

**Fill in this information to identify the case:**

United States Bankruptcy Court for the:

Eastern District of New York  
(State)

Case number (if known): \_\_\_\_\_ Chapter 7

☐ Check if this is an  
amended filing

**Official Form 205****Involuntary Petition Against a Non-Individual****12/15**

Use this form to begin a bankruptcy case against a non-individual you allege to be a debtor subject to an involuntary case. If you want to begin a case against an individual, use the *Involuntary Petition Against an Individual* (Official Form 105). Be as complete and accurate as possible. If more space is needed, attach any additional sheets to this form. On the top of any additional pages, write debtor's name and case number (if known).

**Part 1: Identify the Chapter of the Bankruptcy Code Under Which Petition Is Filed****1. Chapter of the Bankruptcy Code**

Check one:

- ☒ Chapter 7  
☐ Chapter 11

**Part 2: Identify the Debtor****2. Debtor's name**GNS Metals Corp.**3. Other names you know the debtor has used in the last 8 years**

Include any assumed names, trade names, or *doing business as* names.

**4. Debtor's federal Employer Identification Number (EIN)**☒ Unknown

EIN \_\_\_\_\_

**5. Debtor's address****Principal place of business**150 Broadhollow Road

Number Street

Suite 215Melville NY 11747

City State ZIP Code

Suffolk County

County

**Mailing address, if different**41 North Mall

Number Street

P.O. Box

Plainview NY 11803

City State ZIP Code

**Location of principal assets, if different from principal place of business**

Number Street

City State ZIP Code

Debtor **GNS Metals Corp.**  
Name

Case number (if known) \_\_\_\_\_

6. Debtor's website (URL) www.gnsmetals.com

7. Type of debtor

- ☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))  
☐ Partnership (excluding LLP)  
☐ Other type of debtor. Specify: \_\_\_\_\_

8. Type of debtor's business

Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))  
☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))  
☐ Railroad (as defined in 11 U.S.C. § 101(44))  
☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))  
☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))  
☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))  
☒ None of the types of business listed.  
☐ Unknown type of business.

9. To the best of your knowledge, are any bankruptcy cases pending by or against any partner or affiliate of this debtor?

- ☒ No  
☐ Yes. Debtor \_\_\_\_\_ Relationship \_\_\_\_\_  
District \_\_\_\_\_ Date filed \_\_\_\_\_ Case number, if known \_\_\_\_\_  
MM / DD / YYYY  
Debtor \_\_\_\_\_ Relationship \_\_\_\_\_  
District \_\_\_\_\_ Date filed \_\_\_\_\_ Case number, if known \_\_\_\_\_  
MM / DD / YYYY

Part 3: Report About the Case

10. Venue

Check one:

- ☒ Over the last 180 days before the filing of this bankruptcy, the debtor had a domicile, principal place of business, or principal assets in this district longer than in any other district.  
☐ A bankruptcy case concerning debtor's affiliates, general partner, or partnership is pending in this district.

11. Allegations

Each petitioner is eligible to file this petition under 11 U.S.C. § 303(b).

The debtor may be the subject of an involuntary case under 11 U.S.C. § 303(a).

At least one box must be checked:

- ☒ The debtor is generally not paying its debts as they become due, unless they are the subject of a bona fide dispute as to liability or amount.  
☐ Within 120 days before the filing of this petition, a custodian, other than a trustee, receiver, or an agent appointed or authorized to take charge of less than substantially all of the property of the debtor for the purpose of enforcing a lien against such property, was appointed or took possession.

12. Has there been a transfer of any claim against the debtor by or to any petitioner?

- ☒ No  
☐ Yes. Attach all documents that evidence the transfer and any statements required under Bankruptcy Rule 1003(a).

Debtor GNS Metals Corp.

Name

Case number (if known)

## 13. Each petitioner's claim

Name of petitioner

Nature of petitioner's claim

Amount of the claim  
above the value of  
any lienGreen Tree Recycling LLCgoods sold\$ 44,233.00Dobbert Recycling, Inc.goods sold\$ 82,182.52Garden Street Iron & Metal, Inc. of S.W. Floridagoods sold\$ 80,727.69

Total of petitioners' claims

\$ 207,143.21

If more space is needed to list petitioners, attach additional sheets. Write the alleged debtor's name and the case number, if known, at the top of each sheet. Following the format of this form, set out the information required in Parts 3 and 4 of the form for each additional petitioning creditor, the petitioner's claim, the petitioner's representative, and the petitioner's attorney. Include the statement under penalty of perjury set out in Part 4 of the form, followed by each additional petitioner's (or representative's) signature, along with the signature of the petitioner's attorney.

**Part 4: Request for Relief**

**WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Petitioners request that an order for relief be entered against the debtor under the chapter of 11 U.S.C. specified in this petition. If a petitioning creditor is a corporation, attach the corporate ownership statement required by Bankruptcy Rule 1010(b). If any petitioner is a foreign representative appointed in a foreign proceeding, attach a certified copy of the order of the court granting recognition.

I have examined the information in this document and have a reasonable belief that the information is true and correct.

**Petitioners or Petitioners' Representative****Attorneys****Name and mailing address of petitioner**Green Tree Recycling LLC

Name

21240 Lake Patience Road

Number Street

Land O LakesFL34638

City

State

ZIP Code

**Name and mailing address of petitioner's representative, if any**Matt Goldman

Name

21240 Lake Patience Road

Number Street

Land O LakesFL34638

City

State

ZIP Code

I declare under penalty of perjury that the foregoing is true and correct.

Executed on

7/28/2017

MM / DD / YYYY

x

Signature of petitioner or representative, including representative's title

Fred Stevens

Printed name

Klestadt Winters Jureller Southard & Stevens, LLP

Firm name, if any

200 West 41st Street, 17th Floor

Number Street

New YorkNY10036

City

State

ZIP Code

Contact phone 212-972-3000Email fstevens@klestadt.comBar number 3013851State NY

x

Signature of attorney

Date signed

8/3/2017

MM / DD / YYYY

Debtor GNS Metals Corp.  
Name

Case number (if known) \_\_\_\_\_

Name and mailing address of petitioner

**Dobbert Recycling, Inc.**

Name

**818 E. Main Street**

Number Street

**North Adams**

**MA**

**01247**

City

State

ZIP Code

Name and mailing address of petitioner's representative, if any

**Dan Dobbert**

Name

**818 E. Main Street**

Number Street

**North Adams**

**MA**

**01247**

City

State

ZIP Code

I declare under penalty of perjury that the foregoing is true and correct.

Executed on

**07/31/2017**  
MM / DD / YYYY

**x** *[Signature]* **President**  
Signature of petitioner or representative, including representative's title

**Fred Stevens**

Printed name

**Klestadt Winters Jureller Southard & Stevens, LLP**

Firm name, if any

**200 West 41st Street, 17th Floor**

Number Street

**New York**

**NY**

**10036**

City

State

ZIP Code

Contact phone **212-972-3000**

Email **fstevens@klestadt.com**

Bar number **3013851**

State

**NY**

**x** *[Signature]*  
Signature of attorney

Date signed

**08/03/2017**  
MM / DD / YYYY

Name and mailing address of petitioner

**Garden Street Iron & Metal Inc. of S.W. Florida**

Name

**3350 Metro Parkway**

Number Street

**Fort Myers**

**FL**

**33916**

City

State

ZIP Code

Name and mailing address of petitioner's representative, if any

**Rob Weber**

Name

**3350 Metro Parkway**

Number Street

**Fort Myers**

**FL**

**33916**

City

State

ZIP Code

I declare under penalty of perjury that the foregoing is true and correct.

Executed on

MM / DD / YYYY

**x** \_\_\_\_\_  
Signature of petitioner or representative, including representative's title

**Fred Stevens**

Printed name

**Klestadt Winters Jureller Southard & Stevens, LLP**

Firm name, if any

**200 West 41st Street, 17th Floor**

Number Street

**New York**

**NY**

**10036**

City

State

ZIP Code

Contact phone **212-972-3000**

Email **fstevens@klestadt.com**

Bar number **3013851**

State

**NY**

**x** \_\_\_\_\_  
Signature of attorney

Date signed

MM / DD / YYYY



Debtor GNS Metals Corp.  
Name

Case number (if known) \_\_\_\_\_

## Name and mailing address of petitioner

Dobbert Recycling, Inc.

Name

818 E. Main Street

Number Street

North AdamsMA01247

City

State

ZIP Code

## Name and mailing address of petitioner's representative, if any

Dan Dobbert

Name

818 E. Main Street

Number Street

North AdamsMA01247

City

State

ZIP Code

I declare under penalty of perjury that the foregoing is true and correct.

Executed on

MM / DD / YYYY

x

Signature of petitioner or representative, including representative's title

Fred Stevens

Printed name

Klestadt Winters Jureller Southard & Stevens, LLP

Firm name, if any

200 West 41st Street, 17th Floor

Number Street

New YorkNY10036

City

State

ZIP Code

Contact phone 212-972-3000Email fstevens@klestadt.com

Bar number

3013851

State

NY

x

Signature of attorney

Date signed

MM / DD / YYYY

## Name and mailing address of petitioner

Garden Street Iron & Metal Inc. of S.W. Florida

Name

3350 Metro Parkway

Number Street

Fort MyersFL33916

City

State

ZIP Code

## Name and mailing address of petitioner's representative, if any

Rob Weber

Name

3350 Metro Parkway

Number Street

Fort MyersFL33916

City

State

ZIP Code

I declare under penalty of perjury that the foregoing is true and correct.

Executed on

08/03/2017  
MM / DD / YYYY

x

Signature of petitioner or representative, including representative's title

Fred Stevens

Printed name

Klestadt Winters Jureller Southard & Stevens, LLP

Firm name, if any

200 West 41st Street, 17th Floor

Number Street

New YorkNY10036

City

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ZIP Code

Contact phone 212-972-3000Email fstevens@klestadt.com

Bar number

3013851

State

NY

x

Signature of attorney

Date signed

08/03/2017  
MM / DD / YYYY

**UNITED STATES BANKRUPTCY COURT**  
**EASTERN DISTRICT OF NEW YORK**  
[www.nyeb.uscourts.gov](http://www.nyeb.uscourts.gov)

**STATEMENT PURSUANT TO LOCAL  
BANKRUPTCY RULE 1073-2(b)**

**DEBTOR(S):** GNS Metals Corp. **CASE NO.:** 17- ( )

Pursuant to Local Bankruptcy Rule 1073-2(b), the debtor (or any other petitioner) hereby makes the following disclosure concerning Related Cases, to the petitioner's best knowledge, information and belief:

**[NOTE:** Cases shall be deemed "Related Cases" for purposes of E.D.N.Y. LBR 1073-1 and E.D.N.Y. LBR 1073-2 if the earlier case was pending at any time within eight years before the filing of the new petition, and the debtors in such cases: (i) are the same; (ii) are spouses or ex-spouses; (iii) are affiliates, as defined in 11 U.S.C. § 101(2); (iv) are general partners in the same partnership; (v) are a partnership and one or more of its general partners; (vi) are partnerships which share one or more common general partners; or (vii) have, or within 180 days of the commencement of either of the Related Cases had, an interest in property that was or is included in the property of another estate under 11 U.S.C. § 541(a).]

☐ **NO RELATED CASE IS PENDING OR HAS BEEN PENDING AT ANY TIME.**

☐ **THE FOLLOWING RELATED CASE(S) IS PENDING OR HAS BEEN PENDING:**

**1. CASE NO.:** 11-73540 **JUDGE:** Alan S. Trust **DISTRICT/DIVISION:** EDNY/Central Islip

**CASE STILL PENDING: (YES/NO):** No *[If closed]* **Date of closing:** 1/22/2013

**CURRENT STATUS OF RELATED CASE:** Case closed; Debtor Garry Neil Sherman received discharge 01/22/2013  
**(Discharged/awaiting discharge, confirmed, dismissed, etc.)**

**MANNER IN WHICH CASES ARE RELATED (Refer to NOTE above):** (iii) Garry Sherman is a principal of GNS Metals Corp.

**REAL PROPERTY LISTED IN DEBTOR'S SCHEDULE "A" ('REAL PROPERTY') WHICH WAS ALSO LISTED IN SCHEDULE "A" OF RELATED CASES:** None

**2. CASE NO.:** \_\_\_\_\_ **JUDGE:** \_\_\_\_\_ **DISTRICT/DIVISION:** \_\_\_\_\_

**CASE STILL PENDING: (YES/NO):** \_\_\_\_\_ *[If closed]* **Date of closing:** \_\_\_\_\_

**CURRENT STATUS OF RELATED CASE:** \_\_\_\_\_  
**(Discharged/awaiting discharge, confirmed, dismissed, etc.)**

**MANNER IN WHICH CASES ARE RELATED (Refer to NOTE above):** \_\_\_\_\_

**REAL PROPERTY LISTED IN DEBTOR'S SCHEDULE "A" ('REAL PROPERTY') WHICH WAS ALSO LISTED IN SCHEDULE "A" OF RELATED CASES:** \_\_\_\_\_

[OVER]

**DISCLOSURE OF RELATED CASES (cont'd)**

**3. CASE NO.:** \_\_\_\_\_ **JUDGE:** \_\_\_\_\_ **DISTRICT/DIVISION:** \_\_\_\_\_

**CASE STILL PENDING: (YES/NO):** \_\_\_\_\_ *[If closed]* Date of closing: \_\_\_\_\_

**CURRENT STATUS OF RELATED CASE:** \_\_\_\_\_  
(Discharged/awaiting discharge, confirmed, dismissed, etc.)

**MANNER IN WHICH CASES ARE RELATED** (*Refer to NOTE above*): \_\_\_\_\_

**REAL PROPERTY LISTED IN DEBTOR'S SCHEDULE "A" ('REAL PROPERTY') WHICH WAS ALSO LISTED IN SCHEDULE "A" OF RELATED CASES:** \_\_\_\_\_  
\_\_\_\_\_

**NOTE:** Pursuant to 11 U.S.C. § 109(g), certain individuals who have had prior cases dismissed within the preceding 180 days may not be eligible to be debtors. Such an individual will be required to file a statement in support of his/her eligibility to file.

**TO BE COMPLETED BY DEBTOR/PETITIONER'S ATTORNEY, AS APPLICABLE:**

I am admitted to practice in the Eastern District of New York (Y/N): Y \_\_\_\_\_

**CERTIFICATION** (to be signed by pro-se debtor/petitioner or debtor/petitioner's attorney, as applicable):

I certify under penalty of perjury that the within bankruptcy case is not related to any case now pending or pending at any time, except as indicated elsewhere on this form.

/s/ Fred Stevens  
Signature of Debtor's Attorney

\_\_\_\_\_  
Signature of Pro-se Debtor/Petitioner

\_\_\_\_\_  
Mailing Address of Debtor/Petitioner

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Area Code and Telephone Number

Failure to fully and truthfully provide all information required by the E.D.N.Y. LBR 1073-2 Statement may subject the debtor or any other petitioner and their attorney to appropriate sanctions, including without limitation conversion, the appointment of a trustee or the dismissal of the case with prejudice.

**NOTE:** Any change in address must be reported to the Court immediately IN WRITING. Dismissal of your petition may otherwise result.

**KLESTADT WINTERS JURELLER**

**SOUTHARD & STEVENS, LLP**

200 West 41<sup>st</sup> Street, 17<sup>th</sup> Floor

New York, NY 10036-7203

Telephone: (212) 972-3000

Facsimile: (212) 972-2245

Fred Stevens

*Counsel to the Petitioning Creditors*

**UNITED STATES BANKRUPTCY COURT**

**EASTERN DISTRICT OF NEW YORK**

-----X		
In re	:	
	:	Chapter 7
GNS METALS CORP.,	:	
	:	Case No. 17-_____ (____)
Debtor.	:	
-----X		

**PETITIONING CREDITORS' STATEMENT IN SUPPORT OF THE ENTRY  
OF AN ORDER FOR RELIEF IN THE ALLEGED DEBTOR'S CASE**

**TO THE HONORABLE BANKRUPTCY JUDGE,  
TO WHOM THIS CASE IS ASSIGNED:**

Green Tree Recycling LLC, Dobbert Recycling, Inc. and Garden Street Iron & Metal Inc. of S.W. Florida (collectively, the "Petitioning Creditors"), by and through their counsel, Klestadt Winters Jureller Southard & Stevens, LLP, as and for their statement in support of the entry of an order for relief under chapter 7 of Title 11 of the United States Code (the "Bankruptcy Code"), in the case of GNS Metals Corp., the above-captioned alleged debtor (the "Alleged Debtor"), upon information and belief, respectfully represent as follows:

**STATEMENT**

The Alleged Debtor is in the business of buying and selling large quantities of scrap metal. The Alleged Debtor is operated by Garry Sherman, and is owned by some combination of Garry Sherman and his wife, Joanne Sherman, who was designated as the Alleged Debtor's chief executive with the Department of State. The Alleged Debtor has accumulated significant, past-



due debt to the Petitioning Creditors and presumably others. A brief description of the Alleged Debtor's indebtedness to the Petitioning Creditors is as follows:

Petitioning Creditor	Amount of Claim	Reason for Indebtedness	Date(s) Debt Was Incurred	Notes
Green Tree Recycling LLC	\$44,233.80	Sale of brass scrap	Jan. 17, 2017	
Dobbert Recycling, Inc.	\$85,260.00	Sale of copper scrap	Feb. 24, 2016	
Garden Street Iron & Metal, Inc. of S.W. Florida	\$80,727.69	Sale of brass scrap	Jan. 28, 2016	Reduced to judgment on June 12, 2017 Florida Circuit Court

The Alleged Debtor and its management have become completely non-responsive to the Petitioning Creditors. At the same time, on March 1, 2017, after the liabilities to the Petitioning Creditors were incurred, the Alleged Debtor's principal placed an advertisement in Peony's C/B/E (Consumer/Broker/Exporter Prices), an industry classified advertisement and pricing service, offering to purchase electric motor scrap. In that solicitation, the Alleged Debtor's principal made the offer under the d/b/a "East Coast Scrap<sup>1</sup>," but used the same phone number ((631) 742-3000) and e-mail address (gs@gnsmetals.com) as with the Alleged Debtor.

Further, the Alleged Debtor's principal, Garry Sherman, was previously a debtor in a case before this Court (see In re Garry Neil Sherman, Case No. 11-73540 (May 18, 2011) (Trust, J.) (Stern, Richard L., Chapter 7 Trustee), and he, his wife and the Alleged Debtor have been involved in litigation before this Court where they were accused of inappropriately transferring business from a prior entity to the Alleged Debtor (see Govind Steel Co., Ltd. v. Garry Neil Sherman, Joanne Sherman and GNS Metals Corp., Adv. Pro. No. 11-9422, Docket No. 1, ¶36 (Sept. 30, 2011) (Trust, J.) ("GNS, a company that also is in the scrap metal business, opened at the exact same location in Melville, New York that Integra [an entity then indebted to Govind Steel Co., Ltd.] ran its business. GNS' phone number is 516-577-9888, which is the same

<sup>1</sup> The Petitioning Creditors note that an entity named "East Coast Scrap Metal Inc." was incorporated in New York State on or around March 14, 1994. The Petitioning Creditors have no reason to believe at this time that the incorporated entity and the "East Coast Scrap" d/b/a recently employed by Garry Sherman are in anyway related.

telephone number previously used by Integra.”) A complaint filed in the predecessor case in the U.S. District Court for the Southern District of New York asserted fraud claims against the Shermans and further detailed the alleged bad acts as follows:

25. Integra ceased conducting business in or about 2010. Integra was a seller and exporter of scrap metal products. Integra’s place of business was 150 Broadhollow Road, Suite #215, Melville, New York 11747. Integra’s telephone number was (516) 688-9888. [Garry] Sherman is Integra’s sole member and officer, and primarily conducted Integra’s business. Joanne Sherman was responsible for Integra’s client entertainment.

26. Joanne Sherman is [the Alleged Debtor]’s CEO and sole shareholder, which also is a seller and exporter of scrap metal products. [Garry] Sherman is [the Alleged Debtor]’s president, and conducts all of [the Alleged Debtor]’s business. Joanne Sherman is responsible for [the Alleged Debtor]’s client entertainment. [The Alleged Debtor]’s place of business is located at 150 Broadhollow Road, Suite #215, Melville, New York 11747. [The Alleged Debtor]’s telephone number is (516) 577-9888.

\*\*\*\*\*

28. Joanne Sherman created [the Alleged Debtor] for the purposes of avoiding Govind collecting a judgment related to the subject transaction. At the direction of [Garry] Sherman and Joanne Sherman, Integra transferred to [the Alleged Debtor] Integra’s tangible and non-tangible assets with the intention of avoiding Govind collecting a judgment related to the subject transaction.

Amended Complaint in Govind Steel Co., Ltd. v. Garry Sherman, Joanne Sherman, and GNS Metals Corp., Case No. 11-cv-2653, Docket No. 11 (S.D.N.Y. June 7, 2011). It appears that Mr. and Mrs. Sherman are employing the same debt avoidance strategy here.

The Petitioning Creditors seek the entry of an order for relief in this case so that a trustee can be appointed and investigate the financial affairs of the Alleged Debtor and its management.

### **JURISDICTION AND VENUE**

The Alleged Debtor is a corporation organized and existing under the laws of the State of New York since on or around March 19, 2009. The Alleged Debtor’s principal place of business is in Suffolk County at 150 Broadhollow Rd., Suite 215, Melville, New York 11747.

This Court has jurisdiction over this case pursuant to 28 U.S.C. §§ 157 and 1334,

Administrative Order No. 264 titled “In the Matter of The Referral of Matters to the Bankruptcy Judges” of the United States District Court for the Eastern District of New York (Weinstein, C.J.), dated August 28, 1986, and Administrative Order No. 601 of the United States District Court for the Eastern District of New York (Amon, C.J.), dated December 5, 2012. Venue is proper in this district pursuant to 28 U.S.C. § 1408(a) and/or (b).

**NOTICE**

The Involuntary Petition and Court’s Summons will be served upon the Alleged Debtor at the address designated with the New York State Dept. of State, to Garry and Joanne Sherman at their place(s) of residence, and at the mailing address provided by the Alleged Debtor to the Petitioning Creditor by first class mail. Copies will also be sent by e-mail to Mr. Sherman’s last known e-mail address. The Petitioning Creditors respectfully submit that such notice is sufficient and that no further notice need be given.

*[remainder of page intentionally left blank]*

**WHEREFORE**, the Petitioning Creditors respectfully request that an Order for Relief be entered in the Alleged Debtor's case and that they be granted such other and further relief as is just and proper.

Dated: New York, New York  
August 3, 2017

**KLESTADT WINTERS JURELLER  
SOUTHARD & STEVENS, LLP**

By: /s/ Fred Stevens

Fred Stevens  
200 West 41<sup>st</sup> Street, 17<sup>th</sup> Floor  
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Fax: (212) 972-2245  
Email: fstevens@klestadt.com

*Counsel to the Petitioning Creditors*