

IN THE CIRCUIT COURT OF THE 15th  
JUDICIAL CIRCUIT, IN AND FOR  
PALM BEACH COUNTY, FLORIDA

Case No.

ALLIED CAPITAL AND  
DEVELOPMENT OF SOUTH FLORIDA,  
LLC, a Florida Limited Liability Company;  
HARBOURSIDE PLACE, LLC, a Florida  
Limited Liability Company,

Plaintiffs,

v.

DAVID FINKELSTEIN, an Individual,

Defendant.

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**COMPLAINT**

Plaintiffs ALLIED CAPITAL AND DEVELOPMENT OF SOUTH FLORIDA, LLC, a Florida Limited Liability Company and HARBOURSIDE PLACE, LLC, a Florida Limited Liability Company (collectively, “Plaintiffs”) by and through the undersigned counsel hereby sue Defendant David Finkelstein (“Defendant”), and in support thereof state:

**JURISDICTION AND VENUE**

1. Plaintiff ALLIED CAPITAL AND DEVELOPMENT OF SOUTH FLORIDA, LLC, (“Allied Capital”) is a Florida Limited Liability Company, whose principal place of business is located in Palm Beach County, Florida.
2. Plaintiff HARBOURSIDE PLACE, LLC (“Harbourside”) is a Florida Limited Liability Company whose principal place of business is located in Palm Beach County Florida.
3. Defendant David Finkelstein, is a resident of Palm Beach County, Florida and is otherwise *sui juris*.

 **BERGER SINGERMAN**

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350 East Las Olas Blvd. | Suite 1000 | Fort Lauderdale, Florida 33301  
t: 954-525-9900 | f: 954-523-2872 | WWW.BERGERSINGERMAN.COM

4. This is an action for declaratory judgment and damages in excess of \$15,000.

5. Venue is proper in this jurisdiction pursuant to Fla. Stat. § 47.011 because the cause of action accrued in Palm Beach County, Florida, and Defendant is a Palm Beach County resident.

### GENERAL ALLEGATIONS

6. In late 2010, Defendant attempted to obtain a substantial ownership interest in Allied Capital and Harbourside.

7. Defendant was offered a 15% ownership interest in Allied Capital and Harbourside if Finkelstein could contribute \$1,500,000.

8. Defendant never contributed any funds to Allied Capital or Harbourside and consequently was not provided with an ownership interest in either entity.

9. Instead, Defendant became the chief financial officer of Allied Capital and other affiliated entities in 2011.

10. As compensation for his services, Allied Capital paid Defendant a weekly salary of \$3,000 per week, and reimbursed him for health insurance costs.

11. During the course of his employment and in order to continue his employment with Plaintiffs, Defendant continued to seek an ownership interest in Allied Capital and Harbourside. Defendant also requested an ownership interest in other affiliated entities.

12. In response to Defendant's solicitation of an ownership interest in Allied Capital, Harbourside, and other affiliated entities Defendant was offered a 5% ownership interest in Harbourside, and a 10% ownership interest in Allied Capital.

13. Defendant refused the offer and instead sought a 7 1/2% ownership interest in Harbourside and a 15% ownership interest in Allied Capital.



14. Even though Defendant's offer was not accepted, Defendant continued to aggressively pursue an ownership interest in Allied Capital, Harbourside and other affiliated entities.

15. After his attempts to obtain such an interest failed, Defendant threatened to resign as chief financial officer of Allied Capital, unless he was provided an ownership interest in Allied Capital, Harbourside and other affiliated entities.

16. On February 12, 2013, as inducement to continue working for Allied Capital, Defendant was offered 5% of the net interest income Allied Capital and other affiliated entities received, as part of his complementation.

17. Defendant refused the offer, and insisted that he receive a 10% ownership interest in Allied Capital and other affiliated entities, to continue working.

18. Because Plaintiffs refused to accede to Defendant's demands, Defendant resigned from Allied Capital on February 15, 2013.

19. After resigning, Defendant demanded that Plaintiffs pay him 10% of the total revenue that Allied Capital, Harbourside and other affiliated entities received, while Defendant was employed by Allied Capital.

20. That claim was premised on Defendant's contention that he somehow held a 10% ownership interest in Allied Capital and other affiliated entities.

21. Defendant continues to claim that he holds an ownership interest in Allied Capital and Harbourside, and that he is entitled to compensation for the value of such interest.

22. Defendant's conduct has negatively affected Plaintiffs' ability to raise equity or incur liabilities.

**COUNT I**  
**DECLARATORY JUDGMENT**

23. Plaintiffs reallege and reincorporate Paragraphs 1 through 23 of the Complaint as if set forth in full herein.

24. This is an action for declaratory judgment.

25. Defendant claims, without any reasonable justification, that he is entitled to an ownership interest in Plaintiffs.

26. However, Defendant does not have any ownership interest in Plaintiffs.

27. As a result of Defendant's conduct, third parties doubt whether Defendant has any ownership interest in Plaintiffs.

28. Because Defendant has claimed an ownership interest in Plaintiffs, Plaintiffs will have difficulties in raising capital, or incurring liabilities.

29. Plaintiffs have performed all conditions precedent or they have occurred, or they have been waived or executed.

**WHEREFORE** Plaintiffs demand that the Court:

A. Take jurisdiction over this action, the parties involved and the subject matter thereof;

B. Declare and determine that the Defendant has no right to any ownership interest in Plaintiffs;

C. Enjoin Defendant from asserting that he has any ownership interest in Plaintiffs;

D. Award Plaintiffs attorney's fees and costs; and

E. Award Plaintiffs such other and further relief, which this Court may deem just and proper.

Respectfully submitted,  
BERGER SINGERMAN LLP  
*Counsel for Plaintiff*  
350 East Las Olas Blvd. Suite 1000  
Fort Lauderdale, FL 33301  
Tel: (954) 525-9900  
Fax: (954) 523-2872

By: /s/ Mitchell W. Berger  
Mitchell W. Berger, Esq.  
Florida Bar No. 311340  
Zachary P. Hyman  
Florida Bar No. 98581