

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK : JHO

-----x
GRAND PACIFIC FINANCE CORP.,

Plaintiff,

-against-

Index No.
601164-09

97-111 HALE, LLC, 100-114 HALE, LLC,
HALE CLUB, LLC, ELI BOBKER, BEN BOBKER
and JOE BOBKER,

Defendants.
-----x

June 18, 2015
60 Centre Street
New York, New York

BEFORE: HON. IRA GAMMERMAN
Judicial Hearing Officer

APPEARANCES:

Attorney for Plaintiff
HERRICK, FEINSTEIN LLP
2 Park Avenue
New York, NY 10016
BY: Paul H. Schafhauser, Esq.
Janice Goldberg, Esq.

Attorney For Defendant
WARNER & SCHEUERMAN
6 West 18th Street, 10th floor
New York, New York 10011
BY: Jonathon D. Warner, Esq.

JACQUELINE GLASS
Senior Court Reporter

1 Proceeding

2 THE COURT: For the plaintiff who do we
3 have.

4 MR. SCHAFHAUSER: Good morning, your
5 Honor. Paul Schafhauser and with me Janice
6 Goldberg from Herrick, Feinstein for the
7 plaintiff.

8 THE COURT: And Mr. Warner you represent
9 the defendant, right?

10 MR. WARNER: I do, your Honor.

11 THE COURT: Okay. Jonathon D. Warner.
12 All right. This case is 1050. It's before me
13 pursuant to an order of Justice Jaffe. Her order
14 is dated January 8th of this year. And the order
15 in part refers the matter to hear and determine.
16 I can't make a determination. Obviously I could
17 only make a recommendation the reasonable value of
18 defendant's services and requirements.

19 A motion was made by the plaintiff to
20 returnable before Justice Jaffe for an order
21 directing installment payments with respect to the
22 defendants Ben Bobker, Eli Bobker, and Joe Bobker.

23 The underlying facts in this case as set
24 forth in substantial detail by Justice Jaffe and I
25 assume that the parties and their lawyers are
26 familiar with the underlying facts. We had three

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Proceeding

days of hearings on March 2, March 31st and April 1st. And I heard testimony from the three Bobker defendants, and at least one spouse. I don't recall if there was another spouse at the moment. And from an expert witness called by the plaintiff a man named Sam Rosenfarb who had many degrees and who was in my opinion an expert in both giving testimony on the issue of what would be appropriate compensation and on many other things. He's an expert appraiser and he submitted a report and testified at some length regarding the value of the services that the three defendants had rendered or were rendering. He testified, I'm talking about Mr. Rosenfarb now, that the value the fair value of the services rendered by Joe Bobker totalled approximately \$500,000 a year. While the fair value of the services rendered by the two other defendant's brother and the sons of Joe Bobker totalled \$950,000 each. No expert testimony was offered by the defendants to rebut any of the testimony offered by the plaintiff. The case involves a judgment. The case involves a judgment against Eli Bobker and Ben Bobker as well as some limited liability company defendants jointly and separately. That judgment is, I

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Proceeding

that their reluctance to expose their finances to the oversight and scrutiny that would accompany the appointment of a bankruptcy trustee.

In any event, Mr. Rosenfarb testified based on imperical data using both his expert experience and his knowledge that the services rendered by Joe Bobker would realize a base salary of \$240,000 a year plus bonuses that would exceed that amount \$260,000 for a total annual compensation of a half a million dollars. For the two sons, it was Mr. Rosenfarb's testimony that the reasonable value of their services would be \$215,000 per year plus bonuses of \$240,000 plus equity compensation. He estimated that their services in the real estate field would produce for each of them \$950,000. As I indicated previously, I found Mr. Rosenfarb's analysis to be thorough and persuasive and highly credible. And this was I said earlier not rebutted by any expert called by the defendants. Their own testimony was I would say to some extent boardered on the unbelievable, was highly contradictory with each other and was contradicted by testimony offered by their spouses. It was very very difficult to credit any of the testimony concerning finances that were offered by the three

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Proceeding

much.

MR. WARNER: I was trying to hear the last thing that you said. The monthly amount for each of the two sons would be \$13,833; is that correct?

THE COURT: That's right.

Certified to be a true and accurate transcript of the original stenographic notes.



JACQUELINE GLASS
SENIOR COURT REPORTER