IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK
WHITE PLAINS DIVISION

LORTERDAN PROPERTIES AT RAMAPO I, L.L.C.,

Plaintiff,

v.

WATCHTOWER BIBLE AND TRACT SOCIETY OF NEW YORK, INC.,

Defendant.

Civil No.: _____

'11 CIV 3[illegible]

JUDGE SEIBEL

WATCHTOWER BIBLE AND TRACT SOCIETY OF NEW YORK, INC.'S CORPORATE DISCLOSURE STATEMENT AND CERTIFICATE OF INTERESTED PERSONS

COMES NOW, Defendant, WATCHTOWER BIBLE AND TRACT SOCIETY OF NEW YORK, INC. (hereinafter "Defendant" or "Watchtower"), by and through its undersigned counsel, and pursuant to Fed. R. Civ. P. 7.1, all other applicable Federal Rules of Civil Procedure, and the Local Rules of this Court, and hereby files its Corporate Disclosure Statement and Certificate of Interested Persons and states as follows:

Corporate Disclosure Statement:

Defendant, Watchtower Bible and Tract Society of New York, Inc., here declares pursuant to Rule 7.1(a) of the Federal Rules of Civil Procedures, that it has no parent corporation and there is no publicly held corporation that owns 10% or more shares of its stock. Further, it has no subsidiaries

or affiliates that have issued shares to the public.

Certificate of Interested Persons:

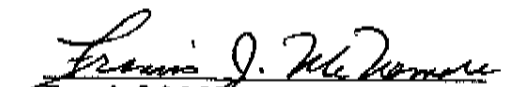
1. The Plaintiff, Lorterdan Properties at Ramapo I, L.L.C., a New Jersey limited liability company; its members, Robert Jackson, Foun Chong Fan, MD, the Fan Family Trust, and Scott Blow; and attorney for the Plaintiff, Joshua J. Grauer of Cuddy & Feder LLP.

2. The Defendant, Watchtower Bible and Tract Society of New York, Inc., a New York not-for-profit corporation.

WE HEREBY CERTIFY that we are unaware of any actual or potential conflict of interest involving the District Judge and Magistrate Judge assigned to this case, and will immediately notify the Court in writing on learning of any such conflict.

Dated this 27th day of May, 2011.

Respectfully Submitted,



Francis J. McNamara
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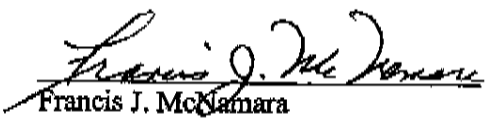
For Defendant Watchtower Bible and Tract Society of New York, Inc.

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK
WHITE PLAINS DIVISION

I hereby certify that on May 27, 2011, I filed the foregoing document with the Clerk of the Court. I also certify that the foregoing document is being served via personal service upon:

Joshua J. Grauer, Esq.
Cuddy & Feder, LLP
445 Hamilton Avenue, 14th Floor
White Plains, New York 10601

At Paterson, New York, May 27, 2011.



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June 9, 2011

Honorable Cathy Seibel
U.S. District Judge
United States District Court
for the Southern District of New York
300 Quarropas Street
White Plains, NY 10601

Re: Lorterdan Properties at Ramapo I, LLC v. Watchtower Bible and Tract Society of New York, Inc.
Civil No. 11-03656

Dear Judge Seibel:

This office represents Watchtower Bible and Tract Society of New York, Inc. (hereinafter "Watchtower"), the defendant/counterclaim plaintiff in the above-referenced action. We respectfully request that the Court accept this correspondence as Watchtower's response to the plaintiff's request, by letter dated June 6, 2011, for a pre-motion conference to seek leave to move for summary judgment pursuant to Fed. R. Civ. P. 56, as well as Watchtower's simultaneous request for a pre-motion conference to seek leave to move for judgment on the pleadings pursuant to Fed. R. Civ. P. 12(c).

While plaintiff will try to introduce documents and other evidence extrinsic to the parties' agreements, Watchtower's position is that the parties' agreements (which are attached to and made part of the pleadings) are clear and unambiguous. There is no need for this Court to go beyond the pleadings in this action to determine the parties' contractual rights. Plaintiff's references to tax exempt status for the property and Watchtower's Community Benefit Agreement with the Town of Ramapo are outside of the contracts and have no bearing on the rights of the parties to this action.

The "Purchase and Sale Agreement" between the parties states that the purchase price for the land involved in this action was to be $11,500,000.00. That agreement also incorporated by reference the "Repurchase Agreement" to be executed at the closing and called for the execution of the "Consulting Agreement" at the closing, as well.

The Consulting Agreement mentions a $9,500,000.00 consulting fee that would be paid to plaintiff within ten (10) days after Watchtower gave plaintiff written notice of its intent to develop the property. It also states that, if for any reason within two (2) years after the closing Watchtower gave plaintiff written notice of its intent to not proceed with the development of the

property and exercised its rights under the Repurchase Agreement, the plaintiff was required to repurchase the property from Watchtower and the Consulting Agreement would automatically terminate and plaintiff would not be entitled to the $9,500,000.00 consulting fee. Watchtower never gave plaintiff written notice of its intent to develop the property.

The Repurchase Agreement also clearly states that if Watchtower decided, for any reason, to not proceed with the development of the property within two (2) years after the closing, plaintiff had to repurchase the property from Watchtower and pay Watchtower $11,500,000.00.

The closing took place on February 27, 2009. On November 1, 2009, Watchtower gave written notice to plaintiff of its decision to not develop the property and demanded that plaintiff repurchase the property. Plaintiff failed and refused to repurchase the property from Watchtower. Therefore, by letter dated May 6, 2011, Watchtower notified plaintiff that plaintiff was in breach of its agreements with Watchtower and that Watchtower was electing to terminate the Repurchase Agreement. Plaintiff failed to exercise its right under the Repurchase Agreement to take title to the property back again in return for a payment of $11,500,000.00.

Watchtower respectfully submits that the documentary evidence in the form of the pleadings are a complete defense to this action. The pleadings also clearly show that, due to plaintiff's breach of contract, Watchtower is entitled to a judgment declaring that Watchtower is the owner of the property, that plaintiff has no right or interest in the property, enjoining plaintiff from asserting any right to the property, directing the Clerk of Rockland County to remove the lis pendens filed by plaintiff against the property, awarding Watchtower all of its cost, expenses, disbursements and attorney's fees attributed to plaintiff's breach, and directing that a hearing be held to assess those costs, expenses, disbursements and attorney's fees.

We deeply appreciate this Court's consideration of the foregoing requests.

Very truly yours,

Francis J. McNamara
Associate General Counsel

FJM:jrd

c: Joshua J. Grauer, Cuddy & Feder, LLP

CUDDY & FEDER LLP
445 Hamilton Avenue 14th Floor
White Plains, New York 10601

MEMO ENDORSED

Pre-motion conference to be held on: July 11, 2011 @ 9:45 a.m. Opposing counsel to state position (by letter not to exceed 3 pages) in writing one week in advance.

So ordered.

Cathy Seibel, U.S.D.J.

Dated: 6/13/11

June 6, 2011

BY FEDERAL EXPRESS
Hon. Cathy Siebel
United States District Judge
United States District Court
300 Quarropas Street
White Plains, New York 10601

Re: Lorterdan Properties at Ramapo I, LLC v. Watchtower Bible and Tract Society of N.Y., Inc., Civil No. 11-03656

Dear Judge Siebel:

We are the attorneys for Lorterdan Properties at Ramapo I, LLC ("Plaintiff") in this action, which was recently removed by Defendant Watchtower Bible and Tract Society of N.Y. ("Defendant") from the New York State Supreme Court to the Southern District.

Following removal, Defendant's Answer and Counterclaims was filed and served on June 3, 2011, and Plaintiff's Reply thereto will be filed forthwith. Accordingly, with issue now fully joined, and pursuant to Rule 2(A) of Your Honor's Individual Practices, Plaintiff respectfully requests a pre-motion conference, at which time Plaintiff will seek the Court's permission for it to proceed with a Rule 56 Motion for Summary Judgment.

In this action, Plaintiff has asserted claims for, *inter alia*, breach of contract and declaratory relief arising out of (a) a Purchase and Sale Agreement dated January 23, 2009 ("PSA") for the sale by Plaintiff to Defendant of approximately 248 acres of real property situated predominantly in the Town of Ramapo, New York (the "Subject Property"), (b) a related Consulting Agreement between the parties dated February 27, 2009, and (c) a Repurchase Agreement also dated February 27, 2009. Title to the Subject Property was transferred by Plaintiff to Defendant on February 27, 2009 upon the payment of $11.5 Million from Defendant to Plaintiff (the "First Tranche") and the parties' execution of the Consulting Agreement and Repurchase Agreement, respectively.

As confirmed by the aforesaid agreements, following the closing a second tranche of $9.5 Million (the "Second Tranche") was to be paid by Defendant to Plaintiff, *inter alia*, either (a) upon the Town's rezoning of the Subject Property, upon Defendant's application therefor, or, in the alternative, (b) upon a determination by Defendant to proceed with the development of the Subject Property for its non-profit purposes.
The aforesaid "determination to proceed" (or "not to proceed") had to be made by Defendant within a maximum timeframe of two years from the February 27, 2009 closing, *i.e.* by February 27, 2011 (the "Two Year Period"). Absent an effective and lawful determination "not to proceed" within the Two Year Period, the agreements at bar

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also expressly deemed such absence an election to proceed, thereby requiring payment of the 9.5 million dollar balance to Plaintiff.

As set forth in Defendant's Answer, it is Defendant's position that it was entitled to avoid paying Plaintiff the $9.5 Million Second Tranche and compel Plaintiff to repurchase the Subject Property for $11.5 Million, pursuant to Notice of its purported election not to proceed dated November 1, 2010 (the "November 1 Notice").

As explained below, Defendant's actions with regard to the Subject Property after the closing and before its November 1 Notice, establish, as a matter of law, that it had already determined to proceed by, *inter alia*, actions taken and not taken pursuant to the terms of the Agreements between them and as evidenced by the terms of a certain Community Benefit Agreement entered into between Defendant and the Town of Ramapo on September 1, 2009. Plaintiff's position is further supported by many other documents, including a certain Stipulation of Settlement of State Court litigation entered into between Defendant and the Town of Ramapo in September of 2009 and "So Ordered" by State Supreme Court Justice LaCava in or about February of 2010.

The foregoing coupled with, *inter alia*, numerous tax exemption applications filed by Defendant pursuant to Real Property Tax Law Section 420-a(i) and (3) in 2009, 2010 and 2011, establish, also as a matter of law, that Defendant made an effective and binding determination to proceed during the Two Year Period with the development of the Subject Property, thereby rendering its November 1 Notice of no force or effect. Such public record filings by Defendant with the Town of Ramapo Tax Assessor's office seeking complete real estate tax exemption under RPTL § 420-a(3) forever eliminated any ability on its part to seek to compel Plaintiff to repurchase the Subject Property and obligated Defendant to pay Plaintiff the $9.5 Million Second Tranche. Accordingly, Defendant's November 1 Notice, it is submitted, was a breach of the Agreements between the parties as a matter of law.

In addition, on October 29, 2009, shortly after Defendant's execution of the Community Benefit Agreement with the Town of Ramapo, Defendant entered into a Stipulation of Settlement with the Town of Ramapo of State Court litigation filed by Defendant against the Town claiming entitlement to real estate tax exemption under RPTL § 420-a(1) and (3). The Stipulation provided, in pertinent part, as follows:

> "Stipulated, that the parties have entered into a Community Benefit Agreement that is not part of this record that has been approved, by the Town of Ramapo and the Petitioner and that shall govern certain relationships and activities between the parties for a period of five (5) years ending January 1, 2014."

In reliance upon and with express reference to this Stipulation of Settlement signed by Defendant and the Town of Ramapo, the New York State Supreme Court (the Hon. John C. LaCava) issued an Order filed and entered in the office of the Rockland County Clerk on February 11, 2010, by which the Court So Ordered the Stipulation and Ordered

that Defendant's real property (e.g. the Subject Property) be declared one hundred (100%) percent exempt from taxation for the 2009/2010 tax year.

Consequently, here, innumerable, irrefutable and unequivocal actions taken by Defendant well before its November 1 Notice, (and after that date as well) confirm its irreversible and irrevocable binding election to proceed herein, thereby precluding Defendant from trying to terminate the Consulting Agreement and compel a repurchase as a matter of law.

Plaintiff respectfully submits that the documentary evidence to be submitted in support of Plaintiff's Rule 56 Motion and supporting caselaw cited in Plaintiff's Memorandum of Law will demonstrate Plaintiff's entitlement to Summary Judgment and, specifically, the entry of a money judgment against Defendant in the amount of $9.5 Million, interest from the date of Defendant's breach as determined by the Court, and prevailing party attorneys' fees as provided for in the parties' agreements.

We look forward to meeting with the Court and Defendant's counsel to discuss Plaintiff's intended Motion for Summary Judgment, and a briefing schedule with respect thereto.

Thank you for your consideration.

Respectfully submitted,

Joshua J. Grauer

cc: Francis J. McNamara, Esq.

CUDDY & FEDER LLP
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www.cuddyfeder.com

June 22, 2011

BY FIRST CLASS MAIL
Hon. Cathy Seibel
United States District Judge
United States District Court
300 Quarropas Street
White Plains, New York 10601

Re: Lorterdan Properties at Ramapo I, L.L.C. v. Watchtower Bible and Tract Society of New York, Inc., Civil No. 11-03656 (CS)

Dear Judge Seibel:

This letter is submitted in response to Defendant's correspondence to the Court dated June 9, 2011 requesting leave to move for judgment on the pleadings under Fed.R.Civ.P. 12(c). According to Defendant, all of its actions, sworn declarations and filings are irrelevant and should not be considered and the Court can look past this record on Plaintiff's Rule 56 Motion and enter a judgment in Defendant's favor on the pleadings. Given the documentary evidence contained in the record, I can certainly understand Defendant's desire to prevent the Court's examination of Defendant's actions as reflected in such documentary evidence. Respectfully, however, this is wishful thinking and not a valid legal position. For the reasons set forth below, Plaintiff respectfully submits that this case cannot be decided on the pleadings.

This action arises out of a Purchase and Sale Agreement dated January 23, 2009 (the "PSA") and related agreements concerning the sale by Plaintiff to Defendant of 248 acres of vacant land located primarily in Ramapo, New York (the "Subject Property"). Title closed on February 27, 2009 with Defendant's payment to Plaintiff of $11.5 Million and the execution of a Consulting Agreement and Repurchase Agreement (collectively, the "Agreements").

The Agreements confirm that, following the closing, $9.5 Million was to be paid by Defendant to Plaintiff upon, *inter alia*, either (a) the Town of Ramapo's (the "Town's") rezoning of the Subject Property upon Defendant's application therefor, (b) a determination by Defendant to proceed with the development of the Subject Property for its non-profit purposes, (c) any sale by Defendant of the Subject Property, or, (d) Defendant's failure to validly exercise its right to sell the Subject Property back to Plaintiff based on its determination not to proceed with the development of the Subject Property. The aforesaid "determination to proceed" (or "not to proceed" and sell the Subject Property back to Plaintiff) had to be made by Defendant within a "Two Year Period" from the February 27, 2009 closing, *i.e.* by February 27, 2011.

Defendant, pursuant to its anticipated 12(c) Motion, is seeking to escape its repeated sworn filings with the Town after the February 27, 2009 closing, wherein it attested to the fact that, *inter alia*, (a) it had internally authorized the development of the Subject Property to proceed, (b) it already had the necessary financing in place to so proceed and (c) it had determined to commence construction as soon as all necessary approvals were obtained, *e.g.* the rezoning of the

Subject Property to permit convents and monasteries. Upon such rezoning (which Defendant never applied for, let alone obtained as it represented above) Plaintiff, as aforementioned, was to be paid the $9.5 Million sum Plaintiff seeks to recover from Defendant in this action.

Despite all of its prior sworn declarations and filings, Defendant sent Plaintiff a notice on November 1, 2010 ("November 1 Notice") claiming, in sum and substance, that it had never determined to proceed, and thereby notifying Plaintiff that it was selling the Subject Property back to Plaintiff for $11.5 Million, even though, long before its November 1 Notice, Defendant repeatedly affirmed, under oath, that it had determined to proceed, as reflected above, thereby requiring Defendant to pay Plaintiff the agreed upon $9.5 Million sum pursuant to Paragraph 4 of the parties' Consulting Agreement.

Moreover, and notwithstanding Defendant's conduct before its November 1 Notice, four months after it issued said Notice, Defendant filed a verified application with the Town Tax Assessor seeking complete tax exemption of the Subject Property under RPTL Section 420-a(3)(a) (the "2011 Application"). Tellingly, Defendant expressly disavowed in its 2011 Application dated February 25, 2011 the sale it had purportedly noticed on November 1, 2010, which, per Defendant, was to close by May 1, 2011. While the Tax Assessor denied Defendant's 2011 Application, Defendant then filed a grievance with the Board of Assessment Review on April 28, 2011, again insisting that it was entitled to a 100% exemption pursuant to RPTL Section 420-a(3)(a) and again disavowing the inescapable fact that Defendant had, in its November 1 Notice, purported to elect to sell the Subject Property back to Plaintiff for $11.5 Million.

Both the 2011 Application and 2011 Grievance forms pointedly required Watchtower, if the Subject Property had been offered for sale, to so disclose and provide a detailed explanation thereof. Defendant demurred and affirmed that there had been no such change since its 2010 application for an exemption was granted by the Town, *i.e.* a verified filing irreconcilable with the so-called sale noticed by Watchtower in its November 1 Notice.

Defendant's 2011 Application was completely irreconcilable with its November 1 Notice. The November 1 Notice, per Defendant, constituted notice of (i) its determination not to proceed with its development of the Subject Property, and of (ii) Defendant's election to sell the Subject Property back to Plaintiff for $11.5 Million. However, it is well settled under New York law that a non-profit organization such as Defendant can only lawfully pursue and obtain a real property tax exemption for vacant land, such as the Subject Property, if, pursuant to New York Real Property Tax Law Section 420-a(3)(a), it can demonstrate that it has concrete and definite plans to proceed with construction of improvements upon that property for tax-exempt purposes within the reasonably foreseeable future. Defendant made this representation in not only its RPTL Section 420-a(3)(a) applications filed in 2009 (granted after litigation by Defendant against the Town by Order of the New York State Supreme Court "so ordering" a Stipulation of Settlement) and 2010 (granted by the Town), but also, at law, in and by its 2011 Renewal Application filed four months after its November 1 Notice.

These duly verified public record filings bound Defendant to pay Plaintiff the aforesaid $9.5 Million, as, pursuant to the doctrines of waiver and/or judicial estoppel, they barred Defendant from claiming any right to terminate the Consulting Agreement on November 1, 2010 and sell the Subject Property back to Plaintiff based on the notion that it had not previously determined to proceed with the development of the Subject Property. While all of these documents constitute evidence arising after execution of the Consulting Agreement and Repurchase Agreement at the February 27, 2009 closing and are to that extent of course "extrinsic" to the parties' agreements, their relevance and propriety on Plaintiff's Rule 56 Motion is unassailable.

Accordingly, the need to step beyond the mere pleadings and review this (and other similar evidence) in order to decide Plaintiff's motion is beyond question and its relevance herein elementary. Specifically, this Court's decision as to whether or not Defendant represented that it determined to proceed (and is thereby barred by the doctrines of waiver and/or judicial estoppel from claiming on November 1, 2010 that it had never so determined) and/or whether in and by the 2011 Application and 2011 Grievance, separately or collectively, Defendant waived its November 1 Notice as a matter of law in any event, and is thus indebted to Plaintiff in the sum of $9.5 Million, together with interest and prevailing party attorneys' fees as provided in the parties' agreements, can only be made upon a full consideration of what actually transpired after execution of those agreements, which is indisputably evidenced by documents outside the mere pleadings.

Plaintiff respectfully submits that Defendant is required to pay Plaintiff the agreed upon $9.5 Million sum set forth in the parties' Consulting Agreement because Defendant's express declarations, indisputable verified public record filings, undisputed acts and language used, all made voluntarily on the part of Defendant, both before and after its November 1 Notice, are so inconsistent with the November 1 Notice and any purpose to stand upon the alleged rights asserted by Defendant therein, that they leave no opportunity for a reasonable inference to the contrary. As such Defendant's waiver of its November 1 Notice is established as a matter of law.

Thank you for your consideration.

Respectfully submitted,

Joshua J. Grauer

cc: Francis J. McNamara, Esq.

WATCHTOWER
Bible and Tract Society of New York, Inc.
Legal Department
100 Watchtower Drive, Patterson, NY 12563-9204, U.S.A.
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August 18, 2011

Honorable Cathy Seibel
U.S. District Judge
United States District Court
for the Southern District of New York
300 Quarropas Street
White Plains, NY 10601

Re: *Lorterdan Properties at Ramapo I, LLC v. Watchtower Bible and Tract Society of New York, Inc.*
Civil No. 11-03656

Dear Judge Seibel:

This office represents the Defendant Watchtower Bible and Tract Society of New York, Inc., in the above-referenced action. On July 11, 2011, the parties appeared in your courtroom for a pre-motion conference. As a result of that conference, it was agreed that Plaintiff could move for summary judgment by September 9, 2011, and that Defendant could cross-move for judgment on the pleadings.

The purpose of this letter is to confirm Defendant's intent to cross-move for judgment on the pleadings. However, if the Court deems it necessary to look beyond the pleadings, including the attached the agreements between the parties, Defendant plans to also move for the alternative relief of summary judgment in its favor. Defendant believes that, even if the Court decides to consider evidence in addition to the parties' agreements, it would be entitled to summary judgment.

Thank you very much for your consideration of this matter.

Very truly yours,

Francis J. McNamara per CR

Francis J. McNamara
Associate General Counsel

FJM:jrd

c: Joshua J. Grauer, Cuddy & Feder, LLP