

# Franklin C. McRoberts

Partner Uniondale

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Franklin C. McRoberts focuses on litigated business disputes between closely-held business owners, including partnership, corporation, and LLC derivative suits, dissolutions, breakups, buyouts, cash-out mergers, and valuations.

Frank also represents schools, businesses, and real property owners prosecuting or defending insurance coverage litigation, including in disputes against primary, excess, and umbrella insurance companies and brokers over reservations of rights, disclaimers, denials of defense or indemnity, rescissions, bad faith, and errors and omissions.

Frank's practice also includes general contract disputes, business torts, restrictive covenants, and real estate transaction disputes.

# Experience

· Lead trial counsel in summer 2025, in a first-of-its-kind, five-week insurance bad faith jury trial in the Manhattan Commercial Division resulting in a unanimous verdict for an apartment building owner policyholder for breach of contract damages of \$6.1 million and bad faith extracontractual damages of an additional \$2.65 million, a trial constructed around the legal standards of *E. Ramapo Cent. Sch. Dist. v New York Schools Ins. Reciprocal*, 199 AD3d 881 [2d Dept 2021]), announcing that in the "context of an insurance-related dispute, the implied covenant of good faith and fair dealing means that the insurer must investigate claims for coverage in good faith, must not manufacture factually incorrect reasons to deny insurance coverage, must not deviate from its own practices or from industry practices, and must not act with gross disregard of the insured's interests."

#### PRACTICE AREAS

Commercial Litigation
Business Divorce
Insurance

#### EDUCATION

Seton Hall University School of Law, J.D. Colgate University, B.A.

Friends Academy

Green Vale School

#### ADMISSIONS

New York





- Multiple rounds of pre-trial appellate victories in the same insurance bad faith case, including affirmance of denial of dismissal of insureds' counterclaim for bad faith in a decision announcing viability in the First Department of a claim for "bad-faith refusal to defend" (*Starr Indem. & Liab. Co. v Monte Carlo, LLC*, 232 AD3d 502 [1st Dept 2024]), following reversal of denial of dismissal of insurer's affirmative defenses to the insureds' counterclaims for breach of contract and bad faith (227 AD3d 682 [1st Dept 2024]), following reversal of denial of insureds' motion for summary judgment and grant on appeal of summary judgment dismissing insurer's complaint for rescission and for summary judgment on liability on insureds' counterclaims for breach of contract and declaratory judgment (190 AD3d 441 [1st Dept 2021]), and dismissal of carrier's motion for leave to appeal to New York State Court of Appeals (37 NY3d 932 [2021])
- Denial of motion to dismiss claim for declaratory judgment regarding rights and interests in a sibling-owned, oral general partnership on grounds of statute of limitations, even though the underlying events took place a dozen years earlier, where a "bona fide, justiciable controversy" did not arise until plaintiffs received "direct, definitive notice" defendant was repudiating their rights until the year before commencement of litigation ( Hammer v Heller, 2024 NY Slip Op 33658[U] [Sup Ct, NY County 2024])
- · Affirmance of denial of dismissal of cooperative board's motion to dismiss sponsor's complaint in litigation over validity of sponsor's exercise of option in proprietary leases to repurchase unsold shares of stock (*Cord Meyer Dev. Co. v Forest Hills Owners Corp.*, 229 AD3d 495 [2d Dept 2024])
- Denial of insurers' motion to compel school district insured to produce its underlying liability defense attorneys' reports, recommendations, and legal advice to the school board regarding settlement, allegedly to evaluate the "reasonableness" of the amounts of the insured's settlement of multiple Child Victims Act lawsuits, and grant of the school district's separate motion to compel its insurer to produce documents concerning the amounts of other CVA settlements, verdicts, and judgments because the insurer, at deposition, questioned the "reasonableness" of the settlements based upon its "experience" and "what we have seen" settling other CVA claims (Cold Spring Harbor Cent. Sch. Dist. v Graphic Arts Mut. Ins. Co., 83 Misc3d 1250(A) [Sup Ct, Suffolk County 2024])
- Affirmance of denial of dismissal of petition in fair value appraisal proceeding following LLC cash-out merger due to alleged assignment of merged-out LLC interest prior to merger's consummation (*Mattone Group Springnex*, *LLC v CFM Dev.*, *LLC*, 226 AD3d 787 [2d Dept 2024])





- Reversal of denial of dismissal of \$5 million counterclaim for lost future profits under Article 2 of the Uniform Commercial Code for failure to plead lost profits were within the contemplation of the parties at the time of contracting (*Island Ordnance Sys., LLC v Amerimex, Inc.,* 224 AD3d 821 [2d Dept 2024]), and grant one day later of summary judgment on the complaint for breach of contract and action for the price under UCC Article 2 (2024 WL 2273521 [Sup Ct, Nassau County 2024])
- Summary judgment concluding father-and-son business divorce litigation dismissing sole surviving shareholder derivative claim for misappropriation of corporate opportunity as barred by the statute of limitations (*Troffa v Troffa*, 2023 NY Slip Op 30544[U] [Sup Ct, Suffolk County 2023]), following earlier pre-answer dismissal of all direct claims for breach of fiduciary duty, constructive trust, and quiet title to land (2017 NY Slip Op 33265[U] [Sup Ct, Suffolk County 2017])
- · Affirmance of pre-answer dismissal of claims for tortious interference with business opportunity, tortious interference with contract, breach of fiduciary duty, civil conspiracy, fraud, and breach of the duty to negotiate in good faith related to an alleged joint venture to redevelop Oheka Castle (

  Bank N.A. v Kahn Prop. Owner, LLC, 206 AD3d 851 [2d Dept 2022])
- · Reversal of denial of pre-answer dismissal of claims seeking to challenge a fully-consummated LLC cash-out merger, holding for the first time by any New York appellate court that the exclusive appraisal remedy of Limited Liability Company Law § 1002 prohibits any post-merger claims seeking to set aside or rescind an LLC merger on grounds of fraud or illegality (*Farro v Schochet*, 190 AD3d 689 [2d Dept 2021])

## Community Work

- · Roslyn Landmark Society, Board of Trustees
- · Caumsett Foundation, Board of Directors

### Recognition

- · Super Lawyers, New York Metro, Business Litigation, 2020-Present
- Super Lawyers, New York Metro Rising Stars, Business Litigation, 2013-2018
- · The Best Lawyers in America, Commercial Litigation, 2023-present
- · Martindale Hubbell, AV Preeminent Peer Review Rating

