited assets of the Corporation for the benefit of the shareholders to whom disbursement of remaining monies is sought to be made, Citywide requests that it be granted permission to provide copies of the within Order to Show Cause and supporting papers by publication on its attorneys' website rather than mailing a full set to each of

⁹These would include, *inter alia*, the cost of publication of the Order to Show Cause pursuant to Bus. Corp. Law § 1106(b), making copies of the order, and service costs. We expect that just the cost of publication shall be in excess of \$5,400.00 inasmuch as the cost was \$5,410.25 in 2008 (\$3,995.00 for the New York Law Journal and \$1,415.25 for the Riverdale Press).

the shareholders listed on the schedule annexed to the initial Order to Show Cause. In addition, such papers will be mailed to any shareholder who so requests.

39. The initial Order to Show Cause (Exhibit "A"), together with the supporting petition, and a letter from Citywide's attorney explaining the judicial dissolution process was mailed to each person listed on Exhibit "D" (List of Shareholders) of the initial Order to Show Cause. That list contains the names and addresses of 166 shareholders. The cost of duplication, staff to process and coordinate the mailing via first class mail, as required by N.Y. Bus. Corp. Law §1106(c) and the Order to Show Cause, was costly. Counsel anticipates that the supporting papers in the instant matter will be more extensive and thus more expensive to mail to each of the 166 shareholders.

40. In order to avoid this expense and preserve the assets of the Corporation, it is requested that, rather than mailing to each name on that list the Order to Show Cause together with all supporting papers, the Corporation be allowed to serve the shareholders by mailing them an explanatory letter summarizing the relief requested and directing the recipient to the website of counsel where the supporting papers will be made available to view and download. The letter will also state that the papers will be mailed, postage prepaid, to any shareholder who so requests. (A copy of the proposed letter is annexed hereto as Exhibit "M.")

41. No prior application for the relief prayed for herein has been made to this or any other Court.


WHEREFORE, the Corporation respectfully prays for an order granting leave to pay the outstanding debts, distribute a portion of the remaining proceeds to those shareholders that can

be located, and for permission to make any papers in support of the Order available on its attorneys' website, and for such other and further relief as may be just and proper.

Dated: May 25, 2011
Bellmore, New York

Yours, etc.

PIKE & PIKE, P.C.



By: Roberta C. Pike
Attorneys for Petitioners
1921 Bellmore Avenue
Bellmore, NY 11710
(516) 783-0062

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF BRONX

-----X
In the Matter of the Application of JEAN MONDESIR,
JACK GALATI, PAT KIET, LOURMEL APOLLON,
EFRAIN IVAN MARTINEZ, SURJIT SINGH, WEERA
VONGSOASUP, ANGELO CIAVARELLA, EDWIN
SEMEXANT and CHARLES JOSEPH, Individually
and as directors of Citywide Corporate Transportation, Inc.,
and CITYWIDE CORPORATE TRANSPORTATION, INC.,

Index No.: 260026/08

Petitioners,

**AFFIDAVIT IN
SUPPORT**

For the Dissolution of Citywide Corporate Transportation,
Inc., a corporation organized under the laws of the State of
New York, pursuant to Article 11 of the Business
Corporation Law.

-----X
STATE OF NEW YORK)
 :SS.:
COUNTY OF KINGS)

Pat Duriya, being duly sworn, deposes and says that:

1. I am the Treasurer of CITYWIDE CORPORATE TRANSPORTATION, INC. (“the Corporation” or “Citywide”) and I am an individually named Petitioner in this proceeding.
2. I submit this affidavit in support of the request brought by Pike & Pike, P.C. (“corporate counsel”) for an Order to Show Cause why an Order should not be made and entered directing the Corporation to pay its outstanding debts and make disbursements to shareholders.
3. Since the original initiatory Order to Show Cause was entered in January 2008, most of the assets of the corporation have been liquidated.
4. Citywide’s only remaining assets are two promissory notes in the sum of \$234,000.00 and \$75,000.00 respectively, secured by mortgages obtained in connection with the sale of 957 East Gun Hill Road, Bronx, New York. The promissory note for \$234,000.00 is secured by a mortgage on 957 East Gun Hill Road, and the promissory note for \$75,000.00 is secured by a mortgage on 541

South 5th Avenue, Mount Vernon, New York.

5. As Treasurer of Citywide, I collect the interest only payment on the mortgages in the amount of \$1,800.00 per month and deposit the same into Citywide's Operating Account.

6. The following sets forth each of the bank accounts with the indicated balances (as of the April, 2011 statements), that are being maintained for Citywide by me (see Exhibit "O" attached hereto):

Bronx Club	\$10,043.60
Radio Rights Account	\$ 6,423.36
Interest (Radio Right)	\$ 520.89
Commercial Checking	\$ 2,164.98
Operating Account	<u>\$41,170.11</u>
Total:	\$60,331.94

7. As of this date Citywide is indebted to the persons and entities as set forth in the 2011 Citywide Schedule of Corporate Liabilities (Exhibit "L" of the Affirmation of Roberta C. Pike (hereinafter the "Pike Aff.")¹).

8. The Corporation has no other debts or recurring obligations, nor does it expect any to arise other than accounting and legal fees incurred in connection with the winding up and final dissolution of the Corporation and the defense of the pending shareholder action.

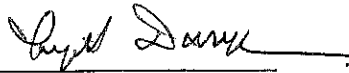
9. I have been told by P&P that the sum of \$358,459.38 is currently being held in escrow by them.

10. If the Court grants enters the Order to Show Cause sought herein I will deliver to P&P

¹A debt to our CPA, Steve Gordon, in the sum of \$7,500.00 was listed in Exhibit "B," (Schedule of Corporate Liabilities) to the Supplemental Response dated March 8, 2009. As Citywide is still required to file tax returns every year, it was important to pay Mr. Gordon so that he would continue filing Citywide's tax returns. I paid Mr. Gordon in full from Citywide's operating account; see the April 5, 2011 letter from Mr. Gordon, attached hereto as Exhibit "N."

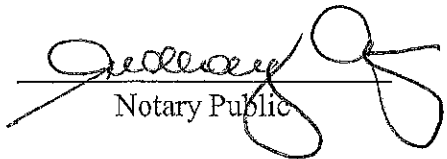
the amounts contained in the-above referenced accounts for deposit into the escrow account held on the Corporation's behalf so that the payments and disbursements requested can be made.

11. As Treasurer and one of the Petitioners herein, I respectfully ask that the Court direct that the outstanding indebtedness of Citywide, as set out in Exhibit "L" of the Pike Aff. to be paid and that disbursement of funds be made to the known shareholders of the Corporation (see Pike Aff. ¶36).



Pat Duriya

Sworn to before me this
18TH day of May, 2011.



Notary Public

RODOLFO C. UMADHAY, JR.
Notary Public, State of New York
No. 01UM6081320
Qualified in Rockland County
Commission Expires October 7, 20 14