

P R E S E N T:

Hon. Joan B. Lobis, J.S.C.

At I.A.S. Part 6 of the Supreme  
Court of the State of New York,  
held in and for the County of New  
York, at the Courthouse located at  
60 Centre Street, New York, New  
York, on this 22 day of June, 2011

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PEOPLE OF THE STATE OF NEW YORK, by  
ERIC T. SCHNEIDERMAN, Attorney General of the  
State of New York,

Index No. 401478/2010

Petitioner,

**JUDGMENT**

- against -

YAIR LEVY and YL RECTOR STREET LLC

Respondents.  
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Petitioner, the People of the State of New York, by ERIC T. SCHNEIDERMAN, Attorney General of the State of New York, having commenced this proceeding for a judgment pursuant to N.Y. Exec. Law § 63(12), N.Y. Gen. Bus. Law §§ 349, 350-d, and 353 seeking judgment that: (i) permanently enjoins Respondents from directly or indirectly engaging in any business activity relating to the advertisement, offer or sale of securities in or from the State of New York as governed by Article 23-A of the N.Y. Gen. Bus. Law; (ii) permanently enjoins Respondents from engaging in fraudulent, deceptive, and unlawful acts and practices pursuant to N.Y. Exec. Law § 63(12) and N.Y. Gen. Bus. Law § 353; (iii) directs Respondents to pay to the Rector Square Condominium a sum of \$7,399,145.00 as restitution and/or damages; (iv) awards the People of the State of New York \$360,000.00 in civil penalties pursuant to N.Y. Gen. Bus. Law § 350-d; and (v) directs that each Respondent pay to the People of the State of New York the sum of \$2,000.00 pursuant to N.Y. C.P.L.R. § 8303(a)(6);

NOW, upon reading and filing of: the June 9, 2010 Notice of Petition and Verified Petition (the "Petition"); the Affirmation of Jeffrey R. Rendin dated June 9, 2010, together with the exhibits thereto, submitted in support of the Petition; ~~the Memorandum of Law in Support of Petition dated June 9, 2010;~~ the Notice of Motion for Default Judgment dated August 4, 2010 and the accompanying Affirmation of Lewis A. Polishook in Support of Entry of Default Judgment Against Respondents and in Further Support of Petition dated August 4, 2010, together with the exhibits thereto; the Notice of Cross-Motion to Dismiss Petition dated August 25, 2010 and Yair Levy's accompanying Affidavit in Opposition to Motion for Default Judgment and in Support of Cross-Motion to Dismiss Petition sworn August 26, 2010; the Affirmation of Jeffrey R. Rendin in Opposition to Respondent Levy's Cross-Motion to Dismiss and in Further Support of Petition dated September 2, 2010, together with the exhibits thereto; Andrea L. Roschelle's Reply Affirmation in Support of Respondents' Cross-Motion to Dismiss Petition dated September 22, 2010, together with the exhibits thereto; the Affidavit of Scott Ackerman sworn on September 22, 2010, together with the exhibits thereto; the Sur-Reply Affirmation of Jeffrey R. Rendin in Opposition to Respondent Levy's Cross-Motion to Dismiss and in Further Support of Petition dated October 5, 2010; the Interim Decision and Order denying Respondents' cross-motion to dismiss dated November 20, 2010; Respondent's Order to Show Cause submitted on or around November 23, 2010 which was denied as moot and the accompanying Affirmation in Support of Respondents' Motion to Supplement the Record of Andrea L. Roschelle dated November 23, 2010, together with the exhibits thereto; the December 20, 2010 Verified Answer of Respondents, submitted in opposition to the Verified Petition; the Reply Affirmation of Jeffrey R. Rendin in Opposition to the Verified Answer and in Further Support of Petition dated December 29, 2010; Respondents' Order to Show Cause,



dated February 16, 2011 and the accompanying Affirmation in Support of Order to Show Cause of Rex Whitehorn, Esq., together with the exhibits thereto; ~~Petitioner's Memorandum of Law in Opposition to Order to Show Cause and in Further Support of Petition dated February 25, 2011~~; and the Affirmation in Support of Order to Show Cause of Rex Whitehorn, Esq., dated February 28, 2011; and

This matter having duly been heard before the Court on March 1, 2011, and ERIC T. SCHNEIDERMAN, Attorney General of the State of New York (Jeffrey R. Rendin and Lewis A. Polishook, Assistant Attorneys General, of Counsel), having appeared for Petitioner and REX WHITEHORN & ASSOCIATES, P.C. (Rex Whitehorn, Esq., of Counsel) having appeared for Respondents; and

Due deliberation having been had; and

This Court having granted the petition in its entirety, by decision and order dated May 25, 2011;

NOW, on motion of ERIC T. SCHNEIDERMAN, Attorney General of the State of New York, attorney for Petitioner, it is hereby

ADJUDGED and ~~DECREED~~, that Respondents YAIR LEVY and YL RECTOR STREET LLC are ~~and hereby shall be~~ permanently enjoined from directly or indirectly engaging in any business activity relating to the advertisement, offer or sale of securities in or from the State of New York as governed by Article 23-A of the N.Y. Gen. Bus. Law, pursuant to N.Y. Gen. Bus. Law § 353; and it is further

ADJUDGED and ~~DECREED~~, that Respondents YAIR LEVY and YL RECTOR STREET LLC are ~~and hereby shall be~~ permanently enjoined from further engaging in the fraudulent,

deceptive, and unlawful acts and practices alleged in the Petition, pursuant to N.Y. Exec. Law § 63(12) and N.Y. Gen. Bus. § 353; and it is further

ADJUDGED ~~and DECREED~~, that this judgment shall be docketed as a money judgment in favor of Petitioner, <sup>AND</sup> the People of the State of New York, by ERIC T. SCHNEIDERMAN, Attorney General of the State of New York, with offices at 120 Broadway, New York, New York 10271, <sup>do recover of</sup> ~~against~~ Respondents YAIR LEVY, whose last known address is 19 Sinclair Drive, Great Neck, New York 11021 and YL RECTOR STREET LLC, whose last known business address is 101 West 87<sup>th</sup> Street, 5<sup>th</sup> Floor, New York, New York 10024, jointly and severally, ~~for~~ the amount of \$7,399,145.00, pursuant to N.Y. Exec. Law § 63(12) and N.Y. Gen. Bus. Law § 353, as restitution for the Rector Square Condominium, and that the Petitioner, the People of the State of New York, by ERIC T. SCHNEIDERMAN, Attorney General of the State of New York, shall have execution therefor; and it is further

ADJUDGED ~~and DECREED~~, that this judgment shall be docketed as a money judgment in favor of Petitioner, <sup>AND</sup> the People of the State of New York, by ERIC T. SCHNEIDERMAN, Attorney General of the State of New York, with offices at 120 Broadway, New York, New York 10271, <sup>do recover of</sup> ~~against~~ Respondents YAIR LEVY, whose last known address is 19 Sinclair Drive, Great Neck, New York 11021 and YL RECTOR STREET LLC, whose last known business address is 101 West 87<sup>th</sup> Street, 5<sup>th</sup> Floor, New York, New York 10024, jointly and severally, ~~for~~ the amount of \$360,000.00 in civil penalties pursuant to N.Y. Gen. Bus. Law § 350-d, and that the Petitioner, the People of the State of New York, by ERIC T. SCHNEIDERMAN, Attorney General of the State of New York, shall have execution therefor; and it is further

ADJUDGED ~~and DECREED~~, that this judgment shall be docketed as a money judgment in



<sup>AND</sup>  
favor of Petitioner, the People of the State of New York, by ERIC T. SCHNEIDERMAN, Attorney  
General of the State of New York, with offices at 120 Broadway, New York, New York 10271,  
<sup>do recover of</sup>  
~~Against~~ Respondent YAIR LEVY, whose last known business address is 19 Sinclair Drive, Great  
Neck, New York 11021, ~~in~~ the amount of \$2,000.00, as a discretionary allowance awarded pursuant  
to N.Y. C.P.L.R. § 8303(a)(6), and that the Petitioner, the People of the State of New York, by ERIC  
T. SCHNEIDERMAN, Attorney General of the State of New York, shall have execution therefor;  
and it is further

ADJUDGED ~~and DECREED~~, that this judgment shall be docketed as a money judgment in  
favor of Petitioner, <sup>AND</sup> the People of the State of New York, by ERIC T. SCHNEIDERMAN, Attorney  
General of the State of New York, with offices at 120 Broadway, New York, New York 10271,  
<sup>do recover of</sup>  
~~Against~~ Respondent YL RECTOR STREET LLC, whose last known business address is 101 West  
87<sup>th</sup> Street, 5<sup>th</sup> Floor, New York, New York 10024, ~~in~~ the amount of \$2,000.00, as a discretionary  
allowance awarded pursuant to N.Y. C.P.L.R. § 8303(a)(6), and that the Petitioner, the People of the  
State of New York, by ERIC T. SCHNEIDERMAN, Attorney General of the State of New York,  
shall have execution therefor; and it is further

ADJUDGED ~~and DECREED~~, that the Attorney General of the State of New York may make  
such further application as appropriate to enforce or interpret the provisions of this Judgment, or in  
the alternative, maintain any action or proceeding for such other and further relief as Petitioner may  
determine is proper and necessary for the enforcement of this Judgment.

E N T E R:

  
S.C.  
**JOAN B. LOBIS**

5

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