

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF ALBANY

Universal Express Inc.

Plaintiff,

-against-

CDS Merger Sub, Inc., Corporate  
Development Services, Inc., SubContracting  
Concepts, Inc., ("SCI") a New York  
corporation; SubContracting Concepts, Inc.,  
("SCI-CN") a Connecticut corporation; and  
SCI Two-Wheel, Inc. ("SCI-GA") a Georgia  
corporation; Coach Industries Group, Inc.,  
Robert Lefebvre Carmen B. Lefebvre, Mark  
Lefebvre, Scott Lefebvre, Edmund  
Lefebvre, Paul Gap, and Robert J. Slack,  
Defendants

) Index No.:

) Date Purchased:

**COMPLAINT**

Universal Express Inc., ("Plaintiff") via its Attorney, Lawrence A. Garvey, Esq. of The Law Offices of Cushner & Garvey, L.L.P., complains of the Defendants, under §1202 of the New York Business Corporation Law, CDS Merger Sub, Inc., a New York Corporation, Corporate Development Services, Inc., a New York Corporation, SubContracting Concepts, Inc., a New York Corporation, SubContracting Concepts, Inc., a Connecticut corporation, SCI Two-Wheel Inc., a Georgia Corporation, Coach Industries Group, Inc., Robert Lefebvre, Carmen B. Lefebvre, Mark Lefebvre, Scott Lefebvre, Edmund Lefebvre, Paul Gap, and Robert J. Slack, (collectively the "Defendants"), and respectfully sets forth, represents and alleges as follows:

1. Plaintiff, Universal Express Inc., is a Nevada Corporation doing business in the State of New York, at 1230 Avenue of the Americas, Suite 771, 7th Floor, Rockefeller Center, New York, New York 10020.
2. Upon information and belief, Defendant CDS Merger Sub, Inc., is a New York Corporation with an address at 12555 Orange Drive, Suite 261, Davie, Florida, 33330.
3. Upon information and belief, Defendant Corporate Development Services Inc., is a New York Corporation with a principal place of business at 1 Lawrence St, 2nd FL, Glens Falls, New York, 12801 and receives DOS service at 12555 Orange Drive, Suite 261, Davie, Florida, 33330.

4. Upon information and belief, Defendant, SubContracting Concepts, Inc., is a New York Corporation with a principal place of business at 1 Lawrence St, 2nd FL, Glens Falls, New York, 12801.
5. Upon information and belief, SubContracting Concepts, Inc., a Connecticut Corporation is located at 60 Plymouth Rd., Stamford, CT and has a mailing address listed as 12330 SW 53<sup>rd</sup> Street Suite 704 Cooper City, FL 33330.
6. Upon information and belief, SCI Two-Wheel Inc., a Georgia Corporation is located at 3225 Shallowford Rd., STE 820, Marietta, GA 30062.
7. Upon information and belief, Coach Industries Group, Inc., is a Nevada Corporation with a principal place of business at Coach Industries Group, Inc., 12330 SW 53rd Street Suite 703, Cooper City, Florida 33330, and registered with the New York State Department of State to do business in the State of New York and receive DOS service at 12555 Orange Drive, Ste. 261, Davie, FL, 33330.
8. Upon information and belief, Robert Lefebvre, is an individual residing at 63 Oakview Drive, Fort Edward, New York 12828.
9. Upon information and belief, Carmen B. Lefebvre, is an individual residing at 63 Oakview Drive, Fort Edward, New York 12828.
10. Upon information and belief, Mark Lefebvre, is an individual residing at 20 Michaels Drive, Queensbury, New York 12804-9489.
11. Upon information and belief, Scott Lefebvre, is an individual residing at 69 Platt Street, Glen Falls, New York 12801.
12. Upon information and belief, Edmund Lefebvre, is an individual residing at 333 Broadway # 204, Saratoga Springs, NY 12866.
13. Upon information and belief, Paul Gapp, is an individual residing at 176 Washington Avenue, Albany, New York 12210.
14. Upon information and belief, Robert J. Slack, is an individual residing at 124 Bay Street, Glen Falls, New York 12801.

#### **JURISDICTION**

15. Jurisdiction of the Supreme Court of New York, County of Albany over the Defendants, except for Coach Industries Group, Inc., is predicated upon either personal jurisdiction or

the subject matter of this complaint, an agreement, "Stock Purchase Agreement", dated April 14, 2004. (Herein attached as Exhibit "A").

16. Jurisdiction of Coach Industries Group, Inc., is based upon their registration with the New York State Department of State to do business in the State of New York.

17. With the exception of Coach Industries Group, Inc., CDS Merger Sub, Inc., and Corporate Development Services, Inc., all of the parties to this action were also parties to the "Stock Purchase Agreement".

18. In that agreement, section 8.9, the parties agreed to the jurisdiction of this Court,

"GOVERNING LAW/ JURISDICTION. This agreement shall be governed under the laws of the State of New York without regard to conflict of law principles. Each party hereto submits to the jurisdiction of any federal or state court located in New York, Albany or Warren County, New York."

19. Venue is proper in this County pursuant to CPLR §501.

### **BACKGROUND**

20. On or about November 28, 2003, Universal Express, Inc., entered into an agreement, "Stock Purchase Agreement", with "SCI", "SCI-CN", "SCI-GA" and individuals executing this Agreement as sellers, to purchase shares of common stock of, "SCI", "SCI-CN", and "SCI-GA" for the purchase price of eight million dollars (\$8,000,000.00) adjusted as provided in the agreement. (Hereinafter, "SPA-1" and attached hereto as Exhibit "B").

21. On or about April 14, 2004, Universal Express, Inc., entered into another agreement, "Stock Purchase Agreement" with "SCI", "SCI-CN", "SCI-GA" and individuals executing "SPA-1" as buyers. (Above referenced and attached as Exhibit "A", and hereinafter, "SPA-2").

22. In this agreement, "SPA-2", Universal Express, Inc., sold all of the shares of common stock which it had purchased in "SPA-1" back to the original sellers of that stock.

23. Accordingly, the facts set forth are as follows:

#### **There were TWO AGREEMENTS:**

##### **A. SPA-1 – sale of shares of common stock of**

"SCI", "SCI-CN" and "SCI-GA", from Carmen B. Lefebvre, Mark Lefebvre, Scott Lefebvre, Edmund Lefebvre, Paul Gap, and Robert J. Slack to Universal Express, Inc.

**B. SPA-2** – sale of all shares of common stock of "SCI", "SCI-CN" and "SCI-GA" from Universal Express, Inc., to Carmen B. Lefebvre, Mark Lefebvre, Scott Lefebvre, Edmund Lefebvre, Paul Gap, and Robert J. Slack.

**Terms of "SPA-2"**

24. Universal Express, Inc., pursuant to "SPA-2" sold all of its shares of stock of "SCI", "SCI-CN" and "SCI-GA" back to Carmen B. Lefebvre, Mark Lefebvre, Scott Lefebvre, Edmund Lefebvre, Paul Gap, and Robert J. Slack.

25. Amongst other consideration for the sale of the shares of stock, Universal Express, Inc. was also given under Section 8.11 of "SPA-2" the **Right of First Refusal**.

26. Section 8.11 states the following:

**RIGHT OF FIRST REFUSAL.** If any Buyer (a "Selling Buyer") shall desire to enter into a written agreement (a "Sales Agreement") to sell any shares of stock in any Company (the "Subject Shares") to a third person, other than a Company, any other Buyer or any affiliate or associate of any Buyer (as defined in the Securities Act of 1933 or the Securities and Exchange Act of 1934, as amended), effective at any time within twelve months following the Closing Date, the Selling Buyer shall send written notice (the "Notice") to the Seller setting forth the total monetary consideration and the fair market value of any and all non monetary consideration (including any consideration payable in the future or payable as employment/consulting payments) to be received and/or that is receivable by or on behalf of the Selling Buyer (collectively the "purchase Consideration") under the terms of the Sales Agreement. At any time within ten days after receipt of the Notice (in accordance with the terms hereof), the Seller may purchase the Subject Shares by providing to the Selling Buyer immediately available funds in an amount equal to the Purchase Consideration. If the Seller shall fail to provide the Purchase Consideration within such ten day period in connection with any proposed sale of any Subject Shares, the right of first refusal set forth in this subsection shall terminate and be of no further force and effect. Without limiting any other provision hereof, the right set forth shall terminate on the first anniversary of the Closing Date; provided, however, that the Seller and any Buyer may agree in a duly executed writing to extend the effectiveness of this sub section as it applies to that Buyer may agree in a duly executed writing to extend the effectiveness of this sub section as it applies to that Buyer for an additional twelve month period on such terms as the Seller and such Buyer may mutually agree. Nothing shall limit or restrict any parties' ability to enforce any right pursuant to law or otherwise.

27. Therefore, under the terms of "SPA-2", Universal Express, Inc., was given the express **right of first refusal** for future sales of the shares of stock which it sold back, for a term of one year.

28. Furthermore, had these buyers wished to assign their shares of stock to a third party, pursuant to Section 8.3, they had to have prior written consent from Universal Express, Inc.
29. These sections, 8.3 and 8.11, of "SPA-2" were specifically included in "SPA-2" and agreed to by the parties.
30. Section 8.11, **Right of First Refusal**, of "SPA-2" was included as part consideration which Universal Express, Inc., received for the sale of the shares of the stock.
31. Additionally, to ensure that this right was to survive any future assignment by the Defendants, Section 8.3 **Assignment**, was included.

**Mutual Consent and Release between Universal Express, Inc. and SubContracting Concepts Inc.**

32. On or about September 9, 2004, Defendant SCI on behalf of itself, its affiliates and associates, and its/their shareholders tendered and Universal Express, Inc., received \$91,666.65 pursuant to a Mutual Consent and Release. (Hereinafter, referred to as "Release" and attached hereto as Exhibit "C").
33. This money constituted full and final remittance of all sums due or to become due and satisfaction of all duties and obligations of Defendant to Universal Express, Inc., including, without limitation any obligation and/or liability of Defendant under the terms set forth in "SPA-2".
34. Enumerated as a term of the "Release" is Number 3, which states in part:  

"The remittance of the 9/2004 Funds on the afore noted date **constitutes an acceleration of the remittance** timeline established between USXP and SCI.... SCI shall have no further or future obligation to USXP and USXP does hereby release SCI from and waive for all time any claim and/or right USXP may have against SCI, including without limitation any entitlement USXP may have to receive any sums from or any obligations of SCI to USXP under the 2004 Agreement, except for section 8.11 and 8.12.

**Defendant's Merger**

35. Upon information and belief, Corporate Development Services, Inc. and/or its subsidiary companies are, include, are also known as, or are doing business as "SCI", "SCI-CN" and "SCI-GA".
36. On October 21, 2004 Corporate Development Services, CDS Sub Merger, Inc., and Coach Industries Group, Inc., merged into CDS Sub Merger Inc. (See attached Exhibit "D").
37. On or about October 21, 2004, Coach Industries Group, Inc. announced the completion of a merger with Corporate Development Services, Inc., and its subsidiary companies into CDS Merger Sub, Inc. (Hereinafter "announcement" and attached hereto as Exhibit "E").
38. Robert Lefebvre, President of Corporate Development Services, Inc., and also the President of SubContracting Concepts Inc., stated in the "announcement" that, "CDS (Corporate Development Services, Inc.) and its subsidiary companies have been reviewing options for an Initial Public Offering for **some time**."

#### **Defendant's Untimely Letter**

39. On or about **October 26, 2004**, Mr. Richard Altomare, President of Universal Express, Inc., received a letter sent on October 25, 2004 via Federal Express priority **overnight** mail. (Attached hereto as Exhibit "F").
40. The enclosed letter was **dated for October 14, 2004 but received October 26, 2004**. (Hereinafter, "letter" and attached hereto as Exhibit "G").

#### **Defendants' Intent**

41. Defendants with the intent to defraud and circumvent the stipulation in Section 8.11 of "SPA-2" transferred their shares acquired from Universal Express under "SPA-2" to CDS Merger Sub, Inc., in breach of contract.
42. Defendants purposely accelerated payments owed to Universal Express Inc., in September of 2004 and had Universal sign the Mutual Consent and Release, above referenced, because they knew that they were to merge into CDS Merger Sub, Inc., in the upcoming weeks. That merger occurred on October 21, 2004.
43. Universal Express, Inc., explicitly maintained their right of first refusal in the Mutual Consent and Release with Defendants, as enumerated in this agreement.
44. Defendants, relying on their right to sell shares to any affiliate or associate of any Buyer, transferred their ownership interest.

45. That interest was immediately transferred again in the merger of Defendants SCI with Coach Industries Group, Inc., into CDS Merger Sub Inc.
46. Although Defendants had a right to sell shares to any affiliate or associate of any Buyer, they did so here plainly to circumvent the contractual clause which they were obligated to still honor.
47. The chain of events which took place starting on or about September 2004, expose the fact Defendants plotted to intentionally evade the contract.
48. Evidence of this covert scheme is demonstrated by the fact that Defendants were quickly trying to settle outstanding obligations with Universal Express through the signing of the Mutual Consent and Release, making an accelerated final payment of all monies due by Defendant to Plaintiff, and trying to tie up all other "loose ends" with the Plaintiff.
49. Even more compelling proof of Defendants' intention is the act of either purposely sending the "letter" late or intentionally backdating the "letter" informing Plaintiff of the transfer of shares.
50. That "letter" was purposely sent later than the "announcement" of the merger between the Defendants because Defendants knew that Universal Express, Inc., would take immediate legal action to preserve their right of first refusal before the execution of the long-pending merger.
51. All of these intentional actions by the Defendants, demonstrates none other than the simple truth of the matter – Defendants knew that they were contractually obligated to the Plaintiff and decided that they wanted to secretly breach the contract so that they would not have to honor Plaintiff's rights.
52. Defendants' premeditated course of action denied Plaintiff its rights under contract and denied Plaintiff the economic opportunities that spring from corporate mergers.

**AS OF AND FOR A FIRST CAUSE of ACTION  
BREACH OF CONTRACT**

53. Plaintiff repeats, reiterates and re-alleges each of the allegations contained in paragraphs 1 through 52 above as if set forth completely herein at length.
54. Defendants had a contractual obligation specifically prohibiting them from transferring their shares to a non-affiliate or non-associate.

55. Upon information and belief, in order to circumvent this contractual obligation, Defendants purposely transferred those shares to an affiliate or associate with the intent to have the affiliate or associate transfer those shares immediately to Coach Industries Group Inc., a non-affiliate or non-associate; this was all done through a corporate merger, purposefully undertaken to evade the contract between Defendant SCI and Universal Express.
56. Defendants intentionally and purposefully breached the contract and thereby denied Plaintiff's right of first refusal.
57. As a result of Defendants' purposeful and intentional breach, Universal Express Inc., has been damaged in an amount to be determined at a post trial inquest, but no less than one hundred sixty million dollars (\$160,000,000).
58. By reason of the foregoing, there is due and owing from Defendants an amount to be determined at a post trial inquest, but no less than one hundred sixty million dollars (\$160,000,000).

**AS OF AND FOR A SECOND CAUSE of ACTION**  
**FRAUDELENT CONCEALMENT**

59. Plaintiff repeats, reiterates and re-alleges each of the allegations contained in paragraphs 1 through 58 above as if set forth completely herein at length.
60. On or about October 2004, Defendants fraudulently concealed from Plaintiff the transfer of shares to an affiliate or associate with the intent to have those shares immediately transferred to Coach Industries Group, Inc., a non-associate or non-affiliate, through a corporate merger.
61. Upon information and belief, Defendants fraudulently concealed from Plaintiff the transfer of those shares until those shares had been transferred a second time to Coach Industries Group, Inc., through a corporate merger.
62. Upon information and belief, Defendants knowingly untimely sent the "letter" informing Plaintiff of the transfer of shares to an affiliate or associate.
63. Defendants intentionally did this so that Plaintiff would not take immediate legal precautions in order assure preservation of their rights under contract.



64. Plaintiff reasonably relied on Defendants to timely inform Plaintiff of any transfer to a non-affiliate or non-associate.
65. Defendants by fraudulently informing Plaintiffs of the time of transfer of shares resulted in Plaintiff being damaged by being denied one of the benefits of their bargain, a right of first refusal.
66. As a result of Defendants' fraudulent concealment, Universal Express Inc., has been damaged in an amount to be determined at a post trial inquest, but no less than one hundred sixty million dollars (\$160,000,000).
67. By reason of the foregoing, there is due and owing from Defendants an amount to be determined at a post trial inquest, but no less than one hundred sixty million dollars (\$160,000,000).

**AS OF AND FOR A THIRD CAUSE ACTION**  
**BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING**

68. Plaintiff repeats, reiterates and re-alleges each of the allegations contained in paragraphs 1 through 67 above as if set forth completely herein at length.
69. The agreements, both "SPA-2" and the Mutual Consent and Release, contain an implied covenant of good faith and fair dealing.
70. Defendants conduct as aforesaid, including their deliberate and intentional efforts to undermine both agreements, constitutes a breach of both of the agreements' implied covenant of good faith and fair dealing.
71. By reason of the foregoing, and as a direct and proximate result of Defendants' conduct as aforesaid, Universal has suffered damages in an amount to be determined at a post trial inquest, but no less than one hundred sixty million dollars (\$160,000,000).

**AS OF AND FOR A FOURTH CAUSE of ACTION**  
**TORTIOUS INTERFERENCE with CONTRACTUAL RELATIONS**

72. Plaintiff repeats, reiterates and re-alleges each of the allegations contained in paragraphs 1 through 71 above as if set forth completely herein at length.
73. At all relevant times herein Defendants, were aware of the "SPA-2" and the Mutual Consent and Release, agreements with Universal Express, Inc.

74. Pursuant to the express terms of both "SPA-2" and the Mutual Consent and Release, Universal Express, Inc., was to have the right of first refusal as regards to the sale of shares of stock of "any Company".
75. As part of Defendants' efforts to undermine the agreements between SCI and Universal Express, Defendants wrongfully and maliciously caused the breach of contract with Universal Express, Inc.
76. Defendants' interference with Universal's contractual rights resulted in damages to Universal, in that Defendants knowingly and intentionally interfered with Universal's contractual right, in order to gain economic benefit for themselves.
77. Defendants' conduct was part of an intentional scheme, maliciously undertaken to disregard Universal's contractual rights and economic benefit, arising from that contractual right.
78. By reason of the foregoing, and as a direct and proximate result of Defendants' conduct, Universal has suffered damages in an amount to be determined at a post trial inquest, but no less than one hundred sixty million dollars (\$160,000,000).

**AS OF AND FOR A FIFTH CAUSE of ACTION**  
**TORTIOUS INTERFERENCE with PROSPECTIVE ECONOMIC ADVANTAGE**

79. Plaintiff repeats, reiterates and re-alleges each of the allegations contained in paragraphs 1 through 78 above as if set forth completely herein at length.
80. Coach Industries Group, Inc., and other Defendants were fully aware that Universal had ongoing and prospective business relations with SCI, when Defendants executed the corporate merger done to evade the contractual obligations of Defendant SCI to Universal Express.
81. Defendants' conduct as aforesaid interfered with these business relations.
82. Defendants' interference with Universal's business relations was undertaken with the sole purpose of harming Universal with dishonest, unfair or improper means.
83. Defendants' interference with Universal's business relations as aforesaid resulted in injury to said relationships and damage to Universal.
84. By reason of the foregoing and as a direct and proximate result of Defendants' conduct as aforesaid, Universal has suffered damages in an amount to be determined at a post trial inquest, but no less than one hundred sixty million dollars (\$160,000,000).

85. Universal is further entitled to exemplary and punitive damages against Defendants, in an amount to be determined at a post trial inquest, but no less than one hundred sixty million dollars (\$160,000,000).

**PRAYER FOR RELIEF**

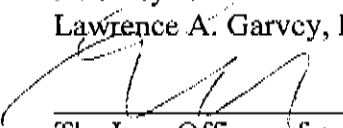
86. Plaintiff repeats, reiterates and re-alleges each of the allegations contained in paragraphs 1 through 85 above as if set forth completely herein at length.

87. As a result of the totality of Defendants conniving actions, purposefully undertaken to deny Plaintiff of their contractual rights, Defendants should be ordered to pay Plaintiffs actual damages, punitive damages, costs, and attorneys fees an amount not less than one hundred sixty million dollars (\$160,000,000).

**WHEREFORE**, Plaintiff respectfully seeks declaratory relief and specific performance of the agreement and any all other relief that this Court shall deem just and proper.

**PLAINTIFF RESPECTFULLY DEMANDS A JURY TRIAL.**

Attorney for the Plaintiff  
Lawrence A. Garvey, Esq.



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The Law Offices of  
Cushner and Garvey L.L.P.  
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(914) 524 9400  
(914) 524 0422

Dated: November 8, 2005  
WESTCHESTER, NEW YORK

**SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF ALBANY**

-----X  
UNIVERSIAL EXPRESS, INC.,

Plaintiff,

- against -

CDS MERGER SUB, INC., CORPORATE DEVELOP-  
MENT SERVICES, INC., SUBCONTRACTING  
CONCEPTS, INC. (SCI) a New York  
Corporation, SUBCONTRACTING CONCEPTS,  
INC. (SCI-CN) a Connecticut Corporation, SCI  
TWO-WHEEL, INC. (SCI-GA) a Georgia  
Corporation; COACH INDUSTRIES GROUP,  
INC., ROBERT LEFEBVRE, CARMEN B. LEFEBVRE,  
MARK LEFEBVRE, SCOTT LEFEBVRE, EDMUND  
LEFEBVRE, PAUL GAPP and ROBERT J. SLACK,

**VERIFICATION**

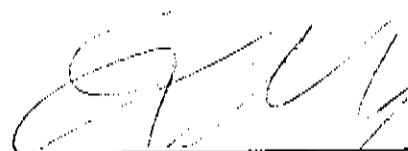
Defendants.  
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S I R S :

LAWRENCE A. GARVEY, an attorney duly admitted to practice law in the United  
States District Court for the Eastern District of New York, under penalty of perjury,  
hereby affirms the following:

1. I am an attorney with offices located in Tarrytown, New York and as such, I am  
fully familiar with the facts and circumstances of this matter.
2. I have read the foregoing Complaint and know the contents thereof and the same  
are true to the best of my knowledge based upon conferences with my client and the  
review of our file on this matter and the necessary documents, except as to those  
matters therein which are stated to be alleged upon information and belief, as to  
those matters, I believe them to be true.

Dated: Westchester, New York  
November 10, 2005



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Lawrence A. Garvey, Esq.