

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

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EIDO T. SHIMANO ROSHI and
YASUKO A. SHIMANO,

PLAINTIFFS' VERIFIED REPLY
TO DEFENDANT'S COUNTERCLAIMS

Plaintiffs,

- against -

Index No. 650025/2013

THE ZEN STUDIES SOCIETY, INC.,

Defendant.

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Plaintiffs, EIDO T. SHIMANO ROSHI and YASUKO A. SHIMANO, through their attorney, LAWRENCE D. GERZOG, as and for their Verified Reply to Defendant's Counterclaims, state as follows:

1. Deny the statements and/or allegations contained in paragraph 27 of Defendant's Verified Amended Answer and Counterclaims.
2. With respect to paragraph 28 of Defendant's Verified Amended Answer and Counterclaims, repeat and reallege each and every paragraph of Plaintiffs' Verified Complaint.
3. Admits the statements contained in paragraphs 29 and 30 of Defendant's Verified Amended Answer and Counterclaims.
4. With respect to paragraphs 31 through 38 of Defendant's Amended Verified Answer and Counterclaims, denies the claims set forth in paragraphs 32 through 38, and, with respect to paragraph 31 thereof, denies that Shimano Roshi had inappropriate sexual relationships with anyone.
5. With respect to paragraph 39 of Defendant's Verified Amended Answer and

Counterclaims, repeat and reallege each and every paragraph of Plaintiffs' Verified Complaint, and repeat and reallege each and every paragraph of this Plaintiffs' Verified Reply to Defendant's Counterclaims.

6. Denies paragraph 40 of Defendant's Verified Amended Answer and Counterclaims.
7. Denies paragraphs 41 through 46 of Defendant's Verified Amended Answer and Counterclaims, except state that the DCAs speak for themselves.
8. With respect to paragraph 47 of Defendant's Verified Amended Answer and Counterclaims, repeat and reallege each and every paragraph of Plaintiffs' Verified Complaint, and repeat and reallege each and every paragraph of this Plaintiffs' Verified Reply to Defendant's Counterclaims.
9. Denies paragraphs 48 through 51 of Defendant's Verified Amended Answer and Counterclaims.

FIRST AFFIRMATIVE DEFENSE TO COUNTERCLAIMS

10. The counterclaims asserted in the Verified Amended Answer and Counterclaims are barred, in whole or in part, by the doctrines of waiver, equitable estoppel, ratification and unclean hands,

SECOND AFFIRMATIVE DEFENSE TO COUNTERCLAIMS

11. One or more of the counterclaims are barred by the applicable statute(s) of limitations.

WHEREFORE, plaintiffs demand judgment against defendant:

1. On the first through fourth causes of action, in an amount to be determined at trial;
2. On the fifth cause of action, actual damages in the amount of \$1,000,000.00;
3. On the fifth cause of action, punitive damages in the amount of \$1,000,000.00;

4. Dismissal of Defendant's Counterclaims;
5. And for such other and further relief as the Court may deem just and proper.

Dated: New York, New York
March 11, 2013

Certified pursuant to 22 NYCRR § 130-1.1(a)-(b)



LAWRENCE D. GERZOG
233 Broadway, Suite 2707
New York, New York 10279
(212) 486-3003

Attorney for Plaintiffs


VERIFICATION

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

I, Eido T. Shimano Roshi, am one of the plaintiffs in this action. I have read the foregoing Reply to Defendant's Counterclaims and know the contents thereof. The contents are true to my own knowledge, except as to matters therein stated to be alleged upon information and belief, and as to those matters I believe them to be true.


EIDO T. SHIMANO ROSHI

Sworn to before me this 11th
day of March, 2013.

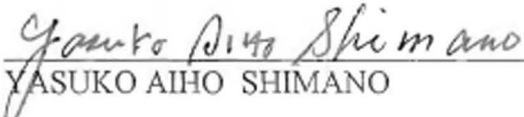

Notary Public

JEREMY L GUTMAN
Notary Public, State of New York
No. 02GU4898287
Qualified in Westchester County
Commission Expires 05/19/2015


VERIFICATION

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

I, Yasuko Aiho Shimano, am one of the plaintiffs in this action. I have had the foregoing Reply to Defendant's Counterclaims read to me in Japanese by someone who is fluent in both English and Japanese, and know the contents thereof. The contents are true to my own knowledge, except as to matters therein stated to be alleged upon information and belief, and as to those matters I believe them to be true. This verification page has also been read to me in Japanese by someone fluent in both English and Japanese.


YASUKO AIHO SHIMANO

Sworn to before me this 11th
day of March, 2013.


Notary Public

JEREMY L GUTMAN
Notary Public, State of New York
No. 02GU4898287
Qualified in Westchester County
Commission Expires 05/19/2015