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| <p>DISTRICT COURT, DENVER COUNTY, STATE<br/>OF COLORADO<br/>Denver District Court<br/>1437 Bannock St.<br/>Denver, CO 80202<br/>720.865.8612</p>   | <p>DATE FILED: January 16, 2020 10:03 AM<br/>FILING ID: 211872A9537F8<br/>CASE NUMBER: 2018CV33011</p> |
| <p><b>Plaintiff:</b> David S. Cheval, Acting Securities<br/>Commissioner for the State of Colorado</p> <p>v.</p> <p><b>Defendants:</b> Gary Dragul; GDA Real Estate<br/>Services, LLC; and GDA Real Estate Management,<br/>LLC</p>   | <p>▲ COURT USE ONLY ▲</p>  |
| <p>Attorneys for Receiver:<br/>Patrick D. Vellone, #15284<br/>Michael T. Gilbert, #15009<br/>Rachel A. Sternlieb, #51404<br/>ALLEN VELLONE WOLF HELFRICH &amp; FACTOR<br/>P.C.<br/>1600 Stout St., Suite 1100<br/>Denver, Colorado 80202<br/>Phone Number: (303) 534-4499<br/>E-mail: pvellone@allen-vellone.com<br/>E-mail: mgilbert@allen-vellone.com<br/>E-mail: rsternlieb@allen-vellone.com</p> | <p>Case Number: 2018CV33011<br/>Division/Courtroom: 424</p>  |
| <p align="center"><b>RECEIVER’S LIMITED OBJECTION TO MOTION TO WITHDRAW AS<br/>COUNSEL OF RECORD</b></p>   |  |

Harvey Sender, the duly-appointed receiver (“Receiver”) for Gary Dragul (“Dragul”), GDA Real Estate Services, LLC, GDA Real Estate Management, LLC, and related entities (collectively, “Dragul and the GDA Entities”), submits this limited

objection to the Motion to Withdraw as Counsel of Record filed by Springer and Steinberg, P.C. (“Motion to Withdraw,” filed January 13, 2020).

1. Prior to filing the Motion to Withdraw, Dragul’s counsel consulted with counsel for the Receiver, who indicated the Receiver had no objection to withdrawal if Dragul’s physical address was provided as required by C.R.C.P. 121, § 1-1(2)(b)(VI), along with a valid email address.

2. The Motion to Withdraw fails to comply with Rule 121 because it does not provide Mr. Dragul’s last-known address. This is not an insignificant detail. Previously, the Receiver attempted to serve Mr. Dragul’s wife, Shelly Dragul, with the summons and complaint filed in *Sender v. Charli Dragul, et al.*, Case No. 2019CV33373, Denver District Court, but was unable to obtain a viable service address. Efforts to serve Mrs. Dragul at her listed business address were unsuccessful,<sup>1</sup> and the Receiver was unable to obtain a residential address after substantial effort and expense. Eventually, Mrs. Dragul was ordered to appear at a meeting of creditors under 11 U.S.C. § 341 in connection with a pending Chapter 7 bankruptcy case filed on behalf of an entity she purportedly owns (Cornerstar Wine

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<sup>1</sup> The Receiver’s process server was unable to enter the listed office address for Mrs. Dragul because the door was locked at all times and only opened for known visitors. As of this filing, the Draguls no longer occupy that office space. The Receiver is unaware of any existing business address for Mr. Dragul.

& Liquor, LLC)<sup>2</sup> and the Receiver was able to serve her outside the federal courthouse.

3. Multiple attempts to serve Mr. Dragul's son and co-defendant in Case No. 2019CV33373, Spencer Dragul, were unsuccessful. Service was only made fortuitously when Spencer was seen leaving Mr. Dragul's former offices and the process server happened to be there attempting to serve Mrs. Dragul.

4. Similarly, the Receiver spent a substantial amount of time and money attempting to serve Charli Dragul, Dragul's daughter and co-defendant in Case No. 2019CV33373. The Receiver hired an investigative process server to locate and serve Charli, but those efforts were unsuccessful. The Estate incurred significant costs attempting to serve Charli in several different locations including her former Chicago residence and a business address in New York the Receiver had reason to believe was her current business address. The difficulty serving Charli required the Receiver to seek and obtain an extension of time to serve her. Further efforts to serve her were to no avail, and on December 5, 2019 – nearly four months after the complaint had been filed in that case – the Receiver obtained an order authorizing substituted service on Charli through Mr. Springer. *See Exhibit 1.*

5. For months, Mr. Dragul's family members evaded service, forcing the Estate to incur significant costs. Unless Mr. Dragul provides a valid current address for service of all future pleadings, orders, and other papers filed in this case and

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<sup>2</sup> *In re: Cornerstar Wine & Liquor, LLC*, Case No. 19-12135-EEB (U.S. Bankruptcy Court, District of Colorado).

related cases, the Receiver anticipates similar difficulty and expense in all future efforts.

6. Finally, GDA Real Estate Services, LLC and GDA Real Estate Management, LLC cannot appear or act in this case unless represented by counsel. *See, e.g. Weston v. T & T, LLC*, 271 P.3d 552, 557 (Colo. App. 2011). Allowing Springer and Steinberg, P.C. to withdraw without substitute counsel entering an appearance for these entities would leave these entities unrepresented and unable to proceed in the case.

7. Accordingly, the Receiver requests that the Motion to Withdraw be denied until Mr. Dragul's last-known address is provided and new counsel enters an appearance for the GDA Entities.

Dated: January 16, 2020.

ALLEN VELLONE WOLF HELFRICH & FACTOR  
P.C.



By: /s/ Michael T. Gilbert

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ATTORNEYS FOR THE RECEIVER

**CERTIFICATE OF SERVICE**

I hereby certify that on January 16, 2020, I served a true and correct copy of the foregoing **RECEIVER'S LIMITED OBJECTION TO MOTION TO WITHDRAW AS COUNSEL OF RECORD** via CCE to the following:

Robert W. Finke  
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*Counsel for Defendants, Gary  
Dragul, GDA Real Estate Services,  
LLC and GDA Real Estate  
Management, LLC*

  
/s/ Teresa Silcox

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| DISTRICT COURT, DENVER COUNTY, COLORADO   |  |                                       |
| Court Address:<br>1437 Bannock Street, Rm 256, Denver, CO, 80202  |  |                                       |
| Plaintiff(s) HARVEY SENDER et al.   |  | DATE FILED December 16, 2019 12:07 PM |
| v.  |  | CASE NUMBER: 2019CV33373              |
| Defendant(s) CHARLI DRAGUL et al.   |  | CASE NUMBER: 2018CV33011              |
|   |  | △ COURT USE ONLY △                    |
|   |  | Case Number: 2019CV33373              |
|   |  | Division: 215      Courtroom:         |
| <b>Order: MOTION FOR SUBSTITUTE SERVICE ON CHARLI DRAGUL OR, ALTERNATIVELY, FOR AN EXTENSION OF TIME TO EFFECT SERVICE (w/attach)</b> |  |                                       |

The motion/proposed order attached hereto: GRANTED WITH AMENDMENTS.

Plaintiff shall serve Charli Dragul by personally serving Jeffrey Springer and by mailing a copy of the summons and complaint to Charli Dragul at each of her last known reported addresses in Chicago. The return of service and certificate of mailing shall both be filed by December 24, 2019.

Issue Date: 12/6/2019



MORRIS B HOFFMAN  
District Court Judge

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| DISTRICT COURT, DENVER COUNTY<br>STATE OF COLORADO<br>Denver District Court<br>1437 Bannock St.<br>Denver, CO 80202   | <p style="text-align: center;">▲ COURT USE ONLY ▲</p> |
| <p><b>Plaintiff:</b> Harvey Sender, as Receiver for Gary Dragul, GDA Real Estate Services, LLC, and GDA Real Estate Management, LLC.</p> <p>v.</p> <p><b>Defendants:</b> Charli Dragul, Samuel Dragul, Spencer Dragul, and Shelly Dragul.</p>   |   |
| Attorneys for Receiver:<br>Michael T. Gilbert, #15009<br>Patrick D. Vellone, #15284<br>Jeremy T. Jonsen, #48859<br>Rachel A. Sternlieb, #51404<br>ALLEN VELLONE WOLF HELFRICH & FACTOR<br>P.C.<br>1600 Stout St., Suite 1100<br>Denver, Colorado 80202<br>Phone Number: (303) 534-4499<br>pvellone@allen-vellone.com<br>mgilbert@allen-vellone.com<br>jjonsen@allen-vellone.com<br>rsternlieb@allen-vellone.com | Case Num: 19CV33373<br><br>Division/Courtroom:        |
| <p><b>MOTION FOR SUBSTITUTE SERVICE ON CHARLI DRAGUL OR,<br/>         ALTERNATIVELY, FOR AN EXTENSION OF TIME TO EFFECT SERVICE</b></p>   |   |

Plaintiff, Harvey Sender, solely in his capacity as Receiver for Gary Dragul, GDA Real Estate Services, LLC, and GDA Real Estate Management, LLC (the “Receiver”), pursuant to C.R.C.P. 4(f) requests that the Court authorize substitute

service of Defendant Charli Dragul (“Charli”)<sup>1</sup> or, alternatively, for an extension of time to serve her.

1. The Receiver filed his Complaint in this case on August 30, 2019.

2. Pursuant to C.R.C.P. 4(m), the Receiver was required to serve Charli with the summons and complaint on or before November 1, 2019.

3. The Receiver has diligently attempted to serve Charli. Upon information and belief, the Receiver believed Charli resided at 1660 N. LaSalle Dr., Unit 4205, Chicago, IL 60614. The Receiver was unable to serve her there. *See Exhibit 1*. When the process server attempted service at the LaSalle condominium unit on September 13, 2019, he was told by the current resident—who did not match the photo of Charli the Receiver had provided—that Charli did not live there, and that the person answering the door owned the unit. *Id.*

4. The Receiver then conducted an additional investigation and discovered a document in Dragul’s files indicating Charli worked at Shopcore Properties located at 233 S Wacker Dr., Suite 4700, Chicago, IL 60606. But when the process server attempted to serve Charli at this location on September 13, 2019, he was not allowed past the security desk, and was told Charli was not logged as an employee in the building anyways. *Id.*

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<sup>1</sup> Because all defendants share the same last name, “Charli” is used to clearly differentiate Charli Dragul from the remaining defendants. No disrespect is intended.



5. After the Receiver was unable to locate and serve Charli in Chicago, he continued to search Dragul's files and discovered another document indicating Charli may be working and living in New York City.

6. The Receiver thereafter attempted to serve Charli at Blackstone Headquarters, 345 Park Ave., New York, NY 10154, where the Receiver reasonably believed Charli worked based on another a document discovered in Dragul's files. See **Exhibit 2**. When the process server attempted to serve her at this location on October 21, 2019, a paralegal in the office indicated that Charli did not work there. *Id.*

7. On October 28, 2019, the Receiver asked the Court to extend the time to effect service until December 2, 2019. The Receiver thereafter retained a private investigator, Marshall Wolf of Risk Review & Support Investigations LLC, to find and serve Defendant.

8. Mr. Wolf performed an extensive (and expensive) investigation into Charli's whereabouts. See **Exhibit 3**. Mr. Wolf discovered several additional potential addresses for Charli in Chicago: 444 W. Fullerton Parkway, Suite 608, Chicago, Illinois 60614 ("Fullerton Address"), and 1660 N. La Salle Drive, Unit 1301, Chicago, Illinois 60614 (the "Second LaSalle Address"). *Id.*

9. The Receiver tried, unsuccessfully, to serve Charli at the Fullerton Address on December 3, 2019. See **Exhibit 4**. Charli's name was not listed in the

building directory and the process server was told by the doorman that Charli was not a tenant in the building. *Id.*

10. On December 2, 2019, the Receiver again attempted to serve Charli at the Second LaSalle Address. *See Exhibit 5.* The process server was notified by front desk security that the owner and tenant of Unit 1301 is “Nancy McCourt” and Charli is not listed as a tenant in the building. *Id.*

11. Charli has actual notice of this action and is evading service. Her mother, Shelly Dragul, and her brothers Samuel and Spencer Dragul are co-defendants in this case and each has been served. Shelly and Spencer also evaded service and were served only after numerous attempts.

12. The Colorado Rules of Civil Procedure, Rule 4(f), provides the following with respect to substituted service of process:

In the event that a party attempting service of process by personal service under section (e) is unable to accomplish service, and service by publication or mail is not otherwise permitted under section (g), the party may file a motion, supported by an affidavit of the person attempting service, for an order for substituted service. The motion shall state (1) the efforts made to obtain personal service and the reason that personal service could not be obtained, (2) the identity of the person to whom the party wishes to deliver the process, and (3) the address, or last known address of the workplace and residence, if known, of the party upon whom service is to be effective. If the court is satisfied under section (e) would be to no avail, and that the person to whom delivery of the process is appropriate under the circumstances and reasonably calculated to give actual notice to the party upon whom services is to be effective, it shall:

(1) authorize delivery to be made to the person deemed appropriate for service, and

(2) order the process to be mailed to the address(es) of the party to be served by substituted services. As set forth in the motion, on or before the date of delivery. Service shall be complete on the date of delivery to the person deemed appropriate for service.

13. The Receiver has diligently attempted to serve Charli in two states at five separate locations over three months. Further attempts to serve her will likely be futile given the number of unsuccessful attempts thus far and the fact that she is evading service.

14. In this case, the Receiver seeks to recover at least \$314,158 that he contends was fraudulently transferred to Charli for the benefit of the Receivership Estate.

15. Service by mail or publication under C.R.C.P. 4(g) is unavailable because this is not an in rem proceeding and does not affect specific property or its status.

16. The Receiver therefore requests that the Court authorize substitute service on Charli by delivering a copy of the Summons and Complaint to Jeffrey Springer, Esq. Mr. Springer is Gary Dragul's attorney in the underlying Receivership Case (2019cv33011). Delivery of process to Jeffrey Springer via personal service is appropriate and reasonably calculated to provide actual notice to Charli given that Gary Dragul is her father, and the architect of the fraudulent scheme giving rise to the Receiver's claims in this case.

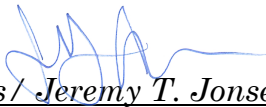
17. The Receiver also proposes mailing the Summons and Complaint to each of Charli's purported Chicago addresses.

18. If the Court does not authorize substituted service, the Receiver requests an additional 60 days, through and including February 1, 2019, to serve Charli.

WHEREFORE, the Receiver asks the Court to enter an order authorizing substituted service on Charli Dragul by serving Jeffrey Springer, Esq. In the alternative, the Receiver asks the Court to grant him an additional 60-day extension, through and including, February 1, 2020, in which to serve Charli.

Dated: December 5, 2019.

ALLEN VELLONE WOLF HELFRICH & FACTOR P.C.

By:  /s/ Jeremy T. Jonsen  
Jeremy T. Jonsen

ATTORNEYS FOR THE PLAINTIFF, AS RECEIVER

**CERTIFICATE OF SERVICE**

I hereby certify that on December 5, 2019, I served a true and correct copy of the foregoing **MOTION FOR SUBSTITUTE SERVICE ON CHARLI DRAGUL OR, ALTERNATIVELY, FOR AN EXTENSION OF TIME TO EFFECT SERVICE** via the Colorado Court's E-Filing system or by USPS postage prepaid to the following parties who have entered appearances in this case:

Shelly Dragul, Pro Se (**VIA LAST KNOWN ADDRESS**)  
10 Cherry Lane Drive  
Englewood, CO 80113


Spencer Dragul, Pro Se (**VIA LAST KNOWN ADDRESS**)  
891 14th Street, Unit 2417  
Denver, CO 80202

Samuel Dragul, Pro Se (**VIA LAST KNOWN ADDRESS**)  
1660 N. LaSalle Drive  
Unit 3101  
Chicago, IL 60614

Charli Dragul (**Suspected Chicago address where service was attempted**)  
1660 N. LaSalle Drive, Unit 4205  
Chicago, IL 60614-6024

Charli Dragul (**Suspected Chicago address where service was attempted**)  
1660 N. La Salle Drive, Unit 1301  
Chicago, Illinois 60614

Charli Dragul (**Suspected Chicago address where service was attempted**)  
444 W. Fullerton Parkway  
Suite 608  
Chicago, Illinois 60614

  
s/ Lisa A. Vos

Allen Vellone Wolf Helfrich & Factor P.C.