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Attorneys for Plaintiffs

MARTELLI DEVELOPMENT GROUP, LLC, THE RIDGE AT SUN EAGLES, LLC, VERITAS HOSPITALITY, LLC, VERITAS GOLF, LLC and VERITAS MANAGEMENT GROUP, LLP and SALVATORE MARTELLI, Individually and Derivatively on behalf of Nominal Defendants, ABOVE PAR HOSPITALITY, LLC, ABOVE PAR MANAGEMENT, LLC, ABOVE PAR GOLF, LLC and MULLIGAN GOLF, LLC, Plaintiffs, v. WARREN DIAMOND; FAITH PERLMUTTER DIAMOND; BIRDIE GOLF, LLC, and AMERICAN REAL ESTATE, LLC, Defendants, and MULLIGAN GOLF, LLC, ABOVE PAR HOSPITALITY, LLC, ABOVE PAR MANAGEMENT, LLC, and ABOVE PAR GOLF, LLC, Nominal Defendants.	SUPERIOR COURT OF NEW JERSEY LAW DIVISION: MONMOUTH COUNTY DOCKET NO.: MON-L___ COMPLEX BUSINESS LITIGATION PROGRAM Civil Action **VERIFIED COMPLAINT**

Plaintiffs Martelli Development Group, LLC ("MDG"), The Ridge At Suneagles, LLC ("The Ridge at Suneagles"), Veritas Hospitality, LLC ("Veritas Hospitality"), Veritas Golf, LLC

("Veritas Golf") and Veritas Management Group, LLC ("Veritas Management"), and Salvatore Martelli ("Martelli"), individually, and derivatively on behalf of Nominal Defendants Mulligan Golf LLC, Above Par Hospitality, LLC ("AP Hospitality"), Above Par Management, LLC ("AP Management"), Above Par Golf, LLC ("AP Golf"), (hereinafter collectively, "Plaintiffs"), by way of Complaint against Defendants, Warren Diamond ("Warren"), Faith Perlmutter Diamond ("Faith") (hereinafter collectively with Defendant, Warren Diamond, the "Diamonds"), Birdie Golf, LLC ("Birdie Golf"), and American Real Estate, LLC ("American Real Estate") (hereinafter collectively, "Defendants"), hereby state:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter as Defendants are New Jersey residents and/or entities doing business in New Jersey and the claims are all State law claims based on events occurring within the State of New Jersey.

2. The venue is proper as Defendants' primary place of business is located in Monmouth County.

THE PARTIES

3. Martelli is an individual and resident of New Jersey, who resides at 8 Belvidere Road, Atlantic Highlands, New Jersey.

4. MDG is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located at 716 Newman Springs Rd Ste 367 Lincroft, New Jersey. Martelli is the sole and managing member of MDG.

5. The Ridge at Suneagles is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located at 716 Newman Springs Road, Suite 367, Lincroft, New Jersey. Martelli is the sole and managing member of the Ridge at

Suneagles, which was formed for the purpose of constructing townhomes.

6. Veritas Hospitality is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located in Lincroft, New Jersey. Martelli is the sole and managing member of Veritas Hospitality.

7. Veritas Golf is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located at 2000 Lowther Drive, Eatontown, New Jersey 07724. Martelli is the sole and managing member of Veritas Golf.

8. Veritas Management is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located in Lincroft, New Jersey. Martelli is the sole and managing member of Veritas Management.

9. Warren is an individual and resident of Monmouth County, New Jersey.

10. Faith is an individual and resident of Monmouth County, New Jersey.

11. Birdie Golf is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located in Eatontown, New Jersey. Birdie Golf's members consist of Warren (99%) and Faith (1%).

12. Mulligan Golf is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located in Eatontown, New Jersey. Mulligan Golf's members consist of Veritas Golf (50%) and Birdie Golf (50%).

13. AP Hospitality is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located in Eatontown, New Jersey. AP Hospitality's members consist of Martelli (50%) and Faith (49%). Non-party JCR Hospitality holds a 1% non-voting interest in AP Hospitality. AP Hospitality is the operator of on-site restaurants the Tillinghouse and Ember & Eagle.

14. AP Management is a Limited Liability Company formed under the laws of the State

of New Jersey, with a principal place of business located in Eatontown, New Jersey. AP Management's members consist of Martelli (50%) and Warren (50%).

15. AP Golf is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located in Eatontown, New Jersey. AP Golf's members consist of Martelli (50%) and Warren (50%).

16. Defendant, American Real Estate is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located in Tinton Falls, New Jersey. Warren is the sole and managing member of American Real Estate.

17. Non-party JCR Hospitality is a Limited Liability Company formed under the laws of the State of New Jersey, with a principal place of business located in Eatontown, New Jersey. JCR Hospitality holds a 1% non- voting share in AP Hospitality and is owned by Joseph Calafiore, Matthew Cory Checket, and Ryan DePersio.

BACKGROUND

18. Plaintiffs bring this action in what can be best described as a "Business Divorce," insofar as Plaintiffs seek the legal and equitable separation, dissolution, and/or revising of the existing business agreement(s) between entities currently held in equal ownership between Martelli, Warren, and Faith which operate the Suneagles Golf Club.

I. The Suneagles Golf Club.

19. The property which is the subject of this Complaint is the Suneagles Golf Club, located at 2000 Lowther Drive, Eatontown, New Jersey 07724 Eatontown, New Jersey (the "Suneagles Property"), a unique property with a rich history intertwined with American golf heritage dating back to 1926, when it was designed by legendary golf course architect A.W.

Tillinghast on land owned by Max Phillips, founder of Phillips Van Heusen.

20. In 1942, the United States Army acquired the Suneagles Property, integrating it into the Fort Monmouth Military Base ("Fort Monmouth"), which itself consisted of approximately 1,126 acres of real property located and situated within in the jurisdictional boundaries of the Borough of Oceanport, Borough of Eatontown, and Borough of Tinton Falls in Monmouth County, New Jersey.

21. The Suneagles Property is located entirely in the jurisdictional boundaries of the Borough of Eatontown and includes across its approximately 171 acres an eighteen (18) hole golf course, a historic catering hall, a Golf Pro shop, and restaurant which holds a liquor license permitting the retail sale of alcoholic beverages at the property.

22. During the decades that Fort Monmouth was open and operational, the Suneagles Property was used for recreational purposes by active and retired military personnel, civil federal employees, and invited guests.

23. The U.S. Department of Defense thereafter decommissioned Fort Monmouth as part of the 2005 Base Realignment and Closure (BRAC) process, a nationwide initiative aimed at increasing military efficiency and reducing costs.

24. As part of the Federal statutory political BRAC Military Base closure process, the legal ownership and title to all real property owned by the Federal Government was ultimately disposed of and sold off through a cooperative process with New Jersey State, County, and affected local municipal governments.

25. To effectuate this process, on April 28, 2006, New Jersey Governor Jon Corzine signed into law the Fort Monmouth Economic Revitalization Act which created the Fort Monmouth Economic Revitalization Authority and established the Fort Monmouth Economic

Revitalization Planning Authority ("FMERPA"), the purposes of which was to create the Fort Monmouth Reuse and Redevelopment Plan (the "Redevelopment Plan") for the future use, development, and/or sale of the real property. This initial plan was completed in 2008 which was followed by several Court challenges.

26. Ultimately the FMERPA was totally replaced and supplanted by the Fort Monmouth Economic Revitalization Authority ("FMERA") which was charged with the power to adopt any modifications or amendments to the Redevelopment Plan and adopt development and design guidelines and land use regulations to implement the Plan.

27. The FMERA was responsible for the sale of Fort Monmouth, including the Suneagles Property, to a qualified bidder.

II. Martelli Purchases the Suneagles Property.

28. For over forty years, Martelli has been an industry leader in the field of quality home construction and real estate development in the Monmouth County area.

29. In addition to the creation of high-quality custom residential and commercial properties, Martelli also specializes in the design, build, and management of golf courses located in the greater Monmouth County area, consistently delivering projects to patrons that balance environmental sustainability, playability, and luxury residential or resort amenities.

30. Given its unique challenge, in or about December of 2016 MDG submitted a bid to the FMERA to develop the Suneagles Property with a deposit in the amount of $250,000.00.

31. Largely because of Martelli's reputation in the region as a competent and honest developer, MDG was thereafter approved by FMERA for the purchase and development of the Suneagles Property in the Summer of 2017.

32. Martelli, through MDG, subsequently began plans for significant renovations and

redevelopment to restore the Suneagles Property to its former glory. A true and correct copy of the Asbury Park Press article dated August 4, 2017 is annexed hereto as "**Exhibit A**."

33. Thereafter, on or about December 21, 2017, MDG, as Buyer, and FMERA, as Seller, executed an initial "Purchase and Sale Agreement and Redevelopment Agreement" (the "December 2017 PSARA"). A true and correct copy of the December 2017 PSARA is annexed hereto as "**Exhibit B**."

34. As part of the December 2017 PSARA, MDG eventually also received approvals to construct sixty (60) luxury market-rate townhouses and fifteen (15) affordable townhouses through Ridge at Suneagles on the Suneagles Property.

35. During this time, the Suneagles Property was legally identified as BLOCK: 501, LOT: 1, though it has since been subdivided and is today legally identified as BLOCK: 501, LOT(S): 1.02, 1.03 and 1.04 on the Official Tax Map of the Borough of Eatontown, County of Monmouth and State of New Jersey.

36. In or about December 2, 2017, MDG paid an additional $500,000.00 deposit to FMERA and was given a Use and Occupancy Agreement to begin to make improvements to the golf course, effectively stopping the deterioration of the property.

37. Thus, MDG's total deposit was $750,000.00.

38. In anticipation of breaking ground, MDG incurred approximately $2.2 million in costs inclusive of $1.8 million in soft costs, including for architectural renderings, design, and engineering.

III. __Martelli Meets the Diamonds__.

39. "In or about the Fall of 2018, Martelli was reacquainted with Warren at a social event, during which time Warren represented himself as a real estate developer and the owner of a self-storage chain commonly known as "American Self-Storage."

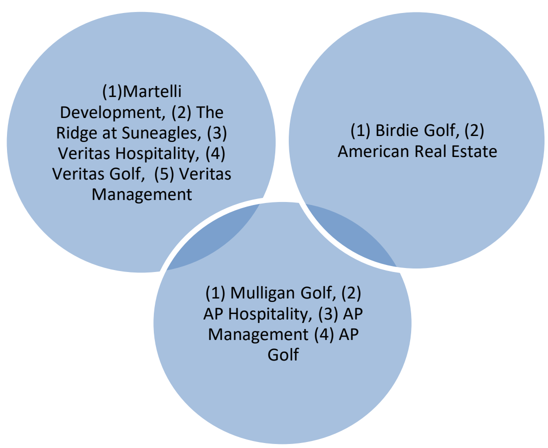
40. During this initial encounter, the parties discussed general business topics, including MDG's redevelopment project at the Suneagles Property.

41. Upon hearing of MDG's plans for the Suneagles Property, Warren expressed his immediate and serious interest in becoming involved as an "investor" in the project.

42. Ultimately, the parties agreed that the Diamonds would supply an infusion of capital into the Suneagles Property development, with terms to be memorialized by way of formal and written contract at a later date.

43. The parties also agreed that in order to further secure their "investment," Martelli would permit the Diamonds or a limited liability company owned by the Diamonds to become members of equal share in Mulligan Golf, AP Hospitality, AP Management and AP Golf, entities that Martelli intended would operate specific portions of the Suneagles golf course and ancillary businesses on site.

Martelli Owned Entities **Diamond Owned Entities**



Shared Entities

44. On or about December 3, 2019, in an email correspondence between the parties, Martelli and Warren memorialized tentative terms to be more formally executed with respect to various issues concerning the financing and interests relating to the purchase of Sun Eagles from

FMERA ("the December 2019 Email"). A true and correct copy of the December 3, 2019 email correspondence is annexed hereto as "**Exhibit C**."

45. Importantly, Warren also specifically requested that his wife be added as a member of whichever entity would hold a liquor license for the Suneagles Property "for tax purposes," though his reasoning was never explained.

46. The Diamonds also made several representations that both Warren and Faith would qualify as appropriate candidates for AP Hospitality's future liquor license.

47. As a result, the December 2019 email recites that at a certain point, Faith Diamond, or a company owned by her, would own fifty percent (50%) in AP Hospitality, an entity which Martelli anticipated would eventually own the liquor license. *Id*. at ¶ 4.

IV. Martelli Amends the Operating Agreements of the Joint Ventures.

48. In response to the Diamonds' participation in the Suneagles Property and redevelopment project, in February and March of 2020, Plaintiffs amended the respective Operating Agreements of Mulligan Golf, AP Hospitality, AP Management and AP Golf (hereinafter collectively with the Mulligan Operating Agreement, AP Hospitality Operating Agreement, AP Golf Operating Agreement, the "Operating Agreements")[1], adding Birdie Golf, Warren, and Faith as members, and memorializing the parties' membership interests, rights and obligations (hereinafter the "Joint Ventures"). A true and correct copy of the Amended Operating Agreement(s) dated February 2, 2020 are annexed hereto as "**Exhibit(s) D-G**."

49. Importantly, the Operating Agreements are identical in terms of notice, member

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[1] Due to the sheer number of operating agreements, amendments to operating agreements, and documents which Warren or Faith Diamond may claim were executed even if not actually executed, Plaintiffs reserve the right to identify and seek relief related to additional agreements as the litigation and discovery continues.

duties, and obligation(s) to the Joint Ventures.

50. Section VIII (Capital Contributions and Loans) of the Operating Agreements states in relevant part:

> **¶ 8.2 Additional Capital Contributions**. If the Managing Member determines, at any time or from time to time, that the Company requires additional capital contributions, then ***each Member shall contribute its share of the additional capital contributions in accordance with its LLC Percentage Interest.*** Such additional capital contribution shall be in writing setting forth the amounts (or property) to be contributed, and shall be attached to the Agreement or shall be reflected in the books and records of the Company. Within thirty (30) days after the Managing Member has determined the amount of additional capital contributions required, each Member shall pay its share, in cash or by certified check, to the Company, or by deed transferred to the Company
>
> **¶ 8.2.1 Failure to Make Capital Contribution.** If any Member ("Delinquent Member") fails to make a Capital Contribution required to be made according to this Section 8.2**,** the Managing Member shall give the Delinquent Member a Notice of such failure. If the Delinquent Member fails to pay the Capital Contribution within ten (10) days of the giving of Notice, the Managing Member shall request the Member(s) who are not a Delinquent Member to pay the unpaid amount of the Delinquent Member's share. ***Such other members may, at their option, contribute additional capital to cover all or a portion of the Delinquent Member's share. To the extent the Delinquent Member's share is contributed by any other Member, the non-Delinquent Member will be considered to have loaned the delinquent Capital Contribution to the Company at an interest rate of the less of (x) eighteen percent (18%) per annum and (y) the highest rate permitted by applicable law, which shall be paid prior to any distributions of profits to any Member.***
>
> [**Exhibit(s) D-G** at § 8.] (emphasis added).

51. Section IV (Management, Rights, Powers and Duties) of the Operating Agreements state in relevant part as follows:

> **¶4.1.4 Removal of Managing Member.** The Members may only remove a Managing Member then acting for cause as defined in Section 6.2(B), (C) or (D) and elect a new Managing Member to serve with the other Managing Member by the unanimous vote of all the Members, including the currently serving Managing Member who the other Members are seeking to remove.
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> ***
>
> **¶4.3 Majority Decisions**. Except where this Agreement provides otherwise, all decisions of the Members shall be made by way of a majority vote of the Members (*Class A).

52. Section VI (Resignation and Dissociation) of the Operating Agreements further provides as follows:

> **¶6.2 Dissociation.** Dissociation in relation to a Member will occur automatically upon any of the following events:
>
> A. The company receives notice of the Member's resignation as a Member, or on a later date specified by the Member in such notice. A Member becomes a debtor in bankruptcy; executes an assignment for the benefit of creditors; seeks, consents to or acquiesces in the appointment of a trustee, receiver, or liquidator of the member or of all or substantially all of the Member's properties or business entities; or fails within ninety (90) days after the appointment, without the Members consent or acquiescence, of a trustee, receiver or liquidator of the member or of all or substantially all of that Member's properties, to have the appointment vacated or stayed, or fails within ninety (90) days after the expiration of the stay to have the appointment vacated.
>
> B. By a majority vote of the other Members, to expel the Member on the basis that:
>
> (i) it is unlawful to carry on the business of the Company with that Member;
> (ii) there has been a transfer of all of that Member's transferrable interest in the Company under the terms that violate this Agreement, other than a transfer for security purposes or a court order charging the member's interest.
>
> C. On the basis that:
>
> (iii) the Member engaged in fraudulent or willful misconduct that adversely and materially affected the Company's business;
> (iv) the Member willfully and persistently committed a material breach if this Agreement as determined by a Cout of law; or
> (v) the Member engaged in conduct relating to the Company's business which makes it not reasonably practicable to carry on the business with the Member as a Member of the Company as determined by a Court of law.

53. Due to the nature of the business structures of Joint Ventures, no one member currently holds more than fifty-percent (50%) ownership interest in each respective entity. *See generally*, **Exhibit(s) D-G**.

54. As such, all members constitute both minority and majority owners of the entities.

55. Section(s) ¶4.1.4 (Removal of Managing Member) of the respective Operating Agreements require the "*... <u>unanimous vote</u> of all the Members, including the currently serving Managing Member who the other Members are seeking to remove.*" *See* **Exhibit(s) D-G** at ¶ 4.14 (Emphasis added).

56. Moreover, as a general principle of corporate governance, ¶4.3 (Majority Decisions) of the Operating Agreement(s) state that, "*... all decisions of the Members shall be made by way of a <u>majority vote</u> of the Members See* **Exhibit(s) D-G** at ¶ 4.3(Emphasis added).

57. While Section ¶6.2 (Dissociation) subsections (A), (B) & (C) of the Operating Agreement(s) permit the expulsion of a Member for cause, such action by the terms of this section and by operation of ¶4.3 *(Majority Decisions)* also require unanimous agreement, given that Martelli and the Diamonds each hold fifty-percent (50%) interest in the respective entities. *See* **Exhibit(s) D-G** at ¶ 6.2

58. The Operating Agreements -- though substantively identical -- contain express provisions which, albeit unintended, effectively establish a *de facto* permanent business relationship incapable of modification in the absence of unanimous consent.

59. As a result, any change to the governance or operation of Joint Ventures requires the unanimous approval of all members, rendering the entity functionally paralyzed in the event of disagreement.

V. ***<u>MDG Obtains Funding For The Suneagles Property Development</u>.***

60. Thereafter, in the Fall and early Winter of 2020, FMERA, MDG, and Mulligan Golf agreed to a First Amendment to the Purchase and Sale Agreement and Redevelopment Agreement, dated September 15, 2020, and thereafter again to a Second Amendment to the Purchase and Sale Agreement and Redevelopment Agreement dated December 18, 2020 (hereinafter referred to collectively as the "PSARA"). A true and correct copy of the PSARA,

dated December 18, 2020 is annexed hereto as "**Exhibit H**."

61. On the same date, Mulligan executed a Promissory Note in favor of FMERA for the sum of $26,677,701.17 as part of, and in furtherance of the 2017 Redevelopment Agreement ("Mulligan Note"). A true and correct copy of the Mulligan Note dated December 18, 2020 is annexed hereto as "**Exhibit I**."

62. Pursuant to the terms and conditions of the Mulligan Note and the related PSARA, Mulligan Golf, in its capacity as Buyer and Developer, agreed to pay the total of $26,677,701.17 to the FMERA upon completion of the Banquet Hall, Condominiums, and Affordable Housing units.

63. Simultaneously, on December 18, 2020, Mulligan Golf entered into a Mortgage and Security Agreement ("Mulligan Mortgage") with non-party Investors Bank to secure a loan from Investor's Bank for the sum of $6,000,000.00.

64. The Mulligan Mortgage was later recorded against the Suneagles Property with the Monmouth County Clerk's Office on February 2, 2021 in Book:OR-9478, Page: 3894.

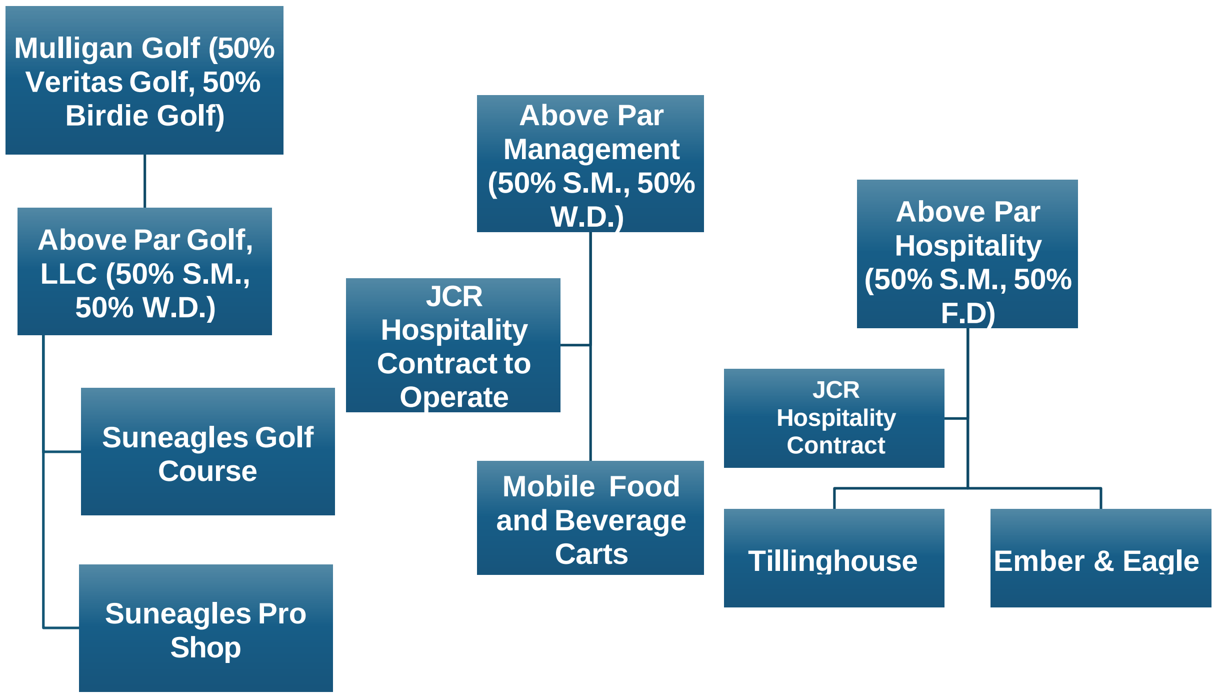
65. Finally, as further security for the $6,000,000.00 loan, a UCC-1 Financing Statement was also filed against the improvements and other tangible things located on the Suneagles Golf Course Property in favor of Investors Bank, which was recorded in the Monmouth County Clerk's Office at Instrument No. 2021017535.

66. On December 22, 2020, the FMERA conveyed Block 501, Lot(s) 1.02, 1.03 and 1.04 to Mulligan Golf by way of quitclaim deed(s) recorded on February 2, 2021 for the sum of $2,000,000.00, $2,955,555.56, and $44,444.44, respectively. A true and correct copy of the quitclaim deed(s) dated December 22, 2020 are annexed hereto as "**Exhibit J**."

67. Upon execution of the Operating Agreements, MDG began renovations of the Suneagles Property and construction of sixty (60) condominiums.

68. MDG completed construction of the golf course in or around October of 2023.

VI. <u>Current Corporate Structure of the Suneagles Property and Golf Course</u>.



69. In order to protect their interests in the operation of the Suneagles Property and facilities, the parties also created the Joint Ventures to operate different aspects of the golf club.

70. AP Golf is the contract operator of both the Sun Eagles Golf Course and the Sun Eagles Golf Course Pro Shop, which currently pay rent to global owner, Mulligan Golf.

71. AP Hospitality is the owner of the business formally known as the "Tillinghouse" (f/k/a "Gibbs Hall"), which is a large restaurant and catering facility located on the Suneagles Property.

72. The Tillinghouse is operated pursuant to a contract with JCR Hospitality.

73. Vital to its business is a retail consumption liquor license held and owned by related business entity AP Hospitality.

74. AP Hospitality is also the owner of "Ember & Eagle," a stand-alone restaurant in a building that once housed the former restaurant "Joe's Sports Bar."

75. AP Hospitality subcontracts with JCR for the operation of the Tillinghouse and Ember & Eagle.

76. JCR Hospitality also holds a contract with AP Management for the lawful operation of mobile food and beverage golf carts to provide food and drink to patrons while on the Suneagles golf course. A true and correct copy of the Food and Beverage Supervisor Agreement dated April 28, 2022 is annexed hereto as "**Exhibit K**."

77. During the course of buildout of the Suneagles Property, Martelli and Faith, as members of AP Hospitality, applied to the Borough of Eatontown and to the New Jersey Division of Alcoholic Beverage Control ("ABC") for a Liquor License permitting the retail sales and consumption of alcoholic beverages via mobile beverage cart(s), the Tillinghouse, and Ember & Eagle.

78. Given his good name and reputation, Martelli was able obtain an ABC license which grandfathered the Suneagles liquor license to AP Hospitality.

DEFENDANTS' BREACH THE OPERATING AGREEMENTS

79. Beginning in or around the Spring of 2022, the working relationship between Martelli and the Diamonds became irreparably destroyed due to their failure to honor the terms of the Joint Venture Operating Agreements and because of Warren's increasingly erratic behavior.

80. As early as November 2023, Warren began sending emails to Martelli threatening to seize the property, take over the restaurants, and foreclose on Martelli's personal residence.

I. Defendants Ignore a Capital Call and Warren Converts $700,000 From Mulligan.

81. On September 17, 2024, Veritas Golf initiated a capital call in the amount of $1,000,000.00 from Birdie Golf through its principal Warren in compliance with Section 8.2.1. of the Amended Mulligan Operating Agreement. *See* **Exhibit D** at ¶ 8.2.1.

82. Rather than respond to the September 17th capital call, on or about November 12, 2024, Warren transferred $200,000.00 to his personal account from Mulligan.

83. Thereafter on November 14, 2024, Warren initiated a second transfer of $500,000.00 from Mulligan to his personal account.

84. Warren's purported explanation for the November 12, 2024 transfer was that it was permitted by the Installment Loan and Repayment Agreement.

85. No rationale or reason was given for the second transfer other than to state that it was to repay a portion of his loan balance.

86. By letter dated December 13, 2024, Martelli, as non-delinquent member of Mulligan, repeated the capital call to Birdie Golf, stating, and that pursuant to Section 8.2.1 of the Amended Mulligan Operating Agreement, "if payment is not received in full within 10 days of this capital call, each member's percentage interest in the company [would] be adjusted accordingly to the percentage obtained from each member."

87. Birdie Golf again refused to fund the Capital Call, prompting Plaintiffs to send correspondence through its counsel, on December 23, 2024, advising that Birdie Golf now qualified as a "delinquent member" of Mulligan, and outlining several additional violations of the Joint Venture Operating Agreements. A true and correct copy of the correspondence dated December 23, 2024 is annexed hereto as "**Exhibit M**."

88. Warren ignored similar calls made on April 28, 2025, and May 16, 2025.

89. Martelli continues to fund delinquent capital calls so that the business can meet its obligations, debt and operational obligations, entitling him to collect 18% interest on the funded

amounts. *See* **Exhibit(s) D-G** at ¶ 8.2.1.

II. Defendants Interfere with AP Hospitality's Operations and Refuse to Authorize Construction of the Halfway House In Breach of the Amended Supervisory Agreement.

90. In the fall of 2024, Martelli began to receive frequent complaints from JCR's owners regarding Warren's interference in the restaurant/hospitality portion of the business, including threats of litigation which almost caused all three of JCR's owners to step away from the business.

91. In fact, one of the three owners of JCR walked away from the entity and the other two advised they would only return upon the execution of an Amendment to the Food and Beverage Supervisor Agreement.

92. As a result, on November 25, 2024, AP Hospitality, JCR, MDG, Mulligan, Above Par Golf, Martelli, Warren, and Faith, entered into a Second Amendment to the Food and Beverage Supervisor Agreement ("Amended Supervisory Agreement"). A true and correct copy of the Amended Supervisory Agreement dated November 25, 2024 is annexed hereto as "**Exhibit L**."

93. The purpose of the Second Amended Supervisory Agreement was to keep JCR on board and prevent the Diamonds from interfering with JCR and AP Hospitality's operations, including Tillinghouse and Ember & Eagle.

94. Importantly, while not disclosed at this time, due to his status as a convicted felon, Warren cannot be involved in the food and beverage operations, because his involvement could result in revocation of the liquor license.

95. In exchange for his agreement not to interfere with JCR's operations, the Diamonds were to receive a "rent" payment comprised of half of eight percent of Mulligan's gross receipts.

96. However, in the time since signing the Amended Supervisory Agreement,

Warren's interference has only worsened.

97. For example, on numerous occasions, Warren would infiltrate private catered parties and events, helping himself to food and beverages meant for patrons which caused several customer complaints.

98. Despite his worsening behavior which explicitly breached the Amended Supervisory Agreement, the Diamonds have also continued to siphon money away from Mulligan/AP Hospitality.

99. The Amended Supervisory Agreement also stated that MDG would build a halfway house/concession stand on the course on a "cost-plus" basis. In other words, MDG would be entitled to recoup actual hard costs for the construction plus architectural and permitting fees. MDG would also be entitled to a 25% management fee to oversee the hard costs and construction.

100. Despite repeated requests and the express language of the Amended Supervisory Agreement providing for the halfway house on the Suneagles golf course, Warren has refused to authorize MDG to commence construction.

101. Fortunately, the halfway house was completed in April 2025 for a total of $593,884.19, $406,000.00 of which Warren has refused to reimburse MDG.

III. The Diamonds' Criminal and Fraudulent Past Is Revealed.

102. Following Warren's unilateral withdrawals from Mulligan, Martelli conducted a personal investigation into him, which shockingly revealed that Warren and Faith acted in concert to wrongfully, fraudulently, and illegally induce Plaintiffs into their current partnership by failing to disclose Warren's status as a convicted felon, which places AP Hospitality's Liquor License(s) in direct jeopardy.

103. Formerly known as Warren Weissman, the Diamonds withheld from Plaintiffs that Warren was convicted on October 14, 1986, along with several members of the Bonanno crime

family, in connection with a massive labor racketeering conspiracy in the moving and storage industry. A true and correct copy of *United States v. Rastelli*, 653 F. Supp. 1034 (1986) is annexed hereto as "**Exhibit N**."

104. The conviction was upheld on appeal and Warren spent significant time incarcerated in a federal detention facility.

105. Upon information and belief, upon release Warren changed his family name from Weissman to Diamond, to shield his true identity from lenders and/or prospective business partners.

106. Since changing his name, Warren has also been a named defendant in several actions (including one filed by his son) involving forgery, embezzlement and fraud of several business partners in the matter(s) of *Scott Diamond v. Warren Diamond*, Docket No. MON-L-2448-18 ("Diamond Action"), *Dragos Firescu v. Warren Diamond,* Index No. 650301/2021 ("Firescu Action"), *John Del Monaco et al v. Warren Diamond*, Index No. 652966/2015("DelMonaco Action") and Tunnel Associates, LLC et al. v. Warren Diamond, Index No. 154717/2012 ("Tunnel Action")(hereinafter collectively, the "New York and New Jersey Civil Actions"). A true and correct copy of the Diamond New York and New Jersey Civil Action Complaint(s) are annexed hereto as "**Exhibit O**."

107. In fact, the Diamonds' New York and New Jersey Civil Actions reveal a common scheme of embezzlement and forgery that the Diamonds appear to be recreating through the Joint Ventures.

108. In the Tunnel Action, Warren's business partners Mitchell Rudder and Jacob Frydman commenced suit against Warren, seeking to expel Warren from a shared real estate development entity after Warren defaulted on a commercial lease.

109. As alleged in the Tunnel Action, Warren hid his criminal past, took a baseball bat to

Plaintiffs' vehicle and threatened to kill Plaintiffs upon discovery that Warren converted over two million $2,000,000.00 dollars' worth of funds from the parties' shared entity.

110. In fact, Plaintiffs were so concerned with Warren's behavior that they were forced to hire armed bodyguards to protect themselves.

111. In the DelMonaco Action, Warren's business partner, John Del Monaco, commenced an arbitration proceeding against Warren, seeking an order expelling Warren from American Self Storage Mgmt. Assoc., LLC ("ASSMA") and various properties in which they shared interests, in addition to several million dollars in damages both on his own behalf and derivatively, flowing from Warren's abuse of his position.

112. During the arbitration, Warren asserted that he had a right to AASMA's missing funds based upon the parties' agreement to create a self-insurance program that was only accessible on Faith's personal computer.

113. Warren's son, Scott Diamond ("Scott") also provided testimony against his father during the arbitration, stating that while Scott (60%) and Warren (40%) were the owners of a company commonly known as Nacirema Management, Warren attempted to access the company's bank accounts by presenting forged operating agreements misrepresenting that he was an equal member.

114. Scott also testified that he witnessed Warren's theft of insurance checks meant to benefit properties damaged by Hurricane Sandy, as well as Warren's other mismanagement, theft and generally threatening behavior toward Scott and others.

115. The arbitration panel even heard and saw evidence that, during the pendency of the arbitration, Warren broke into Scott's personal office after disabling the security camera and invaded locked file cabinets, presumably for the purpose of removing and/or altering corporate documents.

116. While the arbitration panel did permit Warren to retain his 50% interest in AASMA, they also found that Warren had misappropriated over $2,000,000.00 from the business and had given false testimony during the proceedings.

117. Based upon these and other findings, the arbitrators determined that Warren "has plainly and repeatedly breached his fiduciary obligations by helping himself to money belonging to ASSMA and Affiliate Companies," expelled him from ASSMA's management, and granted other relief.

118. As a result, Warren was removed from AASMA's management, ordered to repay $2,000,000.00 in misappropriated funds, and $1,600,000.00 in attorney's fees and costs.

119. Despite being removed from management, Warren continued to illegally attempt to steal from and assert ownership over AASMA, misappropriating over $206,000.00 from AASMA, part of which he deposited in an unauthorized AASMA account he had created for his personal use in Florida.

120. Warren was ultimately held in contempt of Court on May 16, 2016, and forced to repay AASMA for the converted funds.

121. During this time, Warren produced a forged document purporting to be a First Amendment to AASMA's Operating Agreement, which falsely stated that Faith was a co- manager of AASMA.

122. In response to the Diamonds' actions to obtain control of AASMA, DelMonaco filed a new arbitration to declare that he was the sole manager, which resulted in the Diamonds' execution of Affidavits that the purported amendment was "invalid and had no force or effect."

123. Upon information and belief, as a result of his displeasure with Scott's testimony in the Del Monaco Matter, Warren filed a *lis pendens* encumbering Scott's home (a mixed-use building in Red Bank, New Jersey) and filed a frivolous Complaint in the matter of *Warren*

Diamond v. 147 Broad Street et. al, LLC, Docket No. MON-L-4068-15("147 Broad Street Action"), alleging that Warren had a current membership interest in the entity that owns that property, notwithstanding a June 2014 Agreement that, among other things, unequivocally shows that Warren does not. A true and correct copy of the 147 Broad Street Action is annexed hereto as "**Exhibit P**".

124. Scott learned of Warren's action concerning Scott's home when he found a manila envelope containing the Complaint – ***featuring a smiley face with devil's horns*** – on his doorstep on the evening of November 6, 2015, two days before Scott's birthday. A true and correct copy of Scott Diamond's Malicious Prosecution Complaint against Warren in the matter of *Scott Diamond and Edward Street Holdings, LLC v. Warren Diamond*, Docket No. UNN-977-23 is annexed hereto as "**Exhibit Q**."

125. Next, Warren conspired with certain other members in a New York limited liability company to deprive Scott of valuable economic interests in a storage facility located in the Bronx, with Scott forced to commence a separate arbitration proceeding to remedy Warren's and his coconspirators' wrongdoing.

126. Warren claimed that a mystery agreement entitled Warren to "take possession" of Scott's 21% membership interest in the Bronx facility.

127. Warren then commenced a frivolous arbitration against Scott, where Warren sought ratification of the aforementioned mystery agreement, where Warren is purported to hold a 50% membership interest in Nacirema when, in fact, Warren actually only owns 40% (to Scott's 60%).

128. Importantly, the arbitrator denied entirely Warren's claims based upon the "mystery agreement," holding "that the distributions made from Nacirema, over time, were all, after true ups are considered, 60/40; they were properly done, and [Warren] is not entitled to any money claimed for improper amounts distributed since there were no such amounts."

129. In furtherance of his sinister motives, Warren commenced litigation against Scott and Edward Street Holdings, LLC ("ESH"), a storage facility and business within which Scott had a 36% interest and is the managing director in the matter of *Warren Diamond v. Edward Street Holdings, LLC*, Docket No. MON-C-52-17 in an effort to unlawfully seize control of ESH and place at risk Scott's valuable interests in that entity, together with other limited liability companies (the "ESH Action"). A true and correct copy of the Warren Diamond's Complaint in the ESH Action is annexed hereto as "**Exhibit R**."

130. Notably, in the ESH Action, Warren sought declaration that he was the 51% owner of ESH, despite only holding a 9% interest in the entity.

131. In support of the ESH Action, Warren produced a forged "Fourth Amendment" to the ESH Operating Agreement, and claimed that Scott had signed the document in front of a Florida Notary and attorney.

132. During the course of discovery, it was revealed that the notary stamp utilized on the "Fourth Amendment" was not issued until almost a year after the document was allegedly witnessed by the Diamonds' attorney, Ellen Dorfman, Esq. f/k/a Ellen Tobak (Dorfman").

133. As a result of her participation in the fraud, Ms. Dorfman was compelled to participate in a disciplinary hearing before the Supreme Court of Florinda in the matter of *The Florida Bar v. Ellen B. Dorfman*, Docket No. SC19-1557 ("Dorfman Florida Disbarment"). A true and correct copy of the Supreme Court of Florida's Decision in the Dorfman Florida Disbarment dated February 24, 2021 is annexed hereto as "**Exhibit S**."

134. Notably, the Supreme Court of Florida found that Dorfman testified falsely under oath multiple times that she witnessed both parties execute the agreement which she thereafter notarized in their presence, thus committing Perjury in Official Proceedings, a third-degree felony.

135. As a result, Dorfman was subsequently disbarred in the State of Florida. *Ibid*.

136. Dorfman was thereafter disbarred in the United States District Court, Southern District of Florida by way of Order of Disbarment dated March 30, 2021. A true and correct copy of the Order of Disbarment in the Matter of In Re Ellen B. Dorfman is annexed hereto as "**Exhibit T**."

137. Likewise, given the egregiousness of her conspiracy with the Diamonds, Dorfman was also disbarred in New York State by way of Order dated August 9, 2021 issued by the Supreme Court of the State of New York, Appellate Division, First Judicial Department in the Matter of Ellen Toback (Dorfman), Case No. 2021-02281("New York Disbarment"). A true and correct copy of the Order of Disbarment dated August 9, 2021 is annexed hereto as "**Exhibit U**."

138. None of these litigations were disclosed to Martelli at the time he entered into the Joint Ventures with Warren.

IV. The Diamonds Retaliate in Response to Plaintiffs' Demands for Compliance with the Operating Agreements by Putting Lis Pendens on the Townhomes.

139. On March 7, 2025, Martelli wrote to the Diamonds, through counsel, reiterating that Warren, as managing member of Birdie, had failed to fund the capital call, and Birdie was in default.

140. Similar to the 147 Broad Street Action, on March 17, 2025, the Diamonds***, despite the fact that they are members of some of the entities***, filed a suit against Martelli, MDG, Veritas, Mulligan, and the Ridge at Suneagles, seeking to enforce the terms of the February 2020 Agreement and compel the sale of two (2) undisclosed townhomes in the matter of *Diamond, et al. v. Martelli Development, et al*, Docket No. MON-C-50-25 ("the Townhome Litigation"). A true and correct copy of the Complaint in the Townhome Litigation is annexed hereto as "**Exhibit V**."

141. On the same date, the Diamonds filed a Notice of *Lis Pendens* over the ***entire***

Suneagles Property, clouding title for recent bona-fide purchasers of townhomes in the Ridge at Suneagles subdivision. Title was also clouded for the affordable housing units.

142. During the Townhome Litigation, Warren has repeatedly contacted the President and Chief Executive Officer of Manasquan Bank, James Vaccaro, to interfere with the Ridge at Suneagles' construction loan. Warren is not party to the loan. Conversely, Martelli and the Ridge both maintain personal accounts at Manasquan Bank.

143. The Townhome Litigation remains ongoing.

V. Warren Retaliates Against and Harasses Employees.

144. Marta Baez Petrocelli was the HR Manager for Tillinghouse for years prior to her termination by Warren in 2025.

145. During her tenure, Ms. Petrocelli's responsibilities as HR Manager included overseeing recruitment, handling employee relations and conflict resolution, developing HR policies and procedures, ensuring legal and regulatory compliance, and fostering a positive company culture and safe work environment at Tillinghouse.

146. Unfortunately, due to his frequently misogynistic, racist, and overall demeaning interactions with Tillinghouse staff --and on more than one instance while intoxicated-- Ms. Petrocelli was required to memorialize all employee incidents reported against Warren. A true and correct copy of the Employee Incident Reports of Tillinghouse are annexed hereto as "**Exhibit W**."

A. The Casey Kehres Incident

147. On or about September 25, 2024, Petrocelli met with Casey Kehres ("Kehres"), an employee with Tillinghouse, concerning an incident between Kehrens and Warren that had taken place on September 24, 2024. *See* **Exhibit W** at 1.

148. On the aforementioned date, Kehrens advised Petrocelli that during a Member Guest event, Warren approached Kehrens with one-hundred dollars $100.00 in cash. *Ibid.*

149. When Kehrens refused the cash offer, Warren insisted that Kehrens take the cash, because [Warren] knew what was going to happen with his partnership with Martelli, and that if it all went awry, he wanted to know that Kehrens "was his guy." *Ibid.*

150. Warren thereafter placed the cash in Kehrens' pocket despite protest.

B. The LoGuidice Incident

151. On or about February 12, 2025, Petrocelli met with employee Courtney LoGuidice concerning an incident which occurred on February 7, 2025. *See* **Exhibit W** at 3-6.

152. On the aforementioned date, LoGuidice was working as a hostess at Tillinghouse when Warren approached the hostess stand and introduced himself as the owner of the restaurant.

153. He thereafter addressed LoGuidice directly and told her that she was beautiful and "that she would probably be friends with his niece, who is also beautiful." *See* **Exhibit W** at 1.

154. Striking a friendly conversation with Warren while walking him to his table, LoGuidice jokingly asked, "Is this your first time here?"

155. Warren replied "No, but I want my first time to be with you."

156. Based upon the crude sexual nature of Warren's statement, LoGuidice avoided all interactions with Warren and reported the incident to Petrocelli as HR Manager.

157. Petrocelli thereafter discussed the incident with Warren, who called LoGuidice a liar and demanded her termination. *See* **Exhibit W** at 2.

158. Upon information and belief, Petrocelli was thereafter terminated by the Diamonds.

V. Defendants Intentionally Breach Their Obligations Under the Operating and Other Agreements.

159. Commencing in 2022 and continuing to the present, the Diamonds have exerted control over the management of the Joint Ventures to the exclusion of Martelli, failed and refused to provide Martelli with information concerning the operations of the business, failed to reimburse

MDG for construction related services necessary for the construction and betterment of the Suneagles Property, taken numerous actions to harm the entities, and have failed and refused to provide Plaintiffs with copies of the books and records of the entities in violation of Section(s) 4.1.2, 4.1.3 and 4.1.3.1 of the Operating Agreements, including the following actions:

- Warren unilaterally selected the accounts payable software for the Joint Ventures commonly known as "Bill.Com, LLC" without informing Martelli. Implementation of this software resulted in wasteful double entry of accounts payable records which are also entered into QuickBooks. Warren's decision to retain Bill.Com, LLC has caused significant delays in payments given that the platform requires three (3) to five (5) days to process and mail business checks;

- Warren denied Martelli access to the books, records, and accounting for the Joint Ventures, including credentials necessary to access the Joint Ventures' Accounts Payable software and QuickBooks in violation of the Operating Agreements. *See e.g.*, **Exhibit(s) D-G**.

- Warren failed to properly maintain the books, records, and accounting of the Joint Ventures, in violation of his fiduciary duties and the requirements set forth in the Operating Agreements and applicable laws by merging the financial records of Mulligan Golf with entities owned by Warren. This failure has resulted in a lack of transparency regarding the financial condition and operations of the business and caused significant delays in the operation of the respective entitie(s);

- Warren has unilaterally engaged disbursements without approval by Martelli as co-owner of the Joint Ventures. In fact, over ninety- percent (90%) of all disbursements have occurred without disclosure or approval by Martelli and/or the Joint Ventures. Warren unilaterally selected and retained Mariliet Consulting Group, Inc. ("Mariliet") to serve as the Joint Ventures' bookkeeper without the written consent of Martelli. Upon information and belief, Mariliet does not operate within the State of New Jersey and holds offices in Washington, D.C. and Spain. Martelli has been unable to establish any contact with Mariliet to date despite its role in the Joint Ventures;

- Martelli repeatedly requested a written copy of Mariliet's contract from the Diamonds, which has never been produced to date;

- Upon information and belief, Mariliet has commingled AP Golf, AP Hospitality, and Mulligan's records with those of other clients, and refused to turnover access to those records to Martelli;

- Despite Martelli terminating Mariliet September 23, 2024, and the Amended Supervisory Agreement, which provides that AP Hospitality is no longer responsible for any payments to Mariliet after January 1, 2025, Mariliet continues to be involved with and have access to the Joint Ventures' accounting records;

- Warren unilaterally selected and retained Lower, Stolzenerg & Edelstein ("LSE"), a New York based accounting firm, to file the Joint Ventures' tax returns.

- Upon information and belief, LSE works for other entities controlled by the Diamonds and prepares their personal tax returns.

- For the past four (4) years, LSE failed to file the Joint Ventures' tax returns by the March 15th deadline. Extensions were filed at the behest of Warren, with no regard for the delay in filing Martelli's personal tax returns.

- Warren unilaterally selected and retained loan broker(s) The Remus Group, LLC and Cosmos Capital Group, LLC, without written assent of Martelli, and paid the brokers a total of $170,800.00 through Mulligan Golf and the Ridge without any basis for the release of said funds;

- Warren, as partial owner of AP Golf and Management, refused to cover ongoing maintenance work and emergency repairs necessary for operation of the Suneagles Property and golf course, the costs of which have been covered by MDG without reimbursement and totaling $156,000.00 to date. Despite knowledge that MDG operates as general contract for the Suneagles property, Warren has maintained the position that because he "has no contract" and cannot be compelled to reimburse for maintenance fees.

- The Diamonds, in their capacity as members of Birdie Golf, refused to authorize payment for approximately $5.1 million dollars in unpaid invoices due and owing to MDG as general contractor which were expressly authorized by Warren before work commenced;

- Warren, as partial owner of Mulligan Golf through Birdie Golf, refused to sign construction agreements for agreed-upon capital improvements, including a "half-way" concession stand and restroom that both Warren and Martelli agreed was to be constructed by MDG by April of 2025, despite the fact that this was a term of the Amended Supervisory Agreement. MDG has finished the work and the building is occupied and operational, but Warren continues to withhold payment. *See e.g.*, **Exhibit M**;

- Warren refused to sign an agreement to renovate the freestanding restaurant on the property formerly known as Joe's Sports Bar a/k/a Tavern 19, in breach of Paragraph 8 of the Amended Supervisory Agreement;

- Warren unilaterally retained two marketing/interior design consultants, Red Bank Design and Sawtooth, which performed defective and shoddy work. Upon information and belief, at least one (1) of the marketing firms is currently tenant to a commercial property owned by Warren, raising suspicions of a conflict of interest.

- Warren, as partial owner of AP Golf and in his capacity as member of Mulligan Golf, has refused to sign a Lease between the entities for the operation of the Suneagles Golf Course and Suneagles Pro Shop without any justification of cause.

- Per the parties' Investment Agreement dated December 27, 2019, Martelli is entitled to $900,000.00 in priority distributions from AP Golf and Hospitality. To date, Martelli has received only $710,000.00 without any discernable basis for Warren's failure to release an additional $290,000.00 in priority distributions, and despite taking his own "priority distributions;"
- The Diamonds intentionally and wrongfully stole and/or converted over $700,000.00 worth of funds from Mulligan Golf and transferred the funds to entities solely owned by them;

- Between February 15, 2025 and April 6, 2025, the Diamonds wrongfully and intentionally charged AP Golf's corporate Amex account to charter seven (7) private jet charters with JSX Air from Boca Raton, Florida to New Jersey.

- The Diamonds continued to take a 4% "rent" payment/priority distribution from AP Hospitality despite knowledge that AP Hospitality is currently struggling financially;

- Upon information and belief, Warren has making payments to himself from AP Hospitality to entities over which he has sole control, including Cholly Capital LLC, American Self Storage Management, LLC and American Real Estate Opportunity Fund LLC;

- Warren refused to fund at least three (3) capital calls issued by Martelli, in contravention of Section 8.2 of the Mulligan Operating Agreement.

- Warren interfered with Mulligan's bank loan with BCB Community Bank ("BCB"), by minimizing Martelli's involvement in the Suneagles property, and made patently false representations to representatives of BCB that he is the sole investor in the Suneagles Property project;

- In addition, Warren has verbally sparred with BCB over the last appraisal and imperiled a loan that has financing terms extremely favorable to Mulligan. BCB has warned that if Warren insisted on a new appraisal, they would terminate the existing loan which has 5.5% financing and replace it with one with a rate upwards of 9%. This would cause significant financial hardship to Mulligan Golf if forced to refinance;

- Warren also intentionally interfered with the closing on the rollover of the BCB by recording frivolous *lis pendens* on all of the townhomes in the 60 plus-unit development in the Townhome Litigation;

- Warren interfered with Martelli's professional relationship with Manasquan Savings Bank and made several false and defamatory claims that Warren rather than Martelli has spearheaded the Suneagles Property development;

- Warren wrongfully interfered with AP Hospitality's operations in breach of the Amended Supervisory Agreement.

- Warren unilaterally granted raises to employees of the Suneagles Golf Course in violation of the parties' Operating Agreements in the hopes of instilling personal loyalty;

- Warren unilaterally terminated employee(s) without cause, subjecting Mulligan Golf to potential litigation. A true and correct copy of the correspondence between Defendant, Warren Diamond and RJ Dunzelman dated January 26, 2025 is annexed hereto as "**Exhibit X**;"

- Warren and/or Faith have terminated employee Marta Petrocelli without cause, which has resulted in Ms. Petrocelli's retention of counsel to pursue a civil litigation matter against her prior employer;

- Warren has continued a crusade of terror against Suneagles employees, which has resulted in a hostile work environment that will almost assuredly result in anticipated litigation against Suneagles and the Joint Ventures.

160. In the present matter, given the structure of the respective entities that own and manage Suneagles Golf and the Suneagles Property—all require an ABC-issued liquor license to operate—it is evident that Warren holds at least an "indirect interest" and "undisclosed interest" in the ABC issued liquor license which is prohibited by law.

161. Moreover, due to her husband's status as a convicted felon, it is clear that Faith intentionally omitted her full name on AP Hospitality's ABC License application to the Borough of Eatontown given the disqualifications that stem from her husband's prior convictions.

162. Given the deadlock between the principals of the AP and Mulligan Golf entities, unless judicial intervention is granted to divest the Diamonds of their direct and indirect interest in these entities, the ABC will be in a position to revoke the liquor license which would be devastating to the golf and related food and beverage business.

VI. <u>Warren Runs over Martelli with a Golf Cart</u>.

163. On or about April 26, 2025, Martelli approached Warren while the parties were outside of the Suneagles Golf Course clubhouse to discuss outstanding issues related to the parties' working relationship.

164. It was at this time that Warren drove a golf cart into Martelli, causing him to fall and sustain a head injury that required immediate medical attention.

165. Martelli suffered a concussion as a result of the incident.

166. The incident was captured on camera.

167. Following the incident, on April 28, 2025, Warren and a personal associate unrelated to the golf course spray painted over security cameras on the Suneagles Property.

168. Weeks later, when entering the AP Golf Pro Shop, Warren ordered Martelli out, and then again assaulted Martelli pushing him forcefully with both hands.

169. These actions confirm that Warren is unfit to manage the business and is in fact a danger to Martelli and others.

VII. ***<u>Warren Assaults Ryan DePersio At Ember And Eagle</u>.***

170. Notwithstanding his explicit obligations under the Amended Supervisory Agreement to refrain from interfering with JCR's management and operation of Ember & Eagle, on or about September 11, 2025, Warren initiated a physical altercation with Ryan DePersio ("DePersio") a principal of JCR and the head chef of Eagle & Ember, without provocation and in front of several patrons and employees.

171. On the aforementioned date, DePersio was operating an outdoor coal fired pizza station when Diamond aggressively approached and threw an iced coffee on DePersio before walking into the Member's Bar adjacent to the station.

172. DePersio entered the Member's Bar to attempt to deescalate Warren's outburst and

collect towels to clean up the spill, at which time Warren charged DePersio with his arms up as if to physically assault DePersio.

173. As a means to protect himself, DePersio pushed Warren away, though Warren punched DePersio in the face in front of several patrons and employees, and left DePersio with facial wounds and scratches which required medical treatment.

174. Notably, Warren continued to try to further assault DePersio during the alternation, and needed to be restrained by multiple patrons to stop the assault.

175. As a result of Warren's conduct, DePersio feels unsafe at work and the partnership for the successful Ember and Eagle restaurant is now in substantial jeopardy.

176. Even more egregiously, as a result of Warren's belligerence, multiple members of the Suneagles Golf Course have also expressed a desire to either cancel or not renew their memberships.

DEMAND AND FUTILITY ALLEGATIONS

177. This is a direct and derivative action by Plaintiffs to hold Defendants, Warren and Faith Diamond, and those acting under their direction and control or otherwise conspiring with them, responsible for acts of mismanagement, egregious self-dealing, conversion, and breach of fiduciary obligations in connection with management of the Nominal Defendants, which are currently owned in a 50-50% stalemate of ownership with Plaintiff, Salvatore Martelli, and operate the Suneagles Golf Course and ancillary businesses.

178. Defendants, Warren Diamond and Faith Perlmutter Diamond, as business partners of Plaintiff, Salvatore Martelli took advantage of that repose of trust to enrich themselves to the detriment of Plaintiffs and the Nominal Defendants. The Diamonds' breach of their fiduciary and contractual obligations spans years and new revelations are still occurring regarding prior wrongful conduct.

179. Plaintiffs bring this action individually and derivatively on behalf of Nominal Defendants, Mulligan Golf, LLC Above Par Golf, LLC, Above Par Management, LLC and Above Par Hospitality, LLC, which serves as nominee for the Joint Ventures, and which are named as nominal defendants solely in a derivative capacity.

180. Plaintiffs are currently members of the Joint Ventures and were members of the Joint Ventures at the time of the alleged wrongdoing.

181. Demand to Defendants, Birdie Golf, LLC, Warren Diamond and Faith Perlmutter Diamond to join the suit on behalf of the Joint Ventures would be futile as Defendants, Warren Diamond and Faith Perlmutter Diamond, as the sole members of Birdie Golf, LLC would be asked to sue themselves and are self-interested.

182. As set forth more fully below, Plaintiffs' Verified Complaint alleges that Defendants, Warren Diamond and Faith Perlmutter Diamond as Managers, committed fraud and breached their fiduciary duties to the Joint Ventures, and engaged in a pattern of self-dealing and diversion of corporate assets for their own personal benefit.

183. Demand would also be futile given that Defendants, Birdie Golf, LLC, Warren Diamond and Faith Perlmutter Diamond, who have disregarded corporate formalities and the

requirements of the respective Operating Agreement, effectively dominate and exercise de facto control over the Joint Ventures.

184. Demand would also be futile because the alleged misconduct is so egregious that it could not have been the product of sound business judgment.

COUNT ONE
Fraud
(By Plaintiffs As to Defendant Warren Diamond)

121. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

122. As more fully detailed above, Defendant, Warren Diamond represented that he was a successful businessman in the greater Monmouth County area and omitted material facts concerning his status as a convicted felon in order to induce Plaintiffs to permit his participation and later membership of the Joint Ventures, including his indirect interest in a liquor license currently held by Defendant, Above Par Hospitality, LLC.

123. Moreover, Defendant Warren Diamond engaged in fraudulent practices which includes manipulating income and expenses in order to generate a benefit to himself at the expense of Plaintiffs, including but not limited to, converting over $700,000.00 worth of funds from Mulligan Golf without any basis of justification and releasing Net Proceed payments from AP Hospitality to himself.

124. Defendant Warren Diamond also improperly and arbitrarily made false statements and misrepresentations to BCB Bank in order to induce and allow his improper use of the resources and assets of the Joint Ventures for his own personal benefit.

125. At all times relevant hereto, Defendants Warren Diamond's representations were knowingly and intentionally false when made.

126. At all times relevant hereto, Defendant Warren Diamond made fraudulent misrepresentations to Plaintiffs with the intent that Plaintiffs rely upon same.

127. At all times relevant hereto, Plaintiffs relied upon Defendant Warren's fraudulent misrepresentations.

128. As a direct result of reliance on Defendant Warren Diamond's misrepresentations, exacerbated by his knowing attempts to conceal his fraud, Plaintiffs have and continue to suffer significant damages.

129. Defendant Warren Diamond's conduct, as set forth above, was intentional and deliberate, and involved circumstances of malice, fraud, bad faith, bad motive, circumstances of

aggravation or outrage, and reckless, willful, wanton and conscious disregard or inference to the rights of Plaintiffs.

WHEREFORE, Plaintiffs Salvatore Martelli, Martelli Development Group, LLC, The Ridge as Suneagles, LLC; Veritas Hospitality, LLC; Veritas Golf, LLC and Veritas Management Group, LLC demand judgment against Defendant Warren Diamond for the following:

a. An Order directing the immediate removal of Defendant Warren Diamond as a Managing Member of Nominal Defendant, Mulligan Golf, LLC without replacement;

b. An Order directing the immediate removal of Defendant Warren Diamond as a Managing Member of defendant Above Par Management, LLC without replacement;

c. An Order directing that Plaintiff Veritas Golf, LLC shall have unconditional right to "buy out" the 50% ownership interest held by Defendant, Birdie Golf, LLC in Defendant, Mulligan Golf, LLC for a fixed price and on terms to be determined by the Court;

d. Compensatory damages;

e. Punitive damages;

f. Interest;

g. Attorneys' fees and costs of suit; and

h. For such other and further relief as the Court deems just and proper.

COUNT TWO
Fraud
(By Plaintiffs As to Defendant Faith Diamond)

130. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

131. As more fully detailed above, Defendant, Faith Diamond intentionally omitted material facts concerning her husband, Defendant Warren Diamond's status as a convicted felon in order to induce Plaintiffs to permit her participation and later membership in Defendant, Above

Par Hospitality.

132. Moreover, Defendant Faith Diamond engaged in fraudulent practices including intentionally omitting her full legal name on Defendant, Above Par Hospitality, LLC's application for a liquor license.

133. At all times relevant hereto, Defendant Faith Diamond's statements were knowingly and intentionally false when made to Plaintiffs.

134. At all times relevant hereto, Defendant Faith Diamond made fraudulent misrepresentations to Plaintiffs with the intent that Plaintiffs rely upon same.

135. At all times relevant hereto, Plaintiffs relief upon Defendant Faith Diamond's fraudulent misrepresentations.

136. As a direct result of reliance on Defendant Faith Diamond's misrepresentations, exacerbated by her knowing attempts to conceal her fraud, Plaintiffs have and continue to suffer significant damages.

137. Defendant Faith Diamond's conduct, as set forth above, was intentional and deliberate, and involved circumstances of malice, fraud, bad faith, bad motive, circumstances of aggravation or outrage, and reckless, willful, wanton and conscious disregard or inference to the rights of Plaintiffs.

138. As the direct and proximate result of Defendants, Faith Diamond's material misrepresentations, Plaintiffs have been and continues to be damaged.

WHEREFORE, Plaintiffs Salvatore Martelli, Martelli Development Group, LLC, The Ridge as Suneagles, LLC; Veritas Hospitality, LLC; Veritas Golf, LLC and Veritas Management Group, LLC demand judgment against Defendant Faith Perlmutter Diamond for the following:

a. An Order directing the immediate removal of Defendant Faith Perlmutter Diamond as a Managing Member of Defendant Above Par Hospitality, LLC without replacement;

b. An Order directing that Plaintiff Veritas Golf, LLC shall have unconditional right to "buy out" the 50% ownership interest held by Defendant, Birdie Golf, LLC in Defendant, Mulligan Golf, LLC for a fixed price and on terms to be determined by the Court;

c. Compensatory damages;

d. Punitive damages;

e. Interest;

f. Attorneys' fees and costs of suit; and

g. For such other and further relief as the Court deems just and proper

COUNT THREE
Breach of Fiduciary Duty
(By Plaintiff Martelli Individually and Derivatively on Behalf of Veritas Golf and Mulligan Golf as to Defendants Warren Diamond, Faith Diamond, and Birdie Golf, LLC)

121. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

122. Defendants, Warren Diamond and Faith Perlmutter Diamond are 99% and 1% owners of Birdie Golf.

123. Defendant, Birdie Golf and Plaintiff Veritas Golf are equal 50% members of Mulligan Golf.

124. Defendant, Birdie Golf, individually and acting as the Managing Member of Mulligan Golf, owed a duty to discharge its obligations in good faith to Veritas Golf and Martelli as the sole member of Veritas Golf in the operation of Mulligan Golf. *See* N.J.S.A. 42:2C-39.

125. Defendants, Warren Diamond and Faith Perlmutter Diamond in their capacity as members of Birdie Golf owed a duty to discharge its obligations in good faith to Veritas Golf and Martelli as the sole member of Veritas Golf in the operation of Mulligan Golf. *See* N.J.S.A. 42:2C-

39.

126. Managers of a limited liability company owe duties of loyalty and care, fiduciary duties and duties of good faith and fair dealing. *See* N.J.S.A. 42:2C-39.

127. Defendants breached that duty.

128. More specifically, upon information and belief, Defendants, Warren Diamond and Faith Diamond through Birdie Golf have (i) refused to maintain and provide Martelli and Veritas Golf access to the books, accounts and records of Mulligan Golf, (ii) entered into contract(s) with third-parties without the written authorization of Veritas Golf, (iii) refused to honor and/ reimburse contracts on behalf of Mulligan Golf including but not limited to $5,100,000.00 owed to Plaintiff, Martelli Development Group; (iv) engaged in self-dealing to the detriment of Martelli and Veritas Golf; (v) withheld priority dividends to Plaintiffs without justification or cause; (vi) made defamatory statements to third-party financing institutions to the detriment of Martelli; and (vii) failed to disclose Defendant, Warren Diamond's criminal background to the detriment of AP Hospitality's liquor license; (viii) unilaterally selected and retained loan broker(s) The Remus Group, LLC and Cosmos Capital Group, LLC, without written assent of Martelli, and paid the brokers a total of $170,800.00 through Mulligan Golf without any basis for the release of said funds; (ix) refused to sign off on capital improvements including a "half-way" concession stand and restroom that both Warren and Martelli agreed was to be constructed by MDG by April of 2025; (x) refused to sign a Lease Renewal between the entities for the continued operation of the Suneagles Golf Course and Suneagles Pro Shop, which will force the closing of said premises; (xi) intentionally and wrongfully stolen and/or converted over $700,000.00 worth of funds from Mulligan Golf to Warren and entities held solely by Warren in or about November of 2024, which has directly harmed Mulligan Golf; (xii) failed to meet capital calls by Veritas Golf dated September 17, 2024 and December 13, 2024, prompting Birdie Golf's default of the Mulligan Golf Operating Agreement.

129. Defendant Faith Perlmutter Diamond, in her capacity as member of Birdie Golf also breached that duty when she failed to take action to protect Mulligan Golf and its Members.

130. Specifically, Martelli repeatedly reported this conduct to Defendant Faith Perlmutter Diamond and explained that Defendant, Warren Diamond's continuous misallocation of expenses, improper manipulation of business processes, and mismanagement of the businesses devalued Mulligan Golf and diluted Veritas Golf's interest as a Member.

131. Martelli's complaints and requests for corrective action were ignored. Defendant Faith Perlmutter's actions were contrary to her duty.

132. Defendants thus refused to discharge their obligations in an effort to enrich themselves and conceal their own misconduct.

133. As a result of Defendants' breaches, Plaintiffs have been harmed and damaged in an amount to be determined at trial.

134. Defendants' actions have devalued Mulligan Golf and diluted Martelli and Veritas Golf's ownership interests.

135. Moreover, because Defendants failed to take any corrective action to halt or rectify the damage done Mulligan Golf and their Members, the devaluation and dilution has been allowed to continue unchecked.

136. Further, by refusing to participate in the dissolution, Defendants permit Mulligan Golf to continue to lose value, causing damage to Martelli and Veritas Golf's interest in Mulligan Golf.

137. As a result of Defendants' breaches, Plaintiffs have been harmed and damaged in an amount to be determined at trial.

WHEREFORE, Plaintiffs Salvatore Martelli and Veritas Golf, LLC demand judgment against Defendants Warren Diamond, Faith Perlmutter Diamond and Birdie Golf, LLC, individually, jointly and / or severally as follows:

a. An Order directing the immediate removal of Defendant Warren Diamond as a Managing Member of defendant Mulligan Golf, LLC without replacement;

b. An Order directing that Plaintiff Veritas Golf, LLC shall have unconditional right to "buy out" the 50% ownership interest held by Defendant, Birdie Golf, LLC in Nominal Defendant, Mulligan Golf, LLC for a fixed price and on terms to be determined by the Court;

c. An Order directing and confirming that Plaintiff Salvatore Martelli shall serve as the sole Managing Member of Nominal Defendant, Mulligan Golf, LLC with sole and full powers to operate the business on a day-to-day basis until further Order of this Court;

d. An Order confirming Plaintiffs' rights to an accounting for Mulligan Golf, LLC;

e. An Order requiring Defendants to account for and pay to Plaintiff Plaintiff's share of funds misappropriated by Defendants from Mulligan Golf in the amount of $700,000.00;

f. Compensatory damages;

g. Consequential damages;

h. Punitive damages;

i. i. Attorney's fees, interest, and costs.

j. For such other and further relief as the Court deems just and proper.

COUNT FOUR
Breach of Fiduciary Duty
(By Plaintiff Martelli Individually and Derivatively on Behalf of Above Par Golf as to Defendant Warren Diamond)

138. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

139. Plaintiff Martelli and Defendant Warren Diamond are equal 50% members of AP Golf, which controls the Suneagles Golf Course and Suneagles Pro Shop.

140. Defendant, Warren Diamond individually and acting as the Managing Member of AP Golf owed a duty to discharge its obligations in good faith to Martelli in the operation of AP Golf. *See* N.J.S.A. 42:2C-39.

141. Managers of a limited liability company owe duties of loyalty and care, fiduciary duties and duties of good faith and fair dealing. *See* N.J.S.A. 42:2C-39.

142. Defendant Warren Diamond breached that duty.

143. More specifically, Defendant, Warren Diamond has (i) refused to maintain and provide Martelli access to the books, accounts and records of AP Golf (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Warren Diamond refuses to provide (iii) refused to sign a Lease Renewal between the entities for the continued operation of the Suneagles Golf Course and Suneagles Pro Shop, which will force the closing of said premises; and (iv) ignored the dual approval mechanism for disbursements between the members of AP Golf and AP Hospitality pursuant to the Operating Agreements.

144. Indeed, despite Martelli's entitlement to $900,000.00 from the respective entities to date Martelli has received only $710,000.00 without any discernable basis for Defendant Warren Diamond's failure to release an additional $290,000.00 in priority distributions.

145. Specifically, Martelli repeatedly reported this conduct to Defendant Warren Diamond and explained that Defendant, Warren Diamond's continuous misallocation of expenses, improper manipulation of business processes, and mismanagement of the businesses devalued AP Golf and diluted Martelli's interest as a Member.

146. Martelli's complaints and requests for corrective action were ignored. Defendant

Warren Diamond's actions were contrary to his duty.

147. Defendant, Warren Diamond thus refused to discharge his obligations in an effort to enrich themselves and conceal their own misconduct.

148. As a result of Defendant Warren Diamond's breaches, Martelli has been harmed and damaged in an amount to be determined at trial.

149. Defendant Warren Diamond breached these duties by engaging in improper and fraudulent business practices aimed at furthering their own self-interest to the detriment of AP Golf and Martelli.

150. Defendant Warren Diamond's actions have devalued AP Golf and diluted Martelli's ownership interests.

151. Moreover, because Defendant Warren Diamond failed to take any corrective action to halt or rectify the damage done to AP Golf and its Members, the devaluation and dilution has been allowed to continue unchecked.

152. Further, by refusing to participate in the dissolution, Defendant Warren Diamond permit AP Golf to continue to lose value, causing damage to Martelli's interest in AP Golf.

153. As a result of Defendant, Warren Diamond's breaches, Plaintiffs have been harmed and damaged in an amount to be determined at trial.

WHEREFORE, Plaintiffs Salvatore Martelli individually and derivatively on behalf of Nominal Defendant, Above Par Golf, LLC demands judgment against Defendant Warren Diamond, individually, jointly and / or severally as follows:

a. An Order directing the immediate removal of Defendant Warren Diamond as a Managing Member of defendant Above Par Golf, LLC without replacement;

b. An Order directing that Plaintiff Salvatore Martelli shall have unconditional right to "buy out" the 50% ownership interest held by Defendant, Warren Diamond in Nominal

Defendant, Above Par Golf, LLC for a fixed price and on terms to be determined by the Court;

c. An Order directing and confirming that Plaintiff Salvatore Martelli shall serve as the sole Managing Member of Nominal Defendant, Above Par Golf, LLC with sole and full powers to operate the business on a day-to-day basis until further Order of this Court;

d. An Order confirming Plaintiffs' rights to an accounting for Above Par Golf, LLC;

e. Compensatory damages;

f. Consequential damages;

g. Punitive damages;

h. i. Attorney's fees, interest, and costs.

i. For such other and further relief as the Court deems just and proper.

<u>COUNT FIVE</u>
Breach of Fiduciary Duty
(By Plaintiff Martelli Individually and Derivatively on Behalf of Above Par Management, LLC against Defendant Warren Diamond)

154. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

155. Plaintiff Martelli and Defendant Warren Diamond are equal 50% members of AP Management, which provides Defendant, JCR Hospitality license to operate food and beverage carts upon the Suneagles Golf Course.

156. Defendant, Warren Diamond individually and acting as the Managing Member of AP Management owed a duty to discharge its obligations in good faith to Martelli in the operation of AP Management. *See* N.J.S.A. 42:2C-39.

157. Managers of a limited liability company owe duties of loyalty and care, fiduciary

duties and duties of good faith and fair dealing. See N.J.S.A. 42:2C-39.

158. Defendant Warren Diamond breached that duty.

159. More specifically, Defendant, Warren Diamond has (i) refused to maintain and provide Martelli access to the books, accounts and records of AP Management (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Warren Diamond refuses to provide (iii) refused to sign a License Agreement extension with JCR Hospitality to operate mobile food and beverage carts upon the Suneagles Golf Course; (iv) ignored the dual approval mechanism for disbursements between the members of AP Golf and AP Hospitality pursuant to the Operating Agreements. More specifically, despite Martelli's entitlement to $900,000.00 from the respective entities to date Martelli has received only $710,000.00 without any discernable basis for Defendant Warren Diamond's failure to release an additional $290,000.00 in priority distributions.; and (v) refused to cover ongoing maintenance work and emergency repairs necessary for operation of the Suneagles Property and golf course, the costs of which have been covered by MDG without reimbursement.

160. Specifically, Martelli repeatedly reported this conduct to Defendant Warren Diamond and explained that Defendant, Warren Diamond's continuous misallocation of expenses, improper manipulation of business processes, and mismanagement of the businesses devalued AP Management and diluted Martelli's interest as a Member.

161. Martelli's complaints and requests for corrective action were ignored. Defendant Warren Diamond's actions were contrary to his duty.

162. Defendant, Warren Diamond thus refused to discharge his obligations in an effort to enrich themselves and conceal his own misconduct.

163. As a result of Defendant Warren Diamond's breaches, Martelli has been harmed

and damaged in an amount to be determined at trial.

164. Defendant Warren Diamond breached these duties by engaging in improper and fraudulent business practices aimed at furthering their own self-interest to the detriment of AP Golf and Martelli.

165. Defendant Warren Diamond’s actions have devalued AP Management and diluted Martelli’s ownership interests.

166. Moreover, because Defendant Warren Diamond failed to take any corrective action to halt or rectify the damage done to AP Management and its Members, the devaluation and dilution has been allowed to continue unchecked.

167. Further, by refusing to participate in the dissolution, Defendant Warren Diamond permit AP Management to continue to lose value, causing damage to Martelli’s interest in AP Management.

168. As a result of Defendant, Warren Diamond’s breaches, Plaintiffs have been harmed and damaged in an amount to be determined at trial.

WHEREFORE, Plaintiffs Salvatore Martelli individually and derivatively on behalf of Nominal Defendant, Above Par Management, LLC demands judgment against Defendant Warren Diamond, individually, jointly and / or severally as follows:

a. An Order directing the immediate removal of Defendant Warren Diamond as a Managing Member of Nominal Defendant Above Par Management, LLC without replacement;

b. An Order directing that Plaintiff Salvatore Martelli shall have unconditional right to "buy out" the 50% ownership interest held by Defendant, Warren Diamond in Nominal Defendant, Above Par Management, LLC for a fixed price and on terms to be determined by the Court;

c. An Order directing and confirming that Plaintiff Salvatore Martelli shall serve as the sole Managing Member of Nominal Defendant, Above Par Management, LLC with sole and full powers to operate the business on a day-to-day basis until further Order of this Court;

d. An Order confirming Plaintiffs' rights to an accounting for Above Par Management, LLC;

e. Compensatory damages;

f. Consequential damages;

g. Punitive damages;

h. i. Attorney's fees, interest, and costs.

i. For such other and further relief as the Court deems just and proper.

<u>COUNT SIX</u>
Breach of Fiduciary Duty
(By Plaintiff Martelli Individually and Derivatively on Behalf of Above Par Hospitality, LLC against Defendant Faith Diamond)

169. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

170. Plaintiff Martelli and Defendant Faith Diamond are equal 50% members of AP Management, which holds a liquor license for alcoholic beverage services for the Suneagles Property and ancillary restaurants and bar carts.

171. Defendant, Faith Diamond individually and acting as the Managing Member of AP Hospitality owed a duty to discharge her obligations in good faith to Martelli in the operation of AP Hospitality. *See* N.J.S.A. 42:2C-39.

172. Managers of a limited liability company owe duties of loyalty and care, fiduciary duties and duties of good faith and fair dealing. *See* N.J.S.A. 42:2C-39.

173. Defendant Faith Diamond breached that duty.

174. More specifically, Defendant, Faith Diamond has (i) refused to maintain and provide Martelli access to the books, accounts and records of AP Hospitality (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Faith Diamond refuses to provide (iii) refused to disclose Defendant, Warren Diamond's prior felony conviction for crimes of moral turpitude which disqualifies Defendant, Faith Diamond as an applicant for AP Hospitality's municipal and state liquor license; (iv) intentionally fabricated portions of her liquor license application on behalf of AP Hospitality, which places the entity's liquor license vital to operation in immediate danger of revocation.

175. Martelli repeatedly reported this conduct to Defendants, Faith Diamond and explained that Defendant, Faith Diamond's intentional misrepresentations to the municipal and state ABC licensing committee have placed AP Hospitality's liquor license in immediate danger, devalued AP Hospitality and diluted Martelli's interest as a Member.

176. Martelli's complaints and requests for corrective action were ignored. Defendant Faith Diamond's actions were contrary to her duty.

177. Defendant, Faith Diamond thus refused to discharge her obligations in an effort to enrich themselves and conceal her own misconduct.

178. As a result of Defendant Faith Diamond's breaches, Martelli has been harmed and damaged in an amount to be determined at trial.

179. Defendant Faith Diamond also breached these duties by engaging in improper and fraudulent business practices aimed at furthering their own self-interest to the detriment of AP Hospitality and Martelli.

180. Defendant Faith Diamond's actions have devalued AP Hospitality and diluted

Martelli's ownership interests.

181. Moreover, because Defendant Faith Diamond failed to take any corrective action to halt or rectify the damage done to AP Hospitality and its Members, the devaluation and dilution has been allowed to continue unchecked.

182. Further, by refusing to participate in the dissolution, Defendant Faith Diamond permitted AP Hospitality to continue to lose value, causing damage to Martelli's interest in AP Management.

183. As a result of Defendant, Faith Diamond's breaches, Plaintiffs have been harmed and damaged in an amount to be determined at trial.

WHEREFORE, Plaintiffs Salvatore Martelli individually and derivatively on behalf of Nominal Defendant, Above Par Hospitality, LLC demands judgment against Defendant Faith Diamond, individually, jointly and / or severally as follows:

a. An Order directing the immediate removal of Defendant Faith Diamond as a Managing Member of Nominal Defendant Above Par Hospitality, LLC without replacement;

b. An Order directing that Plaintiff Salvatore Martelli shall have unconditional right to "buy out" the 50% ownership interest held by Defendant, Faith Diamond in Nominal Defendant, Above Par Hospitality, LLC for a fixed price and on terms to be determined by the Court;

c. An Order directing and confirming that Plaintiff Salvatore Martelli shall serve as the sole Managing Member of Nominal Defendant, Above Par Hospitality, LLC with sole and full powers to operate the business on a day-to-day basis until further Order of this Court;

d. An Order confirming Plaintiffs' rights to an accounting for Above Par Hospitality, LLC;

e. Compensatory damages;

f. Consequential damages;

g. Punitive damages;

h. i. Attorney's fees, interest, and costs.

i. For such other and further relief as the Court deems just and proper.

COUNT SEVEN
Violations of N.J.S.A. 14A:5-28
(By Plaintiff Martelli Individually and Derivatively on Behalf of Veritas Golf and Mulligan Golf against Defendants Warren Diamond, Faith Diamond and Birdie Golf, LLC)

184. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

185. Defendants, Warren Diamond and Daith Perlmutter Diamond are 99% and 1% owners of Birdie Golf.

186. Defendant, Birdie Golf and Plaintiff Veritas Golf are equal 50% members of Mulligan Golf.

187. Pursuant to Section 9 of the Amended and Restated Mulligan Operating Agreement and N.J.S.A. § 42:2C-40, Martelli has the right to inspect Mulligan Golf's books and records.

188. Defendants have to date refused Martelli's lawful demand to inspect the books and records of Mulligan Golf.

189. Pursuant to *N.J.S.A.* 14A:5-28, Martelli has a right to inspect the books and records of Mulligan Golf.

190. Defendants acted arbitrarily and vexatiously in refusing to allow Martelli to inspect the books and records of Mulligan Golf.

WHEREFORE, Plaintiffs, Salvatore Martelli individually and derivatively on behalf of Nominal Defendant Mulligan Golf, LLC demands judgment against Defendants, Warren

Diamond, Faith Diamond and Birdie Golf as follows:

a. Compelling Defendants, Birdie Golf, LLC, Warren Diamond and Faith Diamond to permit Plaintiff, Salvatore Martelli to examine the books and records of Mulligan Golf, LLC;

b. Compelling an accounting of Mulligan Golf, LLC;

c. Awarding Plaintiffs, Veritas Golf and Salvatore Martelli expenses, including counsel fees, incurred in connection with the action; and

d. For such other and further relief the Court deems just and proper.

COUNT EIGHT
Violations of N.J.S.A. 14A:5-28
(By Plaintiff Martelli Individually and Derivatively on Behalf of Above Par Golf against Defendant Warren Diamond)

191. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

192. Plaintiff Martelli and Defendant Warren Diamond are equal 50% members of AP Golf.

193. Pursuant to Section 9 of the Amended and Restated AP Golf Operating Agreement and N.J.S.A. § 42:2C-40, Martelli has the right to inspect AP Golf's books and records.

194. Defendant, Warren Diamond has to date refused Martelli's lawful demand to inspect the books and records of AP Golf.

195. Pursuant to *N.J.S.A.* 14A:5-28, Martelli has a right to inspect the books and records of AP Golf.

196. Defendant, Warren Diamond has acted arbitrarily and vexatiously in refusing to allow Martelli to inspect the books and records of AP Golf.

WHEREFORE, Plaintiff, Salvatore Martelli individually and derivatively on behalf of

Nominal Defendant Above Par Golf, LLC demands judgment against Defendant, Warren Diamond, as follows:

a. Compelling Defendant, Warren Diamond to permit Plaintiff, Salvatore Martelli to examine the books and records of Nominal Defendant Above Par Golf, LLC;
b. Compelling an accounting of Nominal Defendant Above Par Golf, LLC;
c. Awarding Plaintiff, Salvatore Martelli expenses, including counsel fees, incurred in connection with the action; and
d. For such other and further relief the Court deems just and proper.

COUNT NINE
Violations of *N.J.S.A.* 14A:5-28
(By Plaintiff Martelli Individually and Derivatively on Behalf of Above Par Management, LLC against Defendant Warren Diamond)

197. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

198. Plaintiff Martelli and Defendant Warren Diamond are equal 50% members of AP Management.

199. Pursuant to Section 9 of the Amended and Restated AP Management Operating Agreement and N.J.S.A. § 42:2C-40, Martelli has the right to inspect AP Management's books and records.

200. Defendant, Warren Diamond has to date refused Martelli's lawful demand to inspect the books and records of AP Management.

201. Pursuant to *N.J.S.A.* 14A:5-28, Martelli has a right to inspect the books and records of AP Management.

202. Defendant, Warren Diamond has acted arbitrarily and vexatiously in refusing to allow Martelli to inspect the books and records of AP Management.

WHEREFORE, Plaintiff, Salvatore Martelli individually and derivatively on behalf of Nominal Defendant Above Par Management, LLC demands judgment against Defendant, Warren Diamond, as follows:

a. Compelling Defendant, Warren Diamond to permit Plaintiff, Salvatore Martelli to examine the books and records of Nominal Defendant Above Par Management, LLC;

b. Compelling an accounting of Nominal Defendant Above Par Management, LLC;

c. Awarding Plaintiff, Salvatore Martelli expenses, including counsel fees, incurred in connection with the action; and

d. For such other and further relief the Court deems just and proper.

<u>COUNT TEN</u>
Violations of *N.J.S.A.* 14A:5-28
(By Plaintiff Martelli Individually and Derivatively on Behalf of Above Par Hospitality, LLC against Defendant Faith Diamond)

203. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

204. Plaintiff Martelli and Defendant Faith Diamond are equal 50% members of AP Hospitality.

205. Pursuant to Section 9 of the Amended and Restated AP Hospitality Operating Agreement and N.J.S.A. § 42:2C-40, Martelli has the right to inspect AP Hospitality's books and records.

206. Defendant, Faith Diamond has to date refused Martelli's lawful demand to inspect the books and records of AP Hospitality.

207. Pursuant to *N.J.S.A.* 14A:5-28, Martelli has a right to inspect the books and records of AP Hospitality.

208. Defendant, Faith Diamond has acted arbitrarily and vexatiously in refusing to

allow Martelli to inspect the books and records of AP Management.

WHEREFORE, Plaintiff, Salvatore Martelli individually and derivatively on behalf of Nominal Defendant Above Par Hospitality, LLC demands judgment against Defendant, Faith Diamond, as follows:

a. Compelling Defendant, Faith Diamond to permit Plaintiff, Salvatore Martelli to examine the books and records of Nominal Defendant Above Par Hospitality, LLC;

b. Compelling an accounting of Nominal Defendant Above Par Hospitality, LLC;

c. Awarding Plaintiff, Salvatore Martelli expenses, including counsel fees, incurred in connection with the action; and

d. For such other and further relief the Court deems just and proper.

COUNT ELEVEN

Judicial Expulsion/Dissociation of Defendant, Birdie Golf, LLC From Nominal Defendant, Mulligan Golf, LLC Pursuant to N.J.S.A. 42:2C-46
(By Plaintiff, Veritas Golf, LLC Individually and Derivatively on Behalf of Mulligan Golf, LLC)

209. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

210. Pursuant to the Mulligan Amended and Restated Operating Agreement, a member can be expelled and dissociated if the member engaged in fraudulent or willful misconduct that adversely and materially affected the Company's business, the member willfully and persistently committed a material breach of as determined by a Court of law; or the member engaged in conduct relating to the Company's business which makes it not reasonably practicable to carry on the business with the member as a member of the Company as determined by a Court of law.

211. Defendant, Birdie Golf's conduct and actions as described herein through its members Warren and Faith Perlmutter Daimond constitutes fraudulent and willful misconduct that has adversely affected Mulligan Golf by improperly allocated expenses from Mulligan

Golf which were for their own personal benefit, failed to reimburse Plaintiffs for expenses related to Mulligan Golf.

212. Defendants, Faith Diamond and Warren Diamond also engaged in improper, deceptive actions which deliberately harmed Mulligan Golf by engaging in self dealing to the detriment of Martelli and Veritas Golf; withholding priority dividends to Plaintiffs without justification or cause; made defamatory statements to third-party financing institutions to the detriment of Martelli; and failed to disclose Defendant, Warren Diamond's criminal background to the detriment of the Suneagles Property, and intentionally and wrongfully stolen and/or converted over $700,000.00 worth of funds from Mulligan Golf to Warren and entities held solely by Warren in or about November of 2024, which has directly harmed Mulligan Golf.

213. Defendant Birdie Golf's actions through its members, Defendants, Warren and Faith Perlmutter Diamond have adversely and materially affected Mulligan Golf's business.

214. Additionally, Defendant Birdie Golf through its members, Defendants, Warren and Faith Perlmutter Diamond have willfully and persistently committed a material breach of the Amended and Restated Mulligan Operating Agreement by engaging in which makes it not reasonably practicable to carry on the business with Birdie Golf as a member of the entity.

215. Specifically, Defendant Birdie Golf, Warren Diamond and Faith Perlmutter Diamond have (i) failed to meet capital calls by Veritas Golf dated September 17, 2024 and December 13, 2024, prompting Birdie Golf's default of the Mulligan Golf Operating Agreement; (ii) refused to maintain and provide Martelli and Veritas Golf access to the books, accounts and records of Mulligan Golf, (iii) entered into contract(s) with third-parties without the written authorization of Veritas Golf, (iv) refused to honor and/ reimburse contracts on behalf of Mulligan Golf including but not limited to $5,100,000.00 owed to Plaintiff, Martelli Development Group; (v) withheld priority dividends to Plaintiffs without justification or cause;

(vi) unilaterally selected and retained loan broker(s) The Remus Group, LLC and Cosmos Capital Group, LLC, without written assent of Martelli, and paid the brokers a total of $170,800.00 through Mulligan Golf without any basis for the release of said funds; (vii) refused to sign off on capital improvements including a "half-way" concession stand and restroom that both Warren and Martelli agreed was to be constructed by MDG by April of 2025; and (viii) refused to sign a Lease Renewal between Mulligan Golf and AP Golf for the continued operation of the Suneagles Golf Course and Suneagles Pro Shop, which will force the closing of said premises.

216. Defendants' conduct and actions as described herein constitute wrongful conduct that adversely and materially affected and continues to affect the Mulligan Golf's valuation and continued business operations.

217. Defendants' conduct and actions make it impractical to continue to operate the business of Mulligan Golf.

218. Defendants' conduct and actions constitute a willful and/or persistent material breach of the Amended and Restated Mulligan Operating Agreement and adversely and materially affected and continues to affect Mulligan Golf's business.

219. Defendants violated N.J.S.A. 42:2C-46, requiring dissociation of Birdie Golf as a member of Mulligan Golf.

220. The disassociation must be ordered by this Court pursuant to the Amended and Restated Mulligan Operating Agreement and N.J. S.A. § 42:2C-46(e).

WHEREFORE, Plaintiffs Salvatore Martelli and Veritas Golf, LLC demand judgment individually and derivatively against Defendants Warren Diamond, Faith Perlmutter Diamond and Birdie Golf, LLC jointly and / or severally as follows:

a. Expelling Defendant, Birdie Gold as a member of Nominal Defendant, Mulligan

Golf, LLC;

b. An Order confirming Plaintiffs' rights to an accounting for Nominal Defendant, Mulligan Golf, LLC;

c. Compensatory damages;

d. Consequential damages;

e. Punitive damages;

f. i. Attorney's fees, interest, and costs.

g. For such other and further relief as the Court deems just and proper.

COUNT TWELVE

Judicial Expulsion/Dissociation of Defendant, Warren Diamond From Nominal Defendant, Above Par Golf, LLC Pursuant to N.J.S.A. 42:2C-46
(By Plaintiff, Martelli Individually and Derivatively on Behalf of Above Par Golf, LLC against Defendant, Warren Diamond)

221. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

222. Pursuant to the Amended and Restated AP Golf Operating Agreement, a member can be expelled and dissociated if the member engaged in fraudulent or willful misconduct that adversely and materially affected the Company's business, the member willfully and persistently committed a material breach of as determined by a Court of law; or the member engaged in conduct relating to the Company's business which makes it not reasonably practicable to carry on the business with the member as a member of the Company as determined by a Court of law.

223. Through his conduct and actions as described herein, Defendant, Warren Diamond has willfully and persistently committed a material breach of the Amended and Restated AP Golf Operating Agreement by engaging in which makes it not reasonably practicable to carry on the business with Defendant Warren Diamond as a member of the entity.

224. Specifically, Defendant, Warren Diamond has (i) refused to maintain and provide

Martelli access to the books, accounts and records of AP Golf (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Warren Diamond refuses to provide (iii) refused to sign a Lease Renewal between the entities for the continued operation of the Suneagles Golf Course and Suneagles Pro Shop, which will force the closing of said premises; and (iv) ignored the dual approval mechanism for disbursements between the members of AP Golf and AP Hospitality pursuant to the Operating Agreements. More specifically, despite Martelli's entitlement to $900,000.00 from the respective entities to date Martelli has received only $710,000.00 without any discernable basis for Defendant Warren Diamond's failure to release an additional $290,000.00 in priority distributions; and (viii) refused to sign a Lease Renewal between Mulligan Golf and AP Golf for the continued operation of the Suneagles Golf Course and Suneagles Pro Shop, which will force the closing of said premises.

225. Defendant, Warren Diamond's conduct and actions as described herein constitute wrongful conduct that adversely and materially affected and continues to affect AP Golf's continued business operations.

226. Defendant, Warren Diamond's conduct and actions make it impractical to continue to operate the business of AP Golf.

227. Defendant, Warren Diamond's conduct and actions constitute a willful and/or persistent material breach of the Amended and Restated AP Golf Operating Agreement and adversely and materially affected and continues to affect AP Golf's business.

228. Defendant, Warren Diamond's violated N.J.S.A. 42:2C-46, requiring dissociation of Birdie Golf as a member of Mulligan Golf.

229. The disassociation must be ordered by this Court pursuant to the Amended and Restated AP Golf Operating Agreement and N.J. S.A. § 42:2C-46(e).

WHEREFORE, Plaintiffs Salvatore demands judgment individually and derivatively against Defendant Warren Diamond jointly and / or severally as follows:

a. Expelling Defendant, Warren Diamond as a member of Nominal Defendant, Above Par Golf, LLC;

b. An Order confirming Plaintiff, Salvatore Martelli's rights to an accounting for Nominal Defendant, Above Par Golf, LLC;

c. Compensatory damages;

d. Consequential damages;

e. Punitive damages;

f. Attorney's fees, interest, and costs.

g. For such other and further relief as the Court deems just and proper.

COUNT THIRTEEN
Judicial Expulsion/Dissociation of Defendant, Warren Diamond From Nominal Defendant, Above Par Management, LLC Pursuant to N.J.S.A. 42:2C-46
(By Plaintiff, Martelli Individually and Derivatively on Behalf of Above Par Management, LLC against Defendant, Warren Diamond)

230. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

231. Pursuant to the Amended and Restated AP Management Operating Agreement, a member can be expelled and dissociated if the member engaged in fraudulent or willful misconduct that adversely and materially affected the Company's business, the member willfully

and persistently committed a material breach of as determined by a Court of law; or the member engaged in conduct relating to the Company's business which makes it not reasonably practicable to carry on the business with the member as a member of the Company as determined by a Court of law.

232. Through his conduct and actions as described herein, Defendant, Warren Diamond has willfully and persistently committed a material breach of the Amended and Restated AP Management Operating Agreement by engaging in which makes it not reasonably practicable to carry on the business with Defendant Warren Diamond as a member of the entity.

233. Specifically, Defendant, Warren Diamond has (i) refused to maintain and provide Martelli access to the books, accounts and records of AP Management (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Warren Diamond refuses to provide (iii) refused to sign a License Agreement extension with JCR Hospitality to operate mobile food and beverage carts upon the Suneagles Golf Course; (iv) ignored the dual approval mechanism for disbursements between the members of AP Golf and AP Hospitality pursuant to the Operating Agreements. More specifically, despite Martelli’s entitlement to $900,000.00 from the respective entities to date Martelli has received only $710,000.00 without any discernable basis for Defendant Warren Diamond’s failure to release an additional $290,000.00 in priority distributions.; and (v) refused to cover ongoing maintenance work and emergency repairs necessary for operation of the Suneagles Property and golf course, the costs of which have been covered by MDG without reimbursement.

234. Defendant, Warren Diamond’s conduct and actions as described herein constitute wrongful conduct that adversely and materially affected and continues to affect AP Management’s

continued business operations.

235. Defendant, Warren Diamond's conduct and actions make it impractical to continue to operate the business of AP Management.

236. Defendant, Warren Diamond's conduct and actions constitute a willful and/or persistent material breach of the Amended and Restated AP Management Operating Agreement and adversely and materially affected and continues to affect AP Management's business.

237. Defendant, Warren Diamond's violated N.J.S.A. 42:2C-46, requiring dissociation as a member of AP Management.

238. The disassociation must be ordered by this Court pursuant to the Amended and Restated AP Management Operating Agreement and N.J. S.A. § 42:2C-46(e).

WHEREFORE, Plaintiffs Salvatore demands judgment individually and derivatively against Defendant Warren Diamond jointly and / or severally as follows:

a. Expelling Defendant, Warren Diamond as a member of Nominal Defendant, Above Par Management, LLC;
b. An Order confirming Plaintiff, Salvatore Martelli's rights to an accounting for Nominal Defendant, Above Par Management, LLC;
c. Compensatory damages;
d. Consequential damages;
e. Punitive damages;
f. Attorney's fees, interest, and costs.
g. For such other and further relief as the Court deems just and proper.

COUNT FOURTEEN

Judicial Expulsion/Dissociation of Defendant, Faith Perlmutter Diamond From Nominal Defendant, Above Par Hospitality LLC Pursuant to N.J.S.A. 42:2C-46
(By Plaintiff, Martelli Individually and Derivatively on Behalf of Above Par Hospitality, LLC against Defendant, Faith Perlmutter Diamond)

239. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

240. Pursuant to the Amended and Restated AP Hospitality Operating Agreement, a member can be expelled and dissociated if the member engaged in fraudulent or willful misconduct that adversely and materially affected the Company's business, the member willfully and persistently committed a material breach of as determined by a Court of law; or the member engaged in conduct relating to the Company's business which makes it not reasonably practicable to carry on the business with the member as a member of the Company as determined by a Court of law.

241. Through her conduct and actions as described herein, Defendant, Faith Perlmutter Diamond has willfully and persistently committed a material breach of the Amended and Restated AP Hospitality Operating Agreement by engaging in which makes it not reasonably practicable to carry on the business with Defendant Faith Perlmutter Diamond as a member of the entity.

242. Specifically, Defendant, Faith Diamond has (i) refused to maintain and provide Martelli access to the books, accounts and records of AP Hospitality (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Faith Diamond refuses to provide (iii) refused to disclose Defendant, Warren Diamond’s prior felony conviction for crimes of moral turpitude which disqualifies Defendant, Faith Diamond as an applicant for AP Hospitality’s municipal and

state liquor license; (iv) intentionally fabricated portions of her liquor license application on behalf of AP Hospitality, which places the entity's liquor license vital to operation in immediate danger of revocation.

243. Defendant, Faith Diamond's conduct and actions as described herein constitute fraudulent, intentional and wrongful conduct that adversely and materially affected and continues to affect AP Management's continued business operations.

244. Despite demand, Defendant, Faith Perlmutter Diamond has refused to remove herself as a member of AP Hospitality.

245. Defendant, Faith Diamond's conduct and actions make it impractical to continue to operate the business of AP Hospitality.

246. Defendant, Faith Perlmutter Diamond's conduct and actions constitute a willful and/or persistent material breach of the Amended and Restated AP Management Operating Agreement and adversely and materially affected and continues to affect AP Management's business.

247. Defendant, Faith Perlmutter Diamond's violated N.J.S.A. 42:2C-46, requiring dissociation as a member of AP Hospitality.

248. The disassociation must be ordered by this Court pursuant to the Amended and Restated AP Hospitality Operating Agreement and N.J. S.A. § 42:2C-46(e).

WHEREFORE, Plaintiff Salvatore demands judgment individually and derivatively against Defendant Faith Perlmutter Diamond jointly and / or severally as follows:

a. Expelling Defendant, Faith Perlmutter Diamond, as a member of Nominal Defendant, Above Par Hospitality, LLC;

b. An Order confirming Plaintiff, Salvatore Martelli's rights to an accounting for Nominal Defendant, Above Par Hospitality, LLC;

c. Compensatory damages;

d. Consequential damages;

e. Punitive damages;

f. Attorney's fees, interest, and costs.

g. For such other and further relief as the Court deems just and proper.

COUNT FIFTEEN
Dissolution of Nominal Defendant, Mulligan Golf, LLC Pursuant to N.J.S.A. 42:2C-46.
(By Plaintiff, Veritas Golf, LLC Individually and Derivatively on Behalf of Mulligan Golf, LLC against Defendants, Birdie Golf, LLC, Warren Diamond and Faith Perlmutter Diamond)

249. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

250. Defendants, Warren Diamond and Daith Perlmutter Diamond are 99% and 1% owners of Birdie Golf.

251. Defendant, Birdie Golf and Plaintiff Veritas Golf are equal 50% members of Mulligan Golf.

252. Defendants, Warren Diamond and Faith Perlmutter Diamond in their capacity as members of Birdie Golf have engaged in fraudulent practices which includes manipulating income and expenses related to Mulligan Golf in order to generate a benefit to themselves at the expense of Mulligan Golf its minority Member.

253. Indeed, Defendants, Warren Diamond and Faith Perlmutter Diamond in their capacity as members of Birdie Golf improperly allocated expenses to Mulligan Golf which were

for their own personal benefit, failed to reimburse Mulligan Golf for their personal expenses, and accepted benefits and compensation from Mulligan Golf without reimbursement.

254. Defendants, Warren Diamond and Faith Perlmutter Diamond in their capacity as members of Birdie Golf also engaged in improper, deceptive actions which deliberately harmed Plaintiffs and Mulligan Golf.

255. Specifically, Defendants, Warren Diamond and Faith Diamond through Birdie Golf have (i) refused to maintain and provide Martelli and Veritas Golf access to the books, accounts and records of Mulligan Golf, (ii) entered into contract(s) with third-parties without the written authorization of Veritas Golf, (iii) refused to honor and/ reimburse contracts on behalf of Mulligan Golf including but not limited to $5,100,000.00 owed to Plaintiff, Martelli Development Group; (iv) engaged in self dealing to the detriment of Martelli and Veritas Golf;
(v) withheld priority dividends to Plaintiffs without justification or cause; (vi) made defamatory statements to third-party financing institutions to the detriment of Martelli; and (vii) failed to disclose Defendant, Warren Diamond's criminal background to the detriment of AP Hospitality's liquor license; (viii) unilaterally selected and retained loan broker(s) The Remus Group, LLC and Cosmos Capital Group, LLC, without written assent of Martelli, and paid the brokers a total of $170,800.00 through Mulligan Golf without any basis for the release of said funds; (ix) refused to sign off on capital improvements including a "half-way" concession stand and restroom that both Warren and Martelli agreed was to be constructed by MDG by April of 2025; (x) refused to sign a Lease Renewal between the entities for the continued operation of the Suneagles Golf Course and Suneagles Pro Shop, which will force the closing of said premises; (xi) intentionally and wrongfully stolen and/or converted over $700,000.00 worth of funds from Mulligan Golf to Warren and entities held solely by Warren in or about November of 2024, which has directly

harmed Mulligan Golf; (xii) failed to meet capital calls by Veritas Golf dated September 17, 2024 and December 13, 2024, prompting Birdie Golf's default of the Mulligan Golf Operating Agreement.

256. Plaintiffs repeatedly reported this conduct to Defendants Warren Diamond and Faith Perlmutter Diamond as controlling Members of Mulligan Golf.

257. He explained that the Diamonds' continuous misallocation of expenses, improper manipulation of business processes, and mismanagement of the businesses to the detriment of Mulligan Golf and its Members served to increase the dilution of Veritas Golf's interest as minority owner.

258. However, Martelli's complaints and requests for corrective action, including clearly delineated responsibilities, rectification of improper adjustments and expenses, and violations of the Amended and Restated Mulligan Operating Agreement for Mulligan Golf were continuously met with disinterest and obstruction.

259. Accordingly, because of the Diamonds' misconduct evidencing clear minority oppression, the irreconcilable conflict between them, and the complete breakdown of the relationship, and Defendant, Faith Perlmutter Diamond's refusal to intercede and take any corrective action, Martelli demanded a full accounting of the assets and an immediate buyout from Mulligan Golf, including payment of all outstanding distributions and management fees.

260. The Diamonds have refused to participate in a proper buyout and/or dissolution of Mulligan Golf.

261. The Diamonds have engaged in oppressive conduct towards Veritas Golf and Martelli as Veritas Golf's sole member.

262. The Diamonds have ignored Martelli's requests for corporate documents and refused to provide Veritas Golf with the requested records evidencing the financial condition of Mulligan Golf in violation of their duties.

263. The Diamonds have mismanaged Mulligan Golf through their corporate looting and oppressive conduct such that Mulligan Golf has been devalued and Veritas Golf's respective ownership interests in Mulligan Golf has been diluted.

264. Further, the Diamonds' failure to respond to Martelli and Veritas Golf's numerous complaints and requests for corrective action has allowed the devaluation of Mulligan Golf and dilution of Veritas Golf's interest to continue unchecked.

265. In light of the foregoing, the disagreement and conflict among the Members regarding the means, methods, and finances of Mulligan Golf's operations has become so fundamental and intractable as to make it unfeasible for Mulligan Golf to carry on their business as originally intended.

266. Thus, it is not reasonably practicable to carry on the business in conformity with the articles of organization.

267. The Diamonds have refused Veritas Golf's proper demand to dissolve Mulligan Golf.

268. The Diamonds, as members of Birdie Golf, LLC have acted arbitrarily and vexatiously in rejecting Veritas Golf's offer for dissolution, and continue to operate in bad faith, compelling the commencement of this action.

WHEREFORE, Plaintiffs Salvatore Martelli and Veritas Golf, LLC demand judgment against Defendants Warren Diamond, Faith Perlmutter Diamond and Birdie Golf, LLC, individually, jointly and / or severally as follows:

a. An Order dissolving Nominal Defendant, Mulligan Golf, LLC pursuant to N.J.S.A. 42:2C-48;

b. Awarding to Plaintiff Veritas Golf, LLC all capital contributions and interest payments paid to Mulligan Golf, LLC;

c. An Order confirming Plaintiffs' rights to an accounting for Mulligan Golf, LLC;

d. An Order requiring Defendants to account for and pay to Plaintiff Plaintiff's share of funds misappropriated by Defendants from Mulligan Golf in the amount of $700,000.00;

e. Compensatory damages;

f. Consequential damages;

g. Punitive damages;

h. i. Attorney's fees, interest, and costs.

i. For such other and further relief as the Court deems just and proper.

COUNT SIXTEEN
Dissolution of Nominal Defendant, Above Par Golf, LLC Pursuant to N.J.S.A. 42:2C-48.
(By Plaintiff, Salvatore Martelli Individually and Derivatively on Behalf of Above Par Golf, LLC against Defendant, Warren Diamond)

269. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

270. Defendant, Warren Diamond and Plaintiff Salvatore Martelli are equal 50% members of AP Golf.

271. Defendant, Warren Diamond in his capacity as members of AP Golf has engaged in fraudulent practices which includes manipulating income and expenses related to AP Golf in order to generate a benefit to themselves at the expense of AP Golf its minority Member.

272. Indeed, Defendant, Warren Diamond in his capacity as member of AP Golf improperly allocated expenses from AP Golf which were for his own personal benefit, and accepted benefits and compensation from AP Golf without justification or cause.

273. Defendant, Warren Diamond in his capacity as members of AP Golf also engaged in improper, deceptive actions which deliberately harmed Plaintiff, Salvatore Martelli.

274. More specifically, Defendant, Warren Diamond has (i) refused to maintain and provide Martelli access to the books, accounts and records of AP Golf (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Warren Diamond refuses to provide (iii) refused to sign a Lease Renewal between the entities for the continued operation of the Suneagles Golf Course and Suneagles Pro Shop, which will force the closing of said premises; and (iv) ignored the dual approval mechanism for disbursements between the members of AP Golf and AP Hospitality pursuant to the Operating Agreements.

275. Additionally, despite Martelli's entitlement to $900,000.00 from AP Golf to date Martelli has received only $710,000.00 without any discernable basis for Defendant Warren Diamond's failure to release an additional $290,000.00 in priority distributions.

276. Plaintiffs repeatedly reported this conduct to Defendant Warren Diamond as controlling Members of AP Golf.

277. He explained that Defendant, Warren Diamond's continuous misallocation of expenses, improper manipulation of business processes, and mismanagement of the businesses to the detriment of AP Golf and its members served to increase the dilution of Martelli's interest as minority owner.

278. However, Martelli's complaints and requests for corrective action, including clearly delineated responsibilities, rectification of improper adjustments and expenses, and violations of the Amended and Restated Operating Agreement for AP Golf were continuously met with disinterest and obstruction.

279. Accordingly, because of Defendant Warren Diamond's misconduct evidencing clear minority oppression, the irreconcilable conflict between them, and the complete breakdown of the relationship, and Defendant, Warren Diamond's refusal to intercede and take any corrective action, Martelli demanded a full accounting of the assets and an immediate buyout from AP Golf, including payment of all outstanding distributions and management fees.

280. Defendant, Warren Diamond has refused to participate in a proper buyout and/or dissolution of AP Golf.

281. Defendant, Warren Diamond has engaged in oppressive conduct towards Martelli.

282. Warren Martelli has also ignored Martelli's requests for corporate documents and refused to provide Martelli with the requested records evidencing the financial condition of AP Golf in violation of his duties.

283. Defendant, Warren Diamond has mismanaged Mulligan Golf through his corporate looting and oppressive conduct such that AP Golf has been devalued and Martelli's respective ownership interests in AP Golf has been diluted.

284. Further, Defendant, Warren Diamond's failure to respond to Martelli's numerous complaints and requests for corrective action has allowed the devaluation of the AP Golf and dilution of Martelli's interest to continue unchecked.

285. In light of the foregoing, the disagreement and conflict among the Members regarding the means, methods, and finances of AP Golf's operations has become so fundamental and intractable as to make it unfeasible for AP Golf to carry on their business as originally intended.

286. Thus, it is not reasonably practicable to carry on the business in conformity with the articles of organization.

287. Defendant, Warren Diamond refused Martelli's proper demand to dissolve AP Golf.

288. Defendant, Warren Diamond has acted arbitrarily and vexatiously in rejecting Martelli's offer for dissolution, and continue to operate in bad faith, compelling the commencement of this action.

WHEREFORE, Plaintiffs Salvatore Martelli demands judgment against Defendant Warren Diamond, individually, derivatively, jointly and / or severally as follows:

a. An Order dissolving Nominal Defendant, Above Par Golf, LLC pursuant to N.J.S.A. 42:2C-48;
b. Awarding to Plaintiff, Salvatore Martelli all capital contributions and interest payments paid to Above Par Golf, LLC;
c. An Order confirming Plaintiff, Salvatore Martelli's rights to an accounting for Above Par Golf, LLC;
d. Compensatory damages;
e. Consequential damages;
f. Punitive damages;
g. i. Attorney's fees, interest, and costs.

h. For such other and further relief as the Court deems just and proper

COUNT SEVENTEEN

Dissolution of Nominal Defendant, Above Par Management, LLC Pursuant to N.J.S.A. 42:2C-48.

(By Plaintiff, Salvatore Martelli Individually and Derivatively on Behalf of Above Par Management, LLC against Defendant, Warren Diamond)

289. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

290. Defendant, Warren Diamond and Plaintiff Salvatore Martelli are equal 50% members of AP Management.

291. Defendant, Warren Diamond in his capacity as members of AP Management has engaged in fraudulent practices which includes manipulating income and expenses related to AP Management in order to generate a benefit to themselves at the expense of AP Management its minority Member.

292. Indeed, Defendant, Warren Diamond in his capacity as member of AP Management improperly allocated expenses from AP Management which were for his own personal benefit, and accepted benefits and compensation from AP Management without justification or cause.

293. Defendant, Warren Diamond in his capacity as members of AP Management also engaged in improper, deceptive actions which deliberately harmed Plaintiff, Salvatore Martelli.

294. Specifically, Defendant, Warren Diamond has (i) refused to maintain and provide Martelli access to the books, accounts and records of AP Management (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Warren Diamond refuses to provide (iii) refused to

sign a License Agreement extension with JCR Hospitality to operate mobile food and beverage carts upon the Suneagles Golf Course; (iv) ignored the dual approval mechanism for disbursements between the members of AP Golf and AP Hospitality pursuant to the Operating Agreements. More specifically, despite Martelli's entitlement to $900,000.00 from the respective entities to date Martelli has received only $710,000.00 without any discernable basis for Defendant Warren Diamond's failure to release an additional $290,000.00 in priority distributions.; and (v) refused to cover ongoing maintenance work and emergency repairs necessary for operation of the Suneagles Property and golf course, the costs of which have been covered by MDG without reimbursement.

295. Plaintiffs repeatedly reported this conduct to Defendant Warren Diamond as controlling Members of AP Management.

296. He explained that Defendant, Warren Diamond's continuous misallocation of expenses, improper manipulation of business processes, and mismanagement of the businesses to the detriment of AP Management and it's members served to increase the dilution of Martelli's interest as minority owner.

297. However, Martelli's complaints and requests for corrective action, including clearly delineated responsibilities, rectification of improper adjustments and expenses, and violations of the Amended and Restated Operating Agreement for AP Management were continuously met with disinterest and obstruction.

298. Accordingly, because of Defendant, Warren Diamond's misconduct evidencing clear minority oppression, the irreconcilable conflict between them, and the complete breakdown of the relationship, and Defendant, Warren Diamond's refusal to intercede and take any

corrective action, Martelli demanded a full accounting of the assets and an immediate buyout from AP Management, including payment of all outstanding distributions and management fees.

299. Defendant, Warren Diamond has refused to participate in a proper buyout and/or dissolution of AP Management.

300. Defendant, Warren Diamond has engaged in oppressive conduct towards Martelli.

301. Warren Martelli has also ignored Martelli's requests for corporate documents and refused to provide to Martelli the requested records evidencing the financial condition of AP Management in violation of his duties.

302. Defendant, Warren Diamond has mismanaged AP Management through his corporate looting and oppressive conduct such that AP Management has been devalued and Martelli's respective ownership interests in AP Management has been diluted.

303. Further, Defendant, Warren Diamond's failure to respond to Martelli's numerous complaints and requests for corrective action has allowed the devaluation of the AP Management and dilution of Martelli's interest to continue unchecked.

304. In light of the foregoing, the disagreement and conflict among the Members regarding the means, methods, and finances of AP Management's operations has become so fundamental and intractable as to make it unfeasible for AP Management to carry on their business as originally intended.

305. Thus, it is not reasonably practicable to carry on the business in conformity with the articles of organization.

306. Defendant, Warren Diamond refused Martelli's proper demand to dissolve AP Management.

307. Defendant, Warren Diamond has acted arbitrarily and vexatiously in rejecting Martelli's offer for dissolution, and continue to operate in bad faith, compelling the commencement of this action.

WHEREFORE, Plaintiffs Salvatore Martelli demands judgment against Defendant Warren Diamond, individually, derivatively, jointly and / or severally as follows:

a. An Order dissolving Nominal Defendant, Above Par Management, LLC pursuant to N.J.S.A. 42:2C-48;

b. Awarding to Plaintiff, Salvatore Martelli all capital contributions and interest payments paid to Above Par Management, LLC;

c. An Order confirming Plaintiff, Salvatore Martelli's rights to an accounting for Above Par Management, LLC;

d. Compensatory damages;

e. Consequential damages;

f. Punitive damages;

g. i. Attorney's fees, interest, and costs.

h. For such other and further relief as the Court deems just and proper.

<u>COUNT EIGHTEEN</u>

Dissolution of Nominal Defendant, Above Par Hospitality, LLC Pursuant to N.J.S.A. 42:2C-48.

(By Plaintiff, Salvatore Martelli Individually and Derivatively on Behalf of Above Par Hospitality, LLC against Defendant, Faith Diamond)

308. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

309. Defendant, Faith Perlmutter Diamond and Plaintiff Salvatore Martelli are equal 50% members of AP Management.

310. Defendant, Faith Perlmutter Diamond in her capacity as members of AP Hospitality has engaged in fraudulent practices which includes manipulating income and expenses related to AP Hospitality in order to generate a benefit to herself at the expense of AP Hospitality its minority Member.

311. Indeed, Defendant, Faith Perlmutter Diamond in her capacity as member of AP Hospitality improperly allocated expenses from AP Hospitality which were for his own personal benefit, and accepted benefits and compensation from AP Hospitality without justification or cause.

312. Defendant, Faith Perlmutter Diamond in her capacity as members of AP Hospitality also engaged in improper, deceptive actions which deliberately harmed Plaintiff, Salvatore Martelli.

313. More specifically, Defendant, Faith Perlmutter Diamond has (i) refused to maintain and provide Martelli access to the books, accounts and records of AP Hospitality (ii) entered into contract(s) with third-parties without the written authorization of Plaintiff Martelli, including tax and accounting services to which Defendant, Faith Perlmutter Diamond refuses to provide (iii) refused to disclose Defendant, Warren Diamond's prior felony conviction for crimes of moral turpitude which disqualifies Defendant, Faith Perlmutter Diamond as an applicant for AP Hospitality's municipal and state liquor license; (iv) intentionally fabricated portions of her liquor license application on behalf of AP Hospitality, which places the entity's liquor license vital to operation in immediate danger of revocation.

314. Plaintiffs repeatedly reported this conduct to Defendant Faith Perlmutter Diamond as controlling Members of AP Hospitality, and immediately demanded her removal as a member of AP Hospitality.

315. However, Martelli's complaints and requests for corrective action were continuously met with disinterest and obstruction.

316. Accordingly, because of Defendant, Faith Perlmutter Diamond's misconduct evidencing clear minority oppression, the irreconcilable conflict between them, and the complete breakdown of the relationship, and Defendant, Faith Perlmutter Diamond's refusal to intercede and take any corrective action, Martelli demanded a full accounting of the assets and an immediate buyout from AP Hospitality, including payment of all outstanding distributions and management fees.

317. Defendant, Faith Perlmutter Diamond has refused to participate in a proper buyout and/or dissolution of AP Hospitality.

318. Defendant, Faith Perlmutter Diamond has engaged in oppressive conduct towards Martelli.

319. Defendant, Faith Perlmutter Diamond has also ignored Martelli's requests for corporate documents and refused to provide to Martelli the requested records evidencing the financial condition of AP Hospitality in violation of his duties.

320. Defendant, Faith Perlmutter Diamond has mismanaged AP Hospitality through her corporate looting and oppressive conduct such that AP Hospitality has been devalued and Martelli's respective ownership interests in AP Hospitality has been diluted.

321. Further, Defendant, Faith Perlmutter Diamond's failure to respond to Martelli's numerous complaints and requests for corrective action has allowed the devaluation of the AP Hospitality and dilution of Martelli's interest to continue unchecked.

322. In light of the foregoing, the disagreement and conflict among the Members regarding the means, methods, and finances of AP Hospitality's operations has become so fundamental and intractable as to make it unfeasible for AP Hospitality to carry on their business as originally intended.

323. Thus, it is not reasonably practicable to carry on the business in conformity with the articles of organization.

324. Defendant, Faith Perlmutter Diamond refused Martelli's proper demand to dissolve AP Hospitality.

325. Defendant, Faith Perlmutter Diamond has acted arbitrarily and vexatiously in rejecting Martelli's offer for dissolution, and continue to operate in bad faith, compelling the commencement of this action.

WHEREFORE, Plaintiffs Salvatore Martelli demands judgment against Defendant Faith Perlmutter Diamond, individually, derivatively, jointly and / or severally as follows:

a. An Order dissolving Nominal Defendant, Above Par Hospitality, LLC pursuant to N.J.S.A. 42:2C-48;

b. Awarding to Plaintiff, Salvatore Martelli all capital contributions and interest payments paid to Above Par Hospitality, LLC;

c. An Order confirming Plaintiff, Salvatore Martelli's rights to an accounting for Above Par Hospitality, LLC;

d. Compensatory damages;

e. Consequential damages;

f. Punitive damages;

g. i. Attorney's fees, interest, and costs.

h. For such other and further relief as the Court deems just and proper.

COUNT NINETEEN
Conversion
(By Plaintiff Martelli Individually and Derivatively on Behalf of Veritas Golf and Mulligan Golf against Defendants Warren Diamond, Faith Diamond and Birdie Golf, LLC)

139. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

140. In their capacity as members of Birdie Golf, Defendants, Warren Diamond and Faith Diamond engaged in fraudulent practices which includes the improper removal of no less than $700,000.00 from Mulligan Golf without any justification or cause.

141. Defendants, Warren Diamond and Faith Perlmutter Diamond also diverted resources and assets of Mulligan Golf for their own personal benefit, improperly and arbitrarily increased their own executive compensation without a commensurate increase for Plaintiff, Veritas Golf, improperly withheld management fees, distributions and other compensation from Plaintiff Veritas Golf while improperly paying themselves and wrongly halted compensation to Veritas Golf.

142. Defendants, Defendants, Warren Diamond and Faith Perlmutter Diamond's conduct of improperly removing these funds and equipment constitutes a theft and/or a conversion of Mulligan Golf's funds and assets.

143. Defendants, Warren Diamond and Faith Perlmutter Diamond's theft and/or conversion of significant funds and assets of Mulligan Golf has caused Plaintiff, Veritas Golf to suffer harm.

144. As a direct result of Defendants, Birdie Golf, Warren Diamond and Faith Diamond's actions Veritas Golf has suffered and continues to suffer damages.

WHEREFORE, Plaintiffs Salvatore Martelli and Veritas Golf, LLC demand judgment against Defendants Warren Diamond, Faith Perlmutter Diamond and Birdie Golf, LLC; individually, derivatively jointly and / or severally as follows:

a. Compensatory damages;

b. Punitive damages;

c. Interest;

d. Attorneys' fees and costs of suit; and

e. For such other and further relief as the Court deems just and proper.

COUNT TWENTY
Minority Member Oppression Pursuant to N.J.S.A. § 42:2C-48(a)(5)
(By Plaintiffs against Defendants on Behalf of the Nominal Defendants)

326. Plaintiffs repeat and re-allege each and every allegation set forth above, as if set forth at length herein.

327. Plaintiffs hold a fifty-percent (50%) interest in the Joint Ventures, respectively.

328. The Joint Ventures' Operating Agreements require unanimous vote on all decisions related to the Joint Ventures operation, including the removal of members.

329. As such, Plaintiffs are minority members of the Joint Ventures.

330. Defendants, Warren Diamond, Faith Diamond and Birdie Golf as the majority members of the Joint Ventures and have acted and continue to act in a manner that is oppressive to Plaintiffs' rights and reasonable expectations pursuant to the Operating Agreements and applicable law in violation of N.J.S.A. § 42:2C-48(a)(5).

331. More specifically, Defendants, Warren Diamond and Faith Diamond have (i) refused to maintain and provide Plaintiffs access to the books, accounts and records of the Joint Ventures, (ii) entered into contract(s) with third-parties without the written authorization of Veritas Golf, (iii) refused to honor and/ reimburse contracts on behalf of the entity including but not limited to $5,100,000.00 owed to Plaintiff, Martelli Development Group; (iv) engaged in self dealing to the detriment of Martelli and Plaintiffs; (v) withheld priority dividends to Plaintiffs without justification or cause; (vi) made defamatory statements to third-party financing institutions to the detriment of Martelli; and (vii) failed to disclose Defendant, Warren Diamond's criminal background to the detriment of AP Hospitality's liquor license.

332. Defendants, Warren Diamond and Faith Diamond have engaged and continue to engage in minority member oppression to Plaintiffs' detriment. And frustrates Plaintiffs' reasonable expectations. Such oppressive conduct has and continues to dilute Plaintiffs' interest in the Joint Ventures and the value of same in violation of N.J.S.A. § 42:2C-48(a)(5).

WHEREFORE, Plaintiffs Salvatore Martelli, Martelli Development Group, LLC, The Ridge as Suneagles, LLC; Veritas Hospitality, LLC; Veritas Golf, LLC and Veritas Management Group, LLC demand judgment against Defendants Warren Diamond, Faith Perlmutter Diamond; Birdie Golf, LLC; Above Par Hospitality, LLC; Above Par Management, LLC; Above Par Golf, LLC; American real Estate Management, LLC, and JCR Hospitality, LLC, individually, jointly and / or severally as follows:

a. Expelling Defendant, Birdie Gold as a member of Defendant, Mulligan Golf, LLC or in the alternative, dissolving Mulligan Golf, LLC;

b. Expelling Defendant, Faith Perlmutter Diamond as a member of Defendant Above Par Hospitality, LLC or in the alternative, dissolving Above Par Hospitality, LLC.

c. Expelling Defendant, Warren Diamond as a member of Defendant, Above Par Golf, LLC or in the alternative, dissolving Above Par Golf, LLC.

d. Expelling Defendant, Warren Diamond as a member of Defendant, Above Par Hospitality, LLC or in the alternative, dissolving Above Par Hospitality, LLC.

e. An Order confirming Plaintiffs' rights to an accounting for the Joint Ventures.

f. An Order requiring Defendants to account for and pay to Plaintiff Plaintiff's share of funds misappropriated by Defendants from the Joint Ventures;

g. Compensatory damages;

h. Consequential damages;

i. Punitive damages;

j. i. Attorney's fees, interest, and costs.

k. For such other and further relief as the Court deems just and proper.

<u>COUNT TWENTY ONE</u>
Declaratory Judgment
(By Plaintiffs against Defendants)

145. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

146. Defendants improperly ousted Plaintiffs from their rights and ownership of the Joint Ventures including certain financial interests such as the right to access of all business and banking accounts, wrongfully fraudulently oppressed Plaintiffs' membership interests in the Joint Ventures, failed to disclose Warren's criminal conviction that placed AP Hospitality's Liquor License into immediate jeopardy of revocation, and have refused to honor contracts with third-parties that will jeopardize the operation of the Suneagles Golf Course and Property.

147. Likewise, Defendants have intentionally and wrongfully stolen and/or converted over $700,000.00 worth of funds from Mulligan Golf, and engaged in self-dealing.

148. N.J.S.A. 2A:16-50, et seq. authorizes a party to seek relief from uncertainty and insecurity regarding rights, status, and legal issues.

149. Plaintiffs seeks a declaration confirming their rights to financial interests in assets, accounts, and ownership of the Joint Ventures, including the right to access statements and records for accounts, and confirming Plaintiff, Salvatore Martelli's right to serve as the sole Managing Member of the Joint Ventures with sole and full powers to operate the business on a day-to-day basis until further Order of this Court.

WHEREFORE, Plaintiffs Salvatore Martelli, Martelli Development Group, LLC, The Ridge as Suneagles, LLC; Veritas Hospitality, LLC; Veritas Golf, LLC and Veritas Management Group, LLC demand judgment against Defendants Warren Diamond, Faith Perlmutter Diamond; Birdie Golf, LLC; Above Par Hospitality, LLC; Above Par Management, LLC; Above Par Golf, LLC; American real Estate Management, LLC, and JCR Hospitality, LLC, individually, jointly and / or severally as follows:

a. An Order directing the immediate removal of Defendant Warren Diamond as a Managing Member of defendant Mulligan Golf, LLC without replacement;
b. An Order directing the immediate removal of Defendant Faith Perlmutter Diamond as a Managing Member of Defendant Above Par Hospitality, LLC without replacement;
c. An Order directing the immediate removal of Defendant Warren Diamond as a Managing Member of defendant Above Par Management, LLC without replacement;
d. An Order directing that Plaintiff Veritas Golf, LLC shall have unconditional right to "buy out" the 50% ownership interest held by Defendant, Birdie Golf, LLC in

Defendant, Mulligan Golf, LLC for a fixed price and on terms to be determined by the Court;

e. An Order directing and confirming that Plaintiff Salvatore Martelli shall serve as the sole Managing Member of Defendant, Above Par Golf, LLC with sole and full powers to operate the business on a day-to-day basis until further Order of this Court;

f. An Order confirming Plaintiffs' rights to an accounting for the Joint Ventures.

g. For such other and further relief as the Court deems just and proper.

COUNT TWENTY TWO
Civil Assault
(By Plaintiff, Salvatore Martelli Against Defendant, Warren Diamond)

333. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

334. On April 26, 2025, Defendant, Warren Diamond "attempt[ed] by physical menace to put another in fear of imminent serious bodily injury" when he menacingly intended and did cause Plaintiff, Salvatore Martelli to suffer apprehension of an immediate harmful contact.

335. As a direct, specific and proximate consequence of Defendant, Warren Diamond's intentional acts, Plaintiff, Salvatore Martelli has suffered terrible mental anguish, has been unable to sleep, has been subjected to physical pain as a result of being unable to sleep and has been unable to participate in the majority of his daily activities.

WHEREFORE, Plaintiff Salvatore Martelli, demands judgment against Defendant Warren Diamond, as follows:

a. Compensatory damages;

b. Consequential damages;

c. Punitive damages;

d. i. Attorney's fees, interest, and costs.

e. For such other and further relief as the Court deems just and proper.

COUNT TWENTY THREE
Battery
(By Plaintiff, Salvatore Martelli Against Defendant, Warren Diamond)

336. Plaintiffs repeat and re-allege each and every allegation set forth above, as though fully set forth at length herein.

337. On April 26, 2025, Defendant, Warren Diamond severely struck Plaintiff, Salvatore Martelli with a golf cart, causing Plaintiff, Salvatore Martelli to fall and sustain serious bodily injuries.

338. Defendant, Warren Diamond intended and did cause harmful contact with Plaintiff, Salvatore Martelli.

339. Plaintiff, Salvatore Martelli did not consent to Defendant, Warren Diamond's actions.

340. As a direct, specific and proximate consequence of Defendant, Warren Diamond's intentional acts, Plaintiff, Salvatore Martelli has suffered terrible mental anguish, has been unable to sleep, has been subjected to physical pain as a result of being unable to sleep and has been unable to participate in the majority of his daily activities.

WHEREFORE, Plaintiff Salvatore Martelli, demands judgment against Defendant Warren Diamond, as follows:

a. Compensatory damages;

b. Consequential damages;

c. Punitive damages;

d. i. Attorney's fees, interest, and costs.

e. For such other and further relief as the Court deems just and proper.

COUNT TWENTY FOUR
Breach of Contract
(By Plaintiffs Against Defendants Warren Diamond, Faith Perlmutter Diamond and Birdie Golf, LLC)

341. Plaintiffs repeat and reiterate the previous allegations of the Complaint as if set forth herein at length.

342. The Operating Agreements are valid and enforceable contracts under New Jersey law.

343. Plaintiffs fulfilled all of their duties and obligations under the Operating Agreement(s).

344. Defendants, Warren Diamond, Faith Perlmutter Diamond and Birdie Golf breached their duties under Section(s) 4.1.2, 4.1.3, 4.1.3.1. and 8.1.2. the Operating Agreements by, *inter alia*: (i) refusing to maintain and provide Plaintiffs access to the books, accounts and records of the Joint Ventures, (ii) entering into contract(s) with third-parties without the written authorization of Veritas Golf, (iii) refusing to honor and/ reimburse contracts on behalf of the entity including but not limited to $5,100,000.00 owed to Plaintiff, Martelli Development Group;
(iv) engaging in self dealing to the detriment of Martelli and Plaintiffs; (v) witholding priority dividends to Plaintiffs without justification or cause; (vi) making defamatory statements to third-party financing institutions to the detriment of Martelli; and (vii) failed to disclose Defendant, Warren Diamond's criminal background to the detriment of AP Hospitality's liquor license.

345. As a direct and proximate result of the Lakeview's breaches of the Operating Agreements, Plaintiffs have suffered damages.

WHEREFORE, Plaintiffs Salvatore Martelli, Martelli Development Group, LLC, The Ridge as Suneagles, LLC; Veritas Hospitality, LLC; Veritas Golf, LLC and Veritas Management

Group, LLC demand judgment against Defendants Warren Diamond, Faith Perlmutter Diamond for the following:

a. Compensatory damages;

b. Consequential damages;

c. Pre-judgment and post-judgment interest;

d. Costs of suit;

e. Reasonable attorney's fees; and

f. Any such relief as the Court shall deem just and equitable.

COUNT TWENTY-FIVE
Breach of the Implied Duty of Good Faith and Fair Dealing
(By Plaintiffs against Defendants, Warren Diamond, Faith Perlmutter Diamond and Birdie Golf, LLC)

346. Plaintiffs repeat and reiterate the previous allegations of the Complaint as if set forth herein at length.

347. Under New Jersey law, all contracts contain an implied covenant of good faith and fair dealing.

348. Plaintiffs fulfilled all of their duties under the Operating Agreements in good faith.

349. In this matter Defendants, Warren Diamond, Faith Perlmutter Diamond and Birdie Golf, LLC have engaged in bad faith and such conduct has proximately damaged and continues to proximately damage Plaintiffs.

350. Defendants' bad faith actions have prevented Plaintiffs from receiving the benefits they reasonably anticipated receiving under the Operating Agreements.

351. As a direct and proximate cause of the Defendants Warren Diamond, Faith Perlmutter Diamond and Birdie Golf, LLC's breaches, Plaintiffs have suffered damages.

<u>COUNT TWENTY-SIX</u>
Defamation
(By Martelli Against Warren Diamond)

352. The Martelli Defendants repeat and reallege each and every paragraph contained above as though set forth fully herein.

353. Warren Diamond communicated defamatory statements about Martelli to third parties, including that he is a "sociopath" and a "thief."

354. Warren Diamond communicated further defamatory statements to Manasquan Bank when he accused Martelli of improper conduct with respect to the recording of the Court's April 21, 2025 Order.

355. These statements were false when made.

356. Warren Diamond had actual knowledge that these statements were false or acted in reckless disregard of their truth or falsity or acted negligently in disregarding their truth or falsity.

357. As a result of these defamatory statements, Martelli has suffered damage to his reputation.

WHEREFORE, Martelli demands judgment against Warren Diamond as follows:

a. Compensatory damages;

b. Consequential damages

c. Costs of suit;

d. Attorneys' fees; and

e. For such other and further relief the Court deems just and proper.

<u>COUNT TWENTY SEVEN</u>
Tortious Interference With Contract
(Against Plaintiff Warren Diamond)

358. The Martelli Defendants repeat and reallege each and every paragraph contained above as though set forth fully herein.

359. Martelli, through co-defendant The Ridge of which he is the sole owner and managing member, has an enforceable loan agreement with Manasquan Bank.

360. Plaintiff Warren Diamond intentionally interfered with Martelli's construction loan from Manasquan Bank by falsely representing the events in a different litigation and accusing Martelli of misconduct.

361. This interference damaged the Martelli Defendants.

WHEREFORE, the Martelli Defendants demand judgment against Warren Diamond as follows:

a. Compensatory damages;

b. Consequential damages

c. Costs of suit;

d. Attorneys' fees; and

e. For such other and further relief the Court deems just and proper.

DESIGNATION OF TRIAL COUNSEL

Pursuant to Rule 4:25-4, Anthony J. D'Artigio, Esq. is hereby designated as trial counsel for Plaintiffs in the within matter.

CERTIFICATION PURSUANT TO RULE 1:38-7(c)

I hereby certify that confidential personal identifiers have been redacted from documents now submitted to the Court and will be redacted from all documents submitted in the future in accordance with Rule 1:38-7(c).

CERTIFICATION PURSUANT TO RULE 4:5-1

I certify that, pursuant to Rule 4:5-1, to my knowledge and based on the information available to me at this time, the matter in controversy is not the subject of any other action pending in any court or of a pending arbitration proceeding, other than a separate action related to the sale of two townhomes pending the Chancery Division.

Ansell Grimm & Aaron, P.C.
Attorneys for Plaintiffs

By: /s/ Anthony J. D'Artiglio
Anthony J. D’Artiglio, Esq.

Dated: September 19, 2025

VERIFICATION

I, Salvatore Martelli, acting on behalf of all Plaintiffs, have read the preceding Verified Complaint and know the contents thereof, and the same is true of my own knowledge, except as to the matter therein stated to be alleged upon information and belief, and as to those matters, I believe them to be true.

Salvatore J Martelli
SALVATORE MARTELLI

Dated: September 19, 2025

Sworn to before me this
19 day of September, 2025

ROBERT G. LAYTON
NOTARY PUBLIC OF NEW JERSEY
Commission # 2347082
My Commission Expires 7/17/2026

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