

Filing # 70194794 E-Filed 04/03/2018 05:40:47 PM

IN THE CIRCUIT COURT OF THE FIFTEENTH
JUDICIAL CIRCUIT IN AND FOR PALM
BEACH COUNTY, FLORIDA

KRAVIT ESTATE HOLDINGS, LLC,

Plaintiff,

vs.

CASE NO.:
DIVISION:

LAWRENCE SAIDENBERG, as Trustee for
various Saidenberg family trusts,

Defendant.

_____ /

COMPLAINT

Plaintiff, Kravit Estate Holdings, LLC (“Kravit” or “Plaintiff”), sues Defendant Lawrence Saidenberg, as Trustee for various Saidenberg family trusts (“Saidenberg” or “Defendant”), and states as follows:

Nature of the Action

1. This is an action for money damages based on Defendant’s failure to pay an agreed-to consulting fee associated with the sale of a Picasso oil painting. The payment of this consulting fee is governed by the parties’ written Advisory and Professional Services Agreement.

Parties, Jurisdiction, and Venue

2. Plaintiff Kravit is a limited liability company organized under the laws of the State of Florida, with its principal place of business in Palm Beach County, Florida.

3. Defendant Saidenberg is a resident of the State of New York and serves as Trustee for various Saidenberg family trusts. Upon information and belief, the situs of the trusts is in New York.

4. This is a cause of action for damages in excess of \$15,000.00 exclusive of interest, court costs, and attorneys' fees.

5. This Court has jurisdiction over Defendant Saidenberg pursuant to Section 48.193(1)(a)(9), Florida Statutes, and based on the parties' Advisory and Professional Services Agreement (the "Agreement"). A copy of the Advisory and Professional Services Agreement is attached here as **Exhibit A**.

6. Venue is proper in this Court pursuant to Section 10 of the Agreement, which states that: "Venue and exclusive jurisdiction of any legal action authorized hereunder shall be vested in the appropriate state or federal court located in Palm Beach County, Florida."

General Allegations

7. At all times material hereto, Defendant was the owner of three (3) Picasso oil paintings, including a work of art known as *Maya au Bateau*.

8. Defendant desired to sell the collection of Picasso paintings to a private buyer, unsuccessfully over the past five years. The collection had been shopped and included in one of the largest art fairs in the world. However, it was never sold.

9. In or around May 2017, Defendant's agent, William Pepper, contacted Plaintiff.

10. William Pepper is an attorney representing Defendant with regard to the collection of Picasso paintings.

11. William Pepper indicated that Defendant was interested in Plaintiff's help with the sale of the Picasso paintings, based on Plaintiff's experience in the appraisal and sale of fine art.

12. Following this introduction, and upon Defendant's request for assistance, Plaintiff began taking steps to appraise the three (3) Picasso paintings and market them for sale.

13. Plaintiff made an introduction between Defendant and Sotheby's.

14. Plaintiff's work included significant contact with Sotheby's, an auction house that expressed interest in selling the Picasso paintings following Plaintiff's efforts and based on Plaintiff's cultivation of a relationship with Sotheby's.

15. On November 13, 2017, Plaintiff and Defendant entered into the Agreement, pursuant to which Defendant asserted his desire to engage Plaintiff's professional services relating to the sale of the three Picasso paintings.

16. Pursuant to the Agreement, Plaintiff agreed to provide "all tasks necessary to: (i) oversee all aspects relating to the sale of the Paintings to a private buyer; (ii) correspond with [Defendant] concerning the choice of any auction house which may lead to a private buyer; and (iii) market the Paintings." Agreement at § 1.

17. In exchange for these services, the parties agreed to the following Consulting Fee provision:

Consultant [Plaintiff] will charge and be paid five percent (5%) of any acceptable gross sales price agreed by Client [Defendant] for any completed sale made directly to a private buyer or through an auction house but not by way of auction. In the event of a sale through an auction house but not by way of an auction, Consultant shall be paid a commission directly by such auction house. For the avoidance of doubt, the Paintings may be sold through an auction house but not by way of an actual auction. The target pricing for the Paintings are set forth in Exhibit "B" hereto.

Agreement at § 2.

18. Pursuant to Exhibit "B" to the Agreement, the target pricing for the *Maya au Bateau* painting was \$25 million.

19. As a result of Plaintiff's efforts to market the Picasso paintings on behalf of Defendant pursuant to the terms of the Agreement, the *Maya au Bateau* painting was featured in

a March 2018 “Faceoff” show at Sotheby’s S2 Gallery in Hong Kong, an idea which was first proposed by Plaintiff and rejected by the Defendant.

20. On March 29, 2018, Sotheby’s confirmed the successful sale of *Maya au Bateau* through the “Faceoff” exhibition, for a price of \$23 million.

21. Pursuant to the parties’ Agreement, Plaintiff is owed a consulting fee of five percent (5%) of the gross sales price of \$23 million, or \$1,150,000.

22. Despite requests that Defendant and/or his agents tender the consulting fee owed under the Agreement – or instruct Sotheby’s to tender the fee – Defendant has refused to provide the fee to Plaintiff or, alternatively, instruct Sotheby’s to provide the fee to Plaintiff.

23. As a result, Defendant continues to owe Plaintiff the \$1,150,000 consulting fee agreed to by the parties.

24. All conditions precedent to the filing of this action have been satisfied or waived.

Count I – Breach of Contract

25. Plaintiff realleges and adopts herein the allegations contained in paragraphs 1 through 22 as if fully restated.

26. Plaintiff and Defendant entered into the Agreement governing the payment of the consulting fee addressed herein on November 13, 2017.

27. The Agreement requires Defendant to pay Plaintiff five percent (5%) of any acceptable gross sales price agreed by the Defendant for any completed sale of the specified Picasso paintings, in exchange for Plaintiff’s professional services overseeing the marketing and sale of the paintings.

28. Defendant failed to pay Plaintiff the consulting fees owed, despite the sale of the *Maya au Bateau* painting for \$23 million. This failure constitutes a material breach of the Agreement.

29. Plaintiff has suffered damages, including but not limited to the \$1,150,000 consulting fee owed to Plaintiff by Defendant.

WHEREFORE, Plaintiff demands money damages against Defendant in a sum no less than \$15,000, as well as injunctive relief enjoining the payment of Plaintiff's consulting fees to the extent that Sotheby's has not yet disbursed the money from the sale of *Maya au Bateau*, and all other appropriate relief.

Count II – Quantum Meruit
In the Alternative

30. Plaintiff realleges and adopts herein the allegations contained in paragraphs 1 through 22 as if fully restated.

31. Plaintiff conferred a benefit on Defendant through the marketing and sale of the painting entitled *Maya au Bateau*.

32. The Defendant has knowledge of the benefit conferred, which led to the \$23 million sale of the painting.

33. The Defendant has accepted or retained the benefit conferred.

34. The circumstances are such that it would be inequitable for the defendant to retain the benefit of Plaintiff's efforts without paying fair value for them.

WHEREFORE, Plaintiff demands money damages against Defendant in a sum no less than \$15,000, as well as injunctive relief enjoining the payment of Plaintiff's consulting fees to the extent that Sotheby's has not yet disbursed the money from the sale of *Maya au Bateau*, and all other appropriate relief.

Dated: April 3, 2018

SHUTTS & BOWEN LLP

Counsel for Plaintiff

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1100 CityPlace Tower

West Palm Beach, FL 33401

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By: /s/ Matthew S. Sackel

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Exhibit A

ADVISORY AND PROFESSIONAL SERVICES AGREEMENT

THIS ADVISORY AND PROFESSIONAL SERVICES AGREEMENT ("Agreement"), made and entered into this 13th day of November, 2017, by and between MR. LAWRENCE SAIDENBERG as Trustee for various Saidenberg family trusts (the "Client"), and KRAVIT ESTATE HOLDINGS, LLC, a Florida limited liability company ("Consultant").

WITNESSETH:

WHEREAS, the Client is an individual who requires assistance with regard to overseeing all aspects relating to the sale to a private buyer of his collection of three (3) Picasso oil paintings, as further detailed in Exhibit "A" hereto (collectively, the "Paintings"); and

WHEREAS, Consultant has knowledge and expertise which enables it to render professional services to the Client with respect to the sale of the Paintings; and

WHEREAS, the Client desires to engage Consultant's professional services as herein provided.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereto, intending to be legally bound thereby, agree as follows:

1. Engagement and Scope of Services.

(a) Client engages Consultant to provide, and Consultant shall perform, consulting services, which shall include all tasks necessary to:

- (i) oversee all aspects relating to the sale of the Paintings to a private buyer;
- (ii) correspond with Client concerning the choice of any auction house which may lead to a private buyer; and
- (iii) market the Paintings.

2. Consulting Fee. Consultant will charge and be paid five percent (5%) of any acceptable gross sales price agreed by Client for any completed sale made directly to a private buyer or through an auction house but not by way of an auction. In the event of a sale through an auction house but not by way of an auction, Consultant shall be paid a commission directly by such auction house. For the avoidance of doubt, the Paintings may be sold through an auction house but not by way of an actual auction. The target pricing for the Paintings are set forth in Exhibit "B" hereto. Client shall not be responsible for the payment of any other fees or commissions including, without limitation, sales commissions, broker's fees, insurance, shipping, illustration and buy-in. Funds received from any agreed sale shall be distributed to Client and Consultant separately. Any funds received in connection with a

private sale will be handled and paid by way of escrow through Shutts & Bowen, LLP, as escrow agent.

3. Term. Subject to the provisions of termination as hereinafter provided, the term of this Agreement shall be for a period of one (1) year from the date this Agreement is fully executed by the parties ("Term"), subject to Section 6 below.

4. Confidentiality and Noncircumvention. Client acknowledges that he will have access to and become aware of certain proprietary and confidential information related to the Paintings which he shall make available to the Consultant. Client hereby agrees and stipulates that during the Term of this Agreement and for a period of one (1) year from the date of this Agreement is terminated for any reason, in the event Client sells any Paintings to any party introduced to Client by Consultant, Client shall pay Consultant the Consulting Fee due pursuant to Section 2 above.

5. Independent Contractor. Consultant is not an employee of the Client for any purpose whatsoever, but is an independent contractor.

6. Termination. Either the Consultant or the Client may terminate this Agreement and their relationship without cause upon sixty (60) days written notice to the other party. Termination pursuant to this Section or otherwise shall not relieve Client or Consultant of the covenants, responsibilities, duties and obligations contained in this Agreement, which shall continue thereafter pursuant to the terms of this Agreement. All consulting fees and expenses earned or incurred by Consultant prior to the date of termination of this Agreement shall be paid in full.

7. Enforcement and Severability. If any term or covenant of this Agreement shall be prohibited by or invalid under applicable law, such term or covenant shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such term or covenant or the remaining terms and covenants of this Agreement.

8. Waiver or Modification. No waiver or modification of this Agreement or of any covenant, condition or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith. Furthermore, no evidence of any waiver or modification shall be offered or received in evidence in any proceeding or litigation between the parties arising out of or affecting this Agreement or the rights or obligations of any party hereunder, unless such waiver or modification is in writing and duly executed as aforesaid.

9. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter of this Agreement and merges with and supersedes any and all prior discussions, agreements, negotiations, understandings and promises between the parties, whether written or oral, with respect to such subject matters. This Agreement shall not be construed to create any contract of employment between Client and Consultant.

10. Applicable Law and Binding Effect. This Agreement shall be governed by, construed, enforced and regulated under and in accordance with the laws of the State of Florida.

without regard to its internal conflicts of law provisions. Venue and exclusive jurisdiction or any legal action authorized hereunder shall be vested in the appropriate state or federal court located in Palm Beach County, Florida. Neither this Agreement, nor any of Client's rights, powers, duties or obligations hereunder, may be assigned by Client.

11. WAIVER OF JURY TRIAL. EACH OF THE CLIENT AND THE CONSULTANT HEREBY IRREVOCABLY WAIVES THE RIGHTS TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED IN CONTRACT, TORT OR OTHERWISE) ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENT OR ACTION RELATED HERETO OR THERETO.

12. Section Headings. Section headings used throughout this Agreement are for purposes of identification only and shall not be used in connection with the construction or interpretation of this Agreement.

The parties hereto have carefully considered all obligations as stated herein and agree that the restrictions contained herein are fair and reasonable and are reasonably required for the protection of each of the parties.

Signed and sealed in manner and form sufficient to bind the undersigned as of the date first written above.

CONSULTANT:

KRAVIT ESTATE HOLDINGS, LLC,
A Florida limited liability company

By: 

Printed Name: Andrew Kravitt

Its: President

Date: 11/13/17

CLIENT: Lawrence Saidenberg as trustee for various Saidenberg family trusts

By: 

Date: 11/13/17

ESCROW AGENT: John Nadjafi

By: R. John Nadjafi

Date: _____

Exhibit "A"
(The "Paintings")

1. Maya au Bateau
2. Nature Morte
3. Course de Taureaux

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Exhibit "B"
(Target Pricing)

1. Maya au Bateau =\$25 million.
2. Nature Morte =\$6.5 million.
3. Course de Taureaux = \$7.5 million.

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ADDENDUM TO ADVISORY AND PROFESSIONAL SERVICES AGREEMENT

Pursuant to the Advisory and Professional Services Agreement dated 13 November, 2017 between Lawrence Saidenberg as trustee for various Saidenberg trusts, ("Client") and Kravit Estate Holdings, LLC, ("Consultant"). This is to confirm that any consulting fee with any purchaser introduced by you for any or all of the (3) Picasso paintings owned by Lawrence Saidenberg Trustee will be divided as follows: two and one half percent (2.5%) to Kravit Estate Holdings, LLC and two and one half percent (2.5%) to be shared equally between Dr. William F. Pepper, Angel Rhoades and Michael DeBella payable at closing.

KRAVIT ESTATE HOLDINGS, LLC,
A Florida limited liability company

By: 

Printed Name: Andrew Kerovit

Its: President

Date: 11/13/2017

Lawrence Saidenberg as trustee for
various Saidenberg family trusts

By: 

Date: 11/13/17

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