

NEW YORK ORDER TO SHOW CAUSE – EQUAL SHAREHOLDER

FOR ADDITIONAL INFORMATION CONTACT:

CHARLES N. INTERNICOLA, ESQ. 800. 976 4904
cni@businessandfranchiselaw.com
www.businessandfranchiselaw.com

To provide you with a better understanding of what an Order to Show Cause looks like and how injunctive relief comes into play, I have included a redacted version of actual Orders to Show Cause that I have filed in the course of litigation. Please keep in mind that an Order to Show Cause is not a generic document and that the content of your Order to Show Cause (if one is required) must be prepared by your attorney and must be specific to the facts of your case and the relief appropriate for your case.

In the exhibited example, I have redacted all client and business information. I have further revised the exhibited examples to remove specific injunctive relief that could be used to identify the business of my client or my client's identification. So, please understand that the sample documents are not provided to you in their complete form. Do not use or copy these documents and always refer to your attorney for the preparation of legal documents. Not every application for injunctive relief is successful, but, if properly structured and planned, even an unsuccessful Order to Show Cause may present numerous benefits to your case.

After you review the example, consider the following questions for your attorney:

1. Whether or not injunctive relief is an option for your case?
2. What types of injunctive relief would benefit your business?
3. What types of injunctive relief would benefit your personal interests?
4. What is the likelihood of successfully obtaining an injunction?
5. What is the best course of action for obtaining an injunction?
6. Can you benefit from the Order to Show Cause even if a court denies your application for injunctive relief?

Example:

New York Order to Show Cause: Equal Shareholder.

This redacted Order to Show Cause was filed in New York State Court on behalf of an equal fifty (50%) percent shareholder. The nature and basis for relief related to acts of nonperformance and misappropriation by our clients equal "partner". The injunctive relief sought in this Order to Show Cause was focused on preserving the assets of the underlying business and to prevent an equal shareholder from diverting assets and business opportunities.

At an IAS Part _____ of the Supreme Court of the State of New York, County of _____, at the Courthouse thereof, located at _____, New York on the _____ day of _____, 20__.

PRESENT: Hon. [Judges Name], J.S.C.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF _____

[Plaintiffs Names]

Index No.:

Plaintiffs,

- against -

[Defendants Name],

Defendant.

UPON reading and filing the annexed Summons, Verified Complaint, and the affidavit of [Plaintiff] sworn to on the _____ day of _____, 20__, and sufficient cause appearing therefrom,

NOW, on motion of The Internicola Law Firm, PC, attorneys for Plaintiffs,

LET, that the Defendant show cause before the Honorable _____ presiding at _____ Part _____, Room _____ to be held in courthouse located at _____, in the County of _____ and State of New York

on the ____ day of _____, 2011, at 9:30 a.m. or as soon thereafter as counsel can be heard why an order should not be made and entered herein pursuant to CPLR Section 6301 *et seq.*, enjoining and restraining the Defendant, and his respective agents, employees and other persons acting on behalf of or in concert with him, during the pendency of this action, from directly or indirectly:

(i) utilizing, transferring or diverting for Defendant's personal benefit or the benefit of any third party the proprietary assets of XYZ CORP (including customer lists, advertising materials, marketing plans, business plans, client information, financial data and client intake systems and procedures);

(ii) utilizing, transferring or diverting for Defendant's personal benefit or the benefit of any third party the proprietary assets of Plaintiff (including customer lists, advertising materials, marketing plans, business plans, client information, financial data and client intake systems and procedures);

(iii) filing false documents and/or information in Defendant's alleged capacity as a member or manager of XYZ CORP in connection with any application by Pascarella for insurance and/or disability benefits; and

(iv) withdrawing funds from XYZ CORP's accounts and/or issuing checks from XYZ CORP's accounts except for the payment of ordinary and customary business expenses of XYZ CORP that are approved by Plaintiff and for such other and further relief as the Court deems just and proper.

ORDERED, that pending the hearing of this application the Defendant and his respective agents, employees and other persons acting on behalf of or in concert with him, be and the same are hereby enjoined and restrained from directly or indirectly.

(i) utilizing, transferring or diverting for Defendant's personal benefit or the benefit of any third party the proprietary assets of XYZ CORP (including customer lists, advertising materials, marketing plans, business plans, client information, financial data and client intake systems and procedures);

(ii) utilizing, transferring or diverting for Defendant's personal benefit or the benefit of any third party the proprietary assets of Plaintiff (including customer lists, advertising materials, marketing plans, business plans, client information, financial data and client intake systems and procedures);

(iii) filing false documents and/or information in Defendant's alleged capacity as a

member or manager of XYZ CORP in connection with any application by Pascarella for insurance and/or disability benefits; and

(iv) withdrawing funds from XYZ CORP's accounts and/or issuing checks from XYZ CORP's accounts except for the payment of ordinary and customary business expenses of XYZ CORP that are approved by Plaintiff and for such other and further relief as the Court deems just and proper;

LET service of a copy of this Order and the papers upon which it is granted, together with the Summons and Complaint in this action, in any of the following manners, on or before _____, 2011, shall be deemed good and sufficient service: (i) by personal service upon the Respondent in any manner provided under CPLR Section 308, subsections (1) through (4) and (6)

E N T E R

[Judge's Name]

, J.S.C.

LEARN MORE

To learn more about a proven course of action and plan to protect and defend your interests as a New York or New Jersey partner, shareholder or member, contact [Partnership and Shareholder Lawyer, Charles N. Internicola, Esq.](#) at **800. 976. 4904**

THE PARTNERSHIP DISPUTE GUIDE

For a limited time, [order a free complimentary](#) copy of Charles N. Internicola, Esq.'s book:

["The New York and New Jersey Partnership Dispute Guide"](#)

ADDITIONAL ARTICLES

By New York and New Jersey Partnership and Shareholder Lawyer
Charles N. Internicola, Esq.

- [Fiduciary Duties and Obligations Between Partners and Shareholders](#)
- [The Tactical Role of Dissolution when Faced with a Shareholder Dispute](#)
- [Dissolution when Faced with Shareholder and Director Deadlock](#)
- [Grounds for Dissolution by a Fifty Percent Shareholder](#)
- [Grounds for Dissolution by a Minority Shareholder](#)
- [Dissolution of your New York Corporation: Procedural Requirements that must be Followed](#)
- [Minority Shareholder Rights: Dissolution Remedy when Faced with Oppression](#)