Atty. I.D. No. 17466

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

STEVEN SCHNALL AND ADNAN ADAMJI, Plaintiffs, v. KENNETH CHESSICK, Defendant, and RESTAURANT.COM, INC., a Delaware corporation, Defendant and Nominal Defendant.	)	No: 2017CH14264 CALENDAR/ROOM 02 TIME 00:00 Injunction

SHAREHOLDER AND DERIVATIVE COMPLAINT

NOW COME the Plaintiffs, Steven Schnall and Adnan Adamji, by and through their attorney, Robert J. Shelist of the Law Offices of Robert J. Shelist, P.C., and as and for their Shareholder and Derivative Complaint against the Defendants, Kenneth Chessick, and Restaurant.com, Inc., a Delaware corporation, and allege as follows:

INTRODUCTION

1. Plaintiffs bring this action seeking damages against the Defendant, Kenneth Chessick, for his failure to act reasonably to maximize shareholder value in connection with offers to sell Restaurant.com, Inc., a Delaware corporation (the "Company") and with respect to his operation of the Company. In addition, Chessick has taken actions to wrongfully and improperly line his own pockets with monies belonging to the Company, and its shareholders, to their detriment and the overall detriment of the Company. Because Defendant cannot exercise

independent objective judgment in deciding whether to bring this claim, Plaintiffs' demand upon Restaurant.com, Inc., to bring this claim against Chessick would be futile.

PARTIES

2. Plaintiff, Adnan Adamji ("Adamji"), a resident of the State of Illinois, is an individual who formerly was employed by Restaurant.com as its CIO, starting in 2004. He oversaw the technology infrastructure of the company including the re-architecture of the Restaurant.com website and owns approximately 400,000 shares of common stock in the Company.

3. Plaintiff, Steven Schnall ("Schnall"), a resident of the State of New York, is an individual who was one of the original investors and shareholders in Restaurant.com, Inc. and who owns approximately 710,577 shares of common stock in the Company.

4. Defendant, Kenneth Chessick, is an individual who resides in the State of Illinois. According to the Restaurant.com website, he is the CEO and Chairman of the Board of Directors of the Company. He is also the President of the corporation, according to the Illinois Secretary of State's website.

5. Defendant and Nominal Defendant, Restaurant.com, Inc., was incorporated in the State of Delaware on April 1, 1999. The Company was registered to conduct business in the State of Illinois on September 2, 2004. Its principal place of business is located in Arlington Heights, Cook County, Illinois.

JURISDICTION AND VENUE

6. This Court has jurisdiction over this case pursuant to 735 ILCS 5/2-209 since Plaintiffs submit to the jurisdiction of the Court, and the Defendant and Nominal Defendant, Restaurant.com, Inc., is a Delaware corporation that is registered with the Secretary of State's

office to conduct business in the State of Illinois. The individual Defendant, on information and belief, resides in Cook County, Illinois.

6. Pursuant to 735 ILCS 5/2-102(a), venue is properly laid in this Court as the Defendants, and each of them, conduct substantial business within Cook County, Illinois, and a substantial portion of the Defendants' conduct, as alleged herein, took place within Cook County, Illinois.

KENNETH CHESSICK

7. Kenneth Chessick, the CEO, President and Chairman of the Board of Directors of Restaurant.com, is also a licensed attorney in the State of Illinois.

8. The Company's website contains a biography for Chessick. Therein, it states that Kenneth Chessick became the CEO of the Company in December 2011 and was a prime creator of the Company and has been involved in operations of the business since its inception in 1999. (See http://about.restaurant.com/our-company/.) Kenneth Chessick is the overwhelmingly majority and controlling shareholder in the Company.

9. Kenneth Chessick obtained his Bachelor of Science degree from the University of Illinois in 1965 where he studied Zoology.

10. Kenneth Chessick obtained a Juris Doctor degree from Northern Illinois University in 1984. He then founded a law firm called the Law Offices of Kenneth C. Chessick, M.D., S.C., which was incorporated in the State of Illinois on April 20, 1982, which remains active today. According to his biography on the Restaurant.com website, that law firm primarily sued doctors and hospitals. (See http://about.restaurant.com/our-company/.)

11. In addition, Kenneth Chessick has a business affiliation as an attorney with Clifford

Law Offices, PC, in the position as "Of Counsel." That affiliation remains active today. According to his biography on the law firm's website, his areas of legal practice include medical malpractice and hospital negligence, personal injury and wrongful death. Kenneth Chessick is listed as a current attorney of that firm on its website at http://www.cliffordlaw.com/Attorneys/Kenneth-C-Chessick.shtml.

12. Kenneth Chessick's biography on the Restaurant.com website further states that, under his leadership, the Company allegedly improved its infrastructure and introduced many innovative products and services, focusing on the needs of diners and restaurants and that these efforts have, allegedly, resulted in substantial growth, increased revenue and improved profitability.

FACTS COMMON TO ALL COUNTS

13. According to its website, Restaurant.com is the nations' largest dining deals website offering more than 40,000 deals at thousands of restaurants nationwide. In addition, the Company is a marketing program for restaurants, a partner for many businesses and a source of extra income for the Company's independent consultants.

14. The website further provides that the Company offers the best deal on every meal. Gift certificates are available in denominations ranging from $5 to $100 which allows customers to save money at thousands of restaurants across the country, with just a few clicks. Their dining deals never expire, cost only a fraction of the face value of the certificates and include a 100% customer satisfaction guarantee.

15. The Company's website states that under Kenneth Chessick's leadership, the Company is alleged to have improved its infrastructure and introduced many innovative products

and services, focusing on the needs of diners and restaurants. These efforts have, allegedly, resulted in substantial growth, increased revenue and improved profitability.

16. Further, the website claims that the Company has executed Kenneth Chessick's vision to evolve from designing websites for restaurants to an online presence which enhances the dining experience and value for millions of diners, helping tens of thousands of restaurants increase revenue, fill tables and reduce operating costs.

17. In 1999, Kenneth Chessick was not an employee of Restaurant.com.

18. In 2000, Kenneth Chessick was not an employee of Restaurant.com.

19. In 2001, Kenneth Chessick was not an employee of Restaurant.com.

20. In 2002, Kenneth Chessick was not an employee of Restaurant.com.

21. In 2003, Kenneth Chessick was not an employee of Restaurant.com.

22. In 2004, Kenneth Chessick was not an employee of Restaurant.com.

23. In 2005, Kenneth Chessick was not an employee of Restaurant.com.

24. In 2006, Kenneth Chessick was not an employee of Restaurant.com.

25. In 2007, Kenneth Chessick was not an employee of Restaurant.com.

26. In 2008, Kenneth Chessick was not an employee of Restaurant.com.

27. In 2009, Kenneth Chessick was not an employee of Restaurant.com.

28. In 2010, Kenneth Chessick was not an employee of Restaurant.com.

29. In 2011, Kenneth Chessick was not an employee of Restaurant.com.

30. On January 1, 2012, Kenneth Chessick started his first day of employment with Restaurant.com. His very first title as an employee of Restaurant.com was that of CEO.

31. In 2006, while Kenneth Chessick was not an employee of Restaurant.com, the

company generated approximately $7,000,000 in revenue.

32. In 2007, while Kenneth Chessick was not an employee of Restaurant.com, the company generated in excess of $14,000,0000 in revenue.

33. In 2008, while Kenneth Chessick was not an employee of Restaurant.com, the company generated in excess of $23,000,000 in revenue.

34. In 2009, while Kenneth Chessick was not an employee of Restaurant.com, the company generated in excess of $40,000,000 in revenue.

35. In 2010, while Kenneth Chessick was not an employee of Restaurant.com, the company generated in excess of $53,000,000 in revenue.

36. In 2011, while Kenneth Chessick was not an employee of Restaurant.com, the company generated in excess of $63,000,000 in revenue.

37. In 2010 and 2011, while Kenneth Chessick was not an employee of Restaurant.com the company generated over $15,000,000 in profit.

38. In 2012, Kenneth Chessick's first year of employment with the company, revenue dropped from $63,000,000 to $45,000,000.

39. In 2012, Kenneth Chessicks' first year of employment with the company, the company lost in excess of $8,000,000.

40. From the day Kenneth Chessick was first employed by Restaurant.com, January 1, 2012 and until today, the value of the company has continued to decline.

41. In 2013, while Kenneth Chessick was an employee and CEO of Restaurant.com revenue continued to decline.

42. In 2014, while Kenneth Chessick was an employee and CEO of Restaurant.com

revenue continued to decline.

43. From 2015-2017, while under the leadership of Kenneth Chessick, the value of the company has consistently declined.

44. In 2012 and beyond, Kenneth Chessick has continued to institute drastic changes to the Restaurant.com business model resulting in dramatic losses in revenue and profit.

44. Chessick also severely cut back on the e-mail marketing campaign that the Company used to drive sales, cutting affiliates, commissions and revising contracts, in the process.

45. Kenneth Chessick intentionally instituted changes to the structure of the company, resulting in a significant loss in quality of restaurant offers resulting in massive decline in revenue and profits.

46. Kenneth Chessick fired or caused to be fired the outside sales force.

47. Kenneth Chessick instituted changes to the offers that restaurants agreed to, without their express consent. The mandatory changes made by Kenneth Chessick caused thousands of restaurants to quit the marketing program.

48. Kenneth Chessick launched a program called Deals Beyond Meals, causing massive losses for the company.

49. Kenneth Chessick implemented many technology and marketing programs while in possession of data showing that the programs lose money.

50. Kenneth Chessick was in possession of data that showed that his actions and inactions were causing the company to lose revenue.

51. Kenneth Chessick was in possession of data that showed his actions and inactions were causing the company to lose profit.

52. Each day, Kenneth Chessick had the opportunity to stop spending money on programs that caused the company to lose revenue and profit, but he did not.

53. Restaurant partners dropped out by nearly 6,000 restaurants by May 2013, a year and a half after Kenneth Chessick took over as CEO of the Company.

54. Each day, as restaurants were cancelling out of the program as a result of the mandatory rules that Kenneth Chessick required, as a condition of participation in the marketing program, he had the opportunity to amend those rules. He did not. As a result, revenue and profit continued to decline.

55. In 2012, with Kenneth Chessick as CEO, the Company spent more money than it earned.

56. In 2013, with Kenneth Chessick as CEO, the Company spent more money than it earned.

57. In 2014, with Kenneth Chessick as CEO, the Company spent more money than it earned.

58. In 2015, with Kenneth Chessick as CEO, the Company spent more money than it earned.

59. In 2016, with Kenneth Chessick as CEO, the Company spent more money than it earned.

60. In 2017, with Kenneth Chessick as CEO, the Company spent more than it earned.

66. In 2012, as the Company lost over $8,000,000 in profit and over $16,000,000 in revenue, Kenneth Chessick directed that the Company pay him over $1,000,000 in total compensation.

67. In 2013, as the Company lost revenue and profit, Kenneth Chessick directed that the Company pay him over $1,000,000 in total compensation.

68. In 2014, as the Company lost revenue and profit, Kenneth Chessick directed that the Company pay him over $1,000,000 in total compensation.

69. In 2015, as the Company lost revenue and profit, Kenneth Chessick directed that the Company pay him over $1,000,000 in total compensation.

70. In 2016, as the Company lost revenue and profit, Kenneth Chessick directed that the Company pay him over $1,000,000 in total compensation.

71. On information and belief, the Company is in poor financial health at present and may be on the brink of bankruptcy.

71. Chessick installed himself as CEO of the Company and changed the direction of the Company and its business model, despite its growing success, despite the fact that he was vastly unqualified for the position and did not understand the Company's business and.despite the fact that he never intended to devote sufficient time to the business to maintain its success.

72. During Kenneth Chessick's tenure as the CEO, and Chairman of the Company and while he was instituting major changes in the Company's business operations and direction, he was not concentrating his best efforts for the Company and was not even working for the Company in a full-time capacity. Rather, he was also practicing law for his law firm and presumably was also working on matters for Clifford Law Offices, PC, as well.

73. In fact, Kenneth Chessick changed the business address of his law firm and placed it into the same offices of the Company so that he could continue to work on his law practice simultaneously with the business of the Company.

74. For example, Chessick filed the case of *Biolotto v. Aileen Go and Loyola University Medical Center*, case number 13 L 10805, on September 27, 2013, and presumably was working on that case and others in his law practice, time that should have been devoted to the Company, as its CEO.

75. Importantly, during the course of the Company's business operation, investment banking firms were retained in order to locate potential suitors to purchase and/or invest in the Company. In 2010, an offer was brought to the Company whereby two venture capital firms agreed to purchase a portion of the Company for $75 million in cash at an enterprise value of $120,000,000.

76. Accepting the offer was in the best interests of the shareholders, however, Kenneth Chessick rejected the offer.

77. In the fall of 2010, the Company retained Credit Suisse as an investment banking firm to find buyers for the Company at the highest possible value.

78. Credit Suisse, in the fall of 2010, ran a process to obtain offers to purchase equity in the company.

79. Credit Suisse successfully obtained multiple offers for the purchase of equity in the Company.

80. Credit Suisse secured an offer from a private equity group to purchase a portion of the equity in the Company and pay $75 million in cash with an enterprise value of $120,000,000.

81. The offer brought to the Company by Credit Suisse was rejected by Kenneth Chessick.

82. This offer, brought to the Company, should have been accepted by Kenneth Chessick as being in the best interests of the shareholders.

83. After Kenneth Chessick made the aforementioned changes to the Company business model, sales revenue for the Company fell, precipitously, as did the valuation of the Company's worth. This was a designed plan by Kenneth Chessick to seize control of the company and further dilute the value of other shareholders' stock.

84. Then, on or about April or May 2012, Kenneth Chessick, soon after receiving offers for $120,000,000 value of the Company, decided to personally purchase stock in the Company at an enterprise value of $45,000,000 pursuant to a Series C preferred stock Private Placement Memorandum.

85. Kenneth Chessick prepared the Series C Stock purchase agreement, set the price, created the terms and included an effective interest rate of 8.25%, much higher of an investment return than was routinely available at the time.

86. Kenneth Chessick intended that he purchase most, if not all, of the Series C preferred stock at what he considered a depressed value of the Company. Kenneth Chessick intentionally restricted information about the Series C offer and put a very short deadline on the opportunity to invest.

87. As a result, Kenneth Chessick bought nearly all of the offered Series C preferred stock. The result is that other shareholders' interests were diluted in the Company while Chessick's interest increased from 65.66% to 73.44%.

88. Thereafter, Kenneth Chessick gave himself raises in salary and compensation in order to offset the roughly $8 million that he invested in the Company via the Series C preferred stock purchase.

89. Kenneth Chessick fully intended to dilute the ownership percentages of other shareholders when he fired the entire sales force, changed restaurant restrictions causing a

significant number of restaurants to drop off of the program and in purchasing, for himself, almost the full round of Series C preferred stock. His plan then was to turn around the business fortunes of the Company and then keep for mostly himself, the proceeds of a future sale of the Company, having to pay very little, if anything, to the remaining shareholders.

90. Kenneth Chessick's actions at the helm of the Company have caused significant financial losses and destroyed the brand and reputation of Restaurant.com.

91. The financial losses and loss in share value due to Kenneth Chessick's wrongful conduct have only recently come into focus.

92. In 2017, Kenneth Chessick offered to sell the entire Company for less than $10,000,000 in enterprise value. At this price, Kenneth Chessick would receive almost all, if not all of the proceeds of the sale, paying all other shareholders nothing or virtually nothing.

93. Kenneth Chessick has routinely provided himself with hefty salary raises while firing employees in mass and freezing salaries of others.

94. Kenneth Chessick has been paid personal expenses through the Company, using its monies as his own personal slush fund, in significant sums while not declaring that money as income, in at least the following improper ways: flying himself and his family to the Northern Illinois University football bowl game in Florida; flying himself and his wife first class across the country and the world; paying for personal dining events and personal expenses; personal limousine service; and in many other ways.

95. Kenneth Chessick used corporate funds to pay for his commute to and from work.

96. Kenneth Chessick's compensation and expense reimbursement are entirely exorbitant and excessive for a company that is struggling financially to pay its bills and not in the best interest of the shareholders.

DERIVATIVE AND DEMAND ALLEGATIONS

97. Plaintiffs bring this action derivatively in their right and for the benefit of Restaurant.com, Inc., to redress injuries suffered and to be suffered by the Company, as a direct result of the breaches of fiduciary duties by Defendant, Kenneth Chessick.

98. Restaurant.com, Inc. is named as a nominal defendant in this case in a derivative capacity. This is not a collusive action to confer jurisdiction on this Court that it would not otherwise have.

99. The Company is antagonistic to Plaintiffs' claims against Kenneth Chessick for his failure to employ an adequate decision making process and act reasonably in response to the offers to purchase the Company and for various breaches of fiduciary duties. Defendants cannot exercise independent objective judgment in deciding whether to bring and vigorously prosecute an action against themselves for this breach of fiduciary duty. Therefore, Plaintiffs demand upon the Company to bring and prosecute an action against Defendant Kenneth Chessick for his breach of fiduciary duty would be futile.

100. As alleged above, Plaintiffs are shareholders of Restaurant.com, Inc. and were so at the time of Defendant's breaches of fiduciary duties. Because Kenneth Chessick faces a substantial likelihood of liability for the acts and omissions complained of herein, prosecution of this action, independent of the current officers and directors, is in the best interests of the Company. Plaintiffs will fairly and adequately represent the interests of the Company in enforcing its rights.

101. The wrongful acts complained of herein caused and continue to cause Restaurant.com, Inc. harm.

COUNT I

BREACH OF FIDUCIARY DUTY
FAILURE TO MAXIMIZE SHAREHOLDER VALUE

102. Plaintiffs repeat and reiterate each and every allegation contained in Paragraphs 1 through 101 inclusive and adopt the same as though fully set forth herein.

103. As an officer, director, and the controlling majority shareholder of the entity Restaurant.com, Inc., Kenneth Chessick, at all times, owed Restaurant.com, Inc. and its minority shareholders fiduciary duties of loyalty, good faith, due care, and diligence and was required to act in the best interests of the Company and its shareholders.

104. Kenneth Chessick was required to act in the best interests of the corporation and its minority shareholders at all times.

105. In addition, when the Company was presented with or contemplated an offer for its purchase or for the purchase of its most valuable assets, Kenneth Chessick was required to employ an adequate decision making process and to act reasonably to maximize shareholder value.

106. To discharge his duties, Kenneth Chessick was required to employ an adequate decision making process when presented with an offer to purchase and when contemplating an offer to sell the Company and must have acted reasonably to maximize shareholder value.

107. Kenneth Chessick did not himself possess the necessary education, experience, and skill to determine the fair market value of the Company and to negotiate its sale, he had the duty, among other things, to seek independent advice from experts who do.

108. Kenneth Chessick failed to adequately seek and obtain advice from experts concerning the offered sales price for the Company and failed to take other reasonable steps to

fulfill his fiduciary obligations.

109. Kenneth Chessick violated his fiduciary duties to the Company and the minority shareholders by failing to employ an adequate decision making process and failing to act reasonably to maximize shareholder value, including by failing to engage qualified experts to advise them in connection with offers to purchase the Company.

110. Kenneth Chessick's actions at the helm of the Company and as the controlling shareholder have caused significant financial losses. Those financial losses and consequences have only recently come into focus.

111. As a direct and proximate result of Kenneth Chessick's violation of his fiduciary obligations, the Company has been significantly harmed.

112. As a result of the misconduct alleged herein, Kenneth Chessick is liable to Restaurant.com. Plaintiffs, on behalf of the Company, have no adequate remedy at law.

COUNT II

BREACH OF OTHER FIDUCIARY DUTIES

113. Plaintiffs repeat and reiterate each and every allegation contained in Paragraphs 1 through 101 inclusive and adopt the same as though fully set forth herein.

114. As an officer, director, and controlling majority shareholder of the entity Restaurant.com, Inc., Kenneth Chessick, at all times, owed Restaurant.com, Inc. and its minority shareholders fiduciary duties of loyalty, good faith, due care, and diligence and was required to act in the best interests of the Company and its shareholders.

115. As such, Kenneth Chessick was required to act in the best interests of the corporation and its shareholders at all times.

116. In addition, he had the fiduciary duty of loyalty to act for the benefit of the

Company and its shareholders and to refrain from self-interested transactions.

117. Kenneth Chessick also had the duty to not squander, deplete and waste assets of the corporation.

118. Kenneth Chessick breached his fiduciary obligations to the Company and its shareholders by nor devoting his time or energy to the Company. While running the Company, his loyalties and time were spent, significantly, working for his law firm and the law firm of Clifford Law Offices, PC, when he should have been working and expending his time, on a full-time basis, for the Company.

119. Kenneth Chessick has never worked full-time for the Company and instead works merely two to three days a week on Company business, if that.

120. Kenneth Chessick further breached his fiduciary duties to the Company and its shareholders by installing himself as the Company's CEO, President and Chairman of the Board when he was vastly unqualified for those positions, did not understand the Company's business and because of that lack of expertise, took actions that damaged the business and the Company's reputation.

121. Kenneth Chessick further breached his fiduciary duties to the Company and its shareholders by intentionally diluting the shareholders' interests in the Company by purchasing for himself nearly the entire Series C preferred stock contained in a 2012 Private Placement Memorandum.

122. The Series C preferred stock also paid an exorbitant interest rate, for the time, at the prime rate of 3.25% plus an additional premium of 5%, for an effective interest rate of 8.25%, costing the Company an outrageous sum, which resulted in Kenneth Chessick unnecessarily lining his pockets with the Company's monies.

123. The purchase also resulted in the further dilution of other shareholders' interests in the Company while Kenneth Chessick's interest increased from 65.66% to 73.44% and, in effect, guaranteed that the common shareholders would never be paid in a liquidation or sale of the Company since the value of the Company had dropped precipitously.

124. Kenneth Chessick breached his fiduciary duties when he fired the entire sales force and went to a telesales call center sales model when the Company had conducted testing revealing that live salespeople performed markedly better than a call center. Additional breaches resulted from Kenneth Chessick's change to restaurant restrictions and focus on selling cheaper $10 restaurant certificates rather than the proven success of selling $25 certificates, which had greatly grown the business. He also significantly cut the e-mail marketing campaign that the Company used to drive sales, firing affiliates, slashing commissions and revising contracts, in the process. All of these moves caused a significant number of restaurants to drop off of the program and resulted in plummeting sales for the business.

125. Kenneth Chessick further breached his fiduciary duties when he purchased, for himself, almost the full round of Series C preferred stock, diluting the ownership interest of others in the Company and nearly guaranteeing that they would never receive a return on their investment since the value of the Company had dropped precipitously.

126. Kenneth Chessick's improper actions caused restaurant partners to drop by nearly 6,000 restaurants by May 2013, a year and a half from ascending to the role of CEO of the Company and causing the Company's revenues to fall significantly under Kenneth Chessick's stewardship, from $61 million in 2011 to only $44 million in 2012, $41 million in 2013 and down to approximately $30 million in 2015.

127. On information and belief, revenues have consistently fell since Kenneth Chessick

assumed control of the Company due to his actions, which are further breaches of his fiduciary duties.

128. Kenneth Chessick's plan in taking all of these actions was to dilute the shareholders' interest in the Company and acquire a larger percentage of the Company for himself. He further intended to tank the Company and then resurrect it and its business fortunes and then keep for mostly himself, the proceeds of a future sale of the Company, having to pay very little to the minority common shareholders.

129. However, this plan has proved to be faulty, because Kenneth Chessick has not been able to turn around the fortunes of the Company, that he personally has driven into the ground.

130. On information and belief, the Company is near financial ruin and bankruptcy today.

131. Kenneth Chessick has additionally breached his fiduciary duties to the corporation and its shareholders by continually giving himself pay raises, at the same time firing Company employees, taking an exorbitant and unwarranted high salary for a company that is performing poorly financially.

132. Kenneth Chessick additionally has breached his fiduciary duties by paying his personal expenses through the Company, with impunity, using its monies as his own personal slush fund, in significant sums while not declaring that money as income, in at least the following improper ways: flying himself and his family to the Northern Illinois University football bowl game in Florida and other away football games; going to Europe for a cruise and vacation; paying for many vacations and personal trips; and in many other ways.

133. Kenneth Chessick has taken a host of improper actions that have wasted and depleted the assets of the Company, either intentionally or with reckless disregard for those

duties.

134. All of the wrongful conduct has substantially diminished the value of Restaurant.com, Inc., and depleted the value of the Plaintiffs' interests in the Company.

135. As a direct and proximate result of the breaches of fiduciary duty, the Plaintiffs have sustained monetary damages and will continue to suffer considerable damage.

136. Punitive damages are necessary and appropriate and should be awarded due to the wrongful conduct of Kenneth Chessick.

137. As a result of the misconduct alleged herein, Kenneth Chessick is liable to Restaurant.com. Plaintiffs, on behalf of the Company, have no adequate remedy at law.

COUNT III

UNJUST ENRICHMENT

138. Plaintiffs repeat and reiterate each and every allegation contained in Paragraphs 1 through 101 inclusive and adopt the same as though fully set forth herein.

139. Kenneth Chessick unjustly received benefits from the Company, including his salary, bonuses and exorbitant expense reimbursements, for which he is not entitled to keep, in light of his breaches of fiduciary duties, and he should be ordered to make restitution.

140. The fundamental principles of justice, equity and good conscience give rise to a duty for Kenneth Chessick to forfeit his ill-gotten gains.

COUNT IV

INJUNCTIVE AND OTHER RELIEF

141. Plaintiffs repeat and reiterate each and every allegation contained in Paragraphs 1 through 101 inclusive and adopt the same as though fully set forth herein.

142. Plaintiffs have a clear right or interest in need of protection, i.e., protecting

Restaurant.com, Inc. from an unlawful transfer or conveyance or detrimental action by Kenneth Chessick of his shares in the Company, during the pendency of this action, causing harm to the Company and its business and adversely affecting the value of the Company.

143. Plaintiffs lack an adequate remedy at law because Kenneth Chessick owns a majority and controlling interest in the Company and operates the same as his alter ego.

144. As such, the Company will be irreparably harmed if Kenneth Chessick is not enjoined from transferring or conveying his shares in the Company during the pendency of this action.

145. In addition, the Company has been substantially harmed since Kenneth Chessick assumed the role of CEO of the Company ousting the former CEO, in the process. Under his stewardship, the Company has lost substantial amounts of revenue and profitability, the value of the Company has plummeted and the Company is in serious danger of going out of business.

146. As such, there is an urgent need for the Court to strip Kenneth Chessick of his titles and control of the Company and either appoint a Receiver or an independent person to assume management control of the Company.

147. Plaintiffs are reasonably likely to succeed on the merits because Kenneth Chessick owes them fiduciary duties as a matter of law and breached those fiduciary duties in numerous ways during his stewardship at the Company.

148. Granting an injunction until the parties' rights are adjudicated will not cause immediate and irreparable harm to Kenneth Chessick or the Company as his ownership will remain unchanged until addressed and ordered by this Court.

149. Kenneth Chessick should be enjoined from transferring, conveying, selling or encumbering any of his direct or indirect interests in the Company until the parties' rights are

determined and ordered by the Court.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiffs, Steven Schnall and Adnan Adamji, request the following relief against the Defendant, Kenneth Chessick, on the behalf of Restaurant.com, Inc.:

A. That this Court declare that Plaintiffs may maintain this derivative action on behalf of Restaurant.com, Inc.;

B. That this Court enter judgment for Plaintiffs against Defendants for damages in an amount to be proven at trial;

C. That this Court enter judgment for Plaintiffs and against Defendants for punitive damages;

D. For disgorgement of all his compensation, expense reimbursement and ill-gotten gains received during the time period of his misconduct;

E. For imposition of a constructive trust over Kenneth Chessick's shares in Restaurant.com, Inc.,

F. Enjoining Kenneth Chessick from transferring, conveying, selling or encumbering any of his direct or indirect interest in the Company;

G. Stripping Kenneth Chessick of his titles and control of the Company and either appointing a Receiver or an independent person to assume management control of the Company;

H. For prejudgment interest;

I. For reasonable attorney's fees, accountants' and experts' fees plus expenses and costs of suit; and

J. For such other and further relief as this Court deems just and proper.

Dated: October 24, 2017

Respectfully submitted,

STEVEN SCHNALL and ADNAN ADAMJI

By: Robert J. Shelist
One of Their Attorneys

Robert J. Shelist
Law Offices of Robert J. Shelist, P.C.
500 N. Michigan Avenue
Suite 600
Chicago, Illinois 60611
(312) 226-0675
Attorney I.D. No. 17466