

NEW YORK SUPREME COURT GRANTS SUMMARY JUDGMENT IN FAVOR OF A.R.I. AGAINST ARTEMIS

Separate Massachusetts Litigation Names Artemis CEO Walid Halty and Bank of America, N.A.

PUBLIC COURT FILINGS & HEARING RECORD

Media Reference Packet • October 14, 2026

NEW YORK SUPREME COURT — OCTOBER 1, 2026 DECISION

In its October 1, 2026 Decision and Order, the New York Supreme Court **granted summary judgment in favor of A.R.I.** on liability for breach of contract and money had and received, **establishing that Artemis (formerly known as Monalee) breached its loan agreement.**

The Court also **dismissed the defendants' counterclaim and all seven affirmative defenses.** The amount owed to A.R.I. remains to be determined.

ABOUT THIS PACKET

This packet contains public court documents concerning A.R.I.'s litigation arising from its senior secured financing of Mona Lee Inc., which publicly rebranded as Artemis on March 4, 2026.

A separate Massachusetts action names Artemis (Mona Lee Inc.), CEO Walid Halty individually, and Bank of America, N.A., among the defendants. That action involves allegations of fraud, misrepresentation, and the improper transfer of over \$5.45 million in cash collateral pledged to A.R.I. Those allegations remain disputed and have not been adjudicated.

DOCUMENT INDEX

01	New York Decision and Order October 1, 2026	pp. 2–3
02	New York Hearing Transcript September 22, 2026	pp. 4–38
03	New York Verified Complaint October 20, 2025	pp. 39–48
04	Massachusetts First Amended Verified Complaint December 3, 2025	pp. 49–65

IMPORTANT NOTES

The New York ruling establishes liability, with damages yet to be determined. The separate Massachusetts allegations remain disputed and unadjudicated. Pleadings contain allegations, not judicial findings. Limited privacy redactions have been made. Official court records remain authoritative.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART 03M-----X
A.R.I. AGENT, LLC, A.R.I. SENIOR SECURED GROWTH
CREDIT FUND, LP,

Plaintiffs,

- V -

MONA LEE INC., MONA LEE SOLAR MA LLC, MONA
LEE SOLAR AZ LLC, MONA LEE SOLAR CA LLC, MONA
LEE INC., MONA LEE INC., JOHN DOE #1 THROUGH
#10Defendants.
-----XINDEX NO. 659237/2025MOTION DATE 05/18/2026MOTION SEQ. NO. 001**DECISION + ORDER ON
MOTION**The following e-filed documents, listed by NYSCEF document number (Motion 001) 21, 22, 23, 24, 25,
26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53,
54, 55, 63were read on this motion for SUMMARY JUDGMENT.

Upon the foregoing documents, and for the reasons stated on the record following oral
argument on September 22, 2026, it is

ORDERD that Plaintiffs' motion for summary judgment is **GRANTED IN PART**
insofar as summary judgment on Plaintiffs' First and Second Causes of Action is granted as to
liability, and Defendants' counterclaim and first, second, third, fourth, fifth, sixth, and seventh
affirmative defenses are dismissed; the motion is otherwise **denied**; and it is further

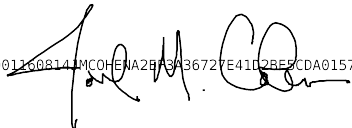
ORDERED that the parties submit a joint letter by October 9, 2026, containing an update
of the status of discovery and outlining a proposed schedule for discovery on damages; and it is
further

ORDERED that the parties appear for a preliminary conference on **October 13, 2026**, at **10:30 a.m.**, with the parties circulating dial-in information to chambers at SFC-

 in advance of the conference¹; and it is further

ORDERED that the parties upload a copy of the transcript of the proceedings to NYSCEF upon receipt.

This constitutes the Decision and Order of the Court.

<u>10/1/2026</u> DATE	 20261001160814JMC0HEJA2B73A36727E41D2B5FCDA0157224D3D JOEL M. COHEN, J.S.C.			
CHECK ONE:	☐	CASE DISPOSED	☒	NON-FINAL DISPOSITION
	☐	GRANTED	☐ DENIED	☒ GRANTED IN PART ☐ OTHER
APPLICATION:	☐	SETTLE ORDER	☐	SUBMIT ORDER
CHECK IF APPROPRIATE:	☐	INCLUDES TRANSFER/REASSIGN	☐	FIDUCIARY APPOINTMENT ☐ REFERENCE

¹ If the parties agree on a proposed preliminary conference order in advance of the conference date (consistent with the guidelines in the Part 3 model preliminary conference order, available online at <https://webfiles.nycourts.gov/public/2026-08/pc-order-part-3-updated-august-5-2026.pdf>, they may file the proposed order and email a courtesy copy to chambers with a request to so-order in lieu of holding the conference.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK - CIVIL TERM - 3

-----X

A.R.I. AGENT, LLC, in its capacity as
Administrative Agent and Collateral Agent for
The Lenders under that certain Loan and
Security Agreement dated as of July 31, 2024,
And A.R.I. SENIOR SECURED GROWTH
CREDIT FUND, LP

Plaintiffs,

-against-

MONA LEE INC., a Delaware corporation;
MONA LEE SOLAR MA LLC, a
Massachusetts limited liability company;
MONA LEE SOLAR AZ LLC, an Arizona
Limited liability company; MONA LEE
SOLAR CA LLC, a California limited liability
Company; MONA LEE INC., a Kansas
Corporation; MONA LEE INC., a Florida
Corporation; JOHN DOE #1 through #10, the
Last ten (10) names being fictitious and
Unknown to the Plaintiff.

Defendants.

-----X

Index # 659237/2025 PROCEEDINGS
60 Centre Street
New York, New York 10007

September 22, 2026

B E F O R E:

HONORABLE JOEL M. COHEN,
Supreme Court Justice.

A P P E A R A N C E S:

TROUTMAN PEPPER LOCKE, LLP

BY: HARRY TIWARI, ESQ.
Attorney for Plaintiffs

(Continued next page.)

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-Proceedings-

A P P E A R A N C E S: (Continued)

TRACHTMAN & POLER

BY: EMILY A. POLER, ESQ.
Attorney for Defendants

DEBORAH A. ROTHROCK, RPR
Official Court Reporter

DEBORAH A. ROTHROCK - OFFICIAL COURT REPORTER

-Proceedings-

1 THE COURT: All right. Good afternoon.

2 Let's start with the appearances, beginning with
3 the Plaintiff. If you could speak into the mic.

4 HARRY TIWARI: Good morning. Harry Tiwari,
5 Troutman Pepper Locke, on behalf of the A.R.I. Plaintiffs.

6 THE COURT: Good afternoon. For defense.

7 MS. POLER: Emily Poler, Trachtman & Poler on
8 behalf of the Defendants.

9 THE COURT: All right. So this is Plaintiff's
10 motion for summary judgment. Mr. Tiwari, let's start with
11 you, if you would not mind going to the podium.

12 Let me try to level-set where I think we are, just
13 to kind of target ourselves.

14 It seems like the record is reasonably clear that
15 there ended up being 2 million drawn down. And at the end
16 of the day, or maybe at the current day, roughly 2 million
17 was either paid back or clawed back through sweep accounts.
18 So roughly 2 million has come back in the other direction.
19 It seems to me, piecing this stuff together, what is left
20 is, obviously, interest.

21 Loans typically count that as a fairly important
22 part of it. So the defense's argument is what we paid back
23 is the, principal it doesn't really move me to the end. It
24 is relevant. It is part of the math. But it is not the
25 end.

-Proceedings-

1 And then there's the question of reasonable
2 attorneys' fees and enforcing the loan.

3 So those are, at least two areas in terms of what
4 the numbers are. I mean, I don't really know that I hear
5 the defense saying that there's no liability case, or that
6 there's not something due. It is about how much is due.
7 Maybe Ms. Poler may disagree with me when she's up.

8 But the way I look at it is, there's some liability
9 here because there's some amount of costs involved.

10 And, again, I have not yet heard a defense response
11 to the question about interest. I'm not really entirely
12 sure that the Plaintiff's case is undisputed about the
13 amount due total. So I'm trying to figure out where we are.

14 I want to be very practical here. This is not that
15 complicated. I'm not sure exactly why the money flow is
16 complicated at all;

17 So maybe you could help me understand why -- a full
18 range of summary judgment would require me to say that
19 everything, from soup to nuts, liability, to all the
20 damages, ready to go, I could write a judgment today. I'm
21 not sure if we are there because there's some elements of
22 the amounts that might be in dispute.

23 HARRY TIWARI: Yes, Your Honor.

24 THE COURT: Go ahead.

25 HARRY TIWARI: Thank you and good afternoon again.

-Proceedings-

1 Your Honor, I think Plaintiffs' position sort of
2 mirrors what Your Honor was saying. We sort of see this as
3 a two-stage process. One, summary judgment on liability and
4 a separate inquest hearing on damages.

5 Currently the parties are engaged in discovery on
6 quantum. The amounts owed after Your Honor's order a month
7 or two ago after some informal briefing on whether there
8 should be discovery on liability.

9 And at this point, I don't -- Defendants do not
10 dispute there was an agreement and that they failed to pay
11 interest afterwards, after August of 2025 and do not dispute
12 the other default as well.

13 I think there's a dispute as to -- like Your Honor
14 said -- the reasonableness of attorneys' fees. We're
15 working with defense counsel on producing those documents.
16 We're working with --

17 THE COURT: Well, what are all of the categories of
18 damages that you seek?

19 I mean, so let's assume, currently, that if one
20 looks at principal as one thing and interest as a separate
21 thing. I'm sure you could take the argument that the 2
22 million that you have received, maybe some part of it is
23 allocated to principal. I don't know the way your client is
24 doing it.

25 Could you walk me through the categories. I did

-Proceedings-

1 see some reference to a couple hundred thousand of other
2 lender expenses. I don't know what that means.

3 Just walk me through what you're looking for in the
4 end?

5 HARRY TIWARI: Yes, Your Honor.

6 And to just tackle that point, the other 300,000
7 fee, I think, was part of the original complaint.
8 Plaintiffs are no longer seeking that amount.

9 At this point, there is an unpaid principal
10 balance.

11 THE COURT: And what is that?

12 HARRY TIWARI: It is roughly \$391,715.10.

13 THE COURT: Now, the fact that more than 2 million
14 has been recovered, is that because you are not allocating
15 all of that to principal?

16 HARRY TIWARI: Yes, Your Honor.

17 And to be clear. After the default Plaintiffs
18 swept \$500,000 from the Bank of America account and then the
19 Defendants paid roughly 1.5 and some change. And those
20 monies were allocated pursuant to the waterfall provision in
21 the agreement, first going to cost and interest, and the
22 remaining balance to principal.

23 THE COURT: So, first the way it goes, first goes
24 to costs and interest?

25 HARRY TIWARI: Yes.

-Proceedings-

1 THE COURT: So that includes your legal fees when
2 some of that first amount went to that?

3 HARRY TIWARI: That I'm not sure of.

4 THE COURT: All right. But costs and interests?

5 HARRY TIWARI: Yes.

6 THE COURT: And then only the remainder went to
7 principal.

8 HARRY TIWARI: Correct.

9 THE COURT: How much, from your books and records,
10 what do your guys say went to principal?

11 Roughly?

12 HARRY TIWARI: Roughly about -- well, currently
13 there's 391,000 left for the unpaid principal balance.

14 THE COURT: Okay. So roughly 1.6 million.

15 HARRY TIWARI: Something like that.

16 THE COURT: 1.6 million went to principal.

17 So the fact that anything went to principal
18 suggests that all other interest was satisfied, at least up
19 to a certain point?

20 HARRY TIWARI: Yes, Your Honor.

21 THE COURT: So, is there anything left beyond the
22 400,000 in principal and other costs and interests?

23 HARRY TIWARI: Yes, Your Honor.

24 There is about \$12,000 in default interest.

25 There's \$35,000 in non-default interest and

-Proceedings-

1 lender's expenses, I believe, is mostly attorneys' fees,
2 188,000 about.

3 THE COURT: Plus the 400,000 in principal.

4 HARRY TIWARI: Yes.

5 THE COURT: That is the total amount at issue?

6 HARRY TIWARI: Yes. Roughly about 627,000.

7 THE COURT: So, in terms of figuring out what this
8 inquest is, if we get to that, is going to be about -- I
9 understand the fight over reasonableness of fees, I'm used
10 to that. I can handle that part. That is lawyer business.

11 What are the other costs and interest factors that
12 would require any kind of fact finding?

13 HARRY TIWARI: Your Honor, I think that would be
14 the only issue. The reasonableness of attorneys' fees.
15 Because the remaining amounts are presented in documents.

16 THE COURT: So you think when we got to the
17 inquest, you would put in the books and records on -- maybe
18 you would have a witness. Somebody would go in and say,
19 well, here is how we -- frankly, I would hope that with
20 sophisticated counsel and clients on both sides, they
21 wouldn't necessarily have to put you to the test on this,
22 but if you provide all the records and explain it, unless
23 you're calculating interest in a way that is sort of odd,
24 maybe they will disagree with when default interest kicks
25 in, or when this happens. And maybe we will fight about it.

-Proceedings-

1 I would like to get a sense today about what the
2 factual disputes are what is owed?

3 HARRY TIWARI: Yes, Your Honor.

4 It is also Plaintiffs' position that at the end of
5 the discovery process on documents exchanged for damages,
6 that the parties will agree to a certain amount of money and
7 resolve it. If not, we would do an inquest and, you know,
8 as I mentioned, I think the only issue for the inquest is
9 the reasonableness of attorneys' fees. And Plaintiff will
10 present, you know, business records or testimony on the
11 other amounts at issue.

12 THE COURT: Okay. And, again, of course -- and the
13 attorneys' fees things, which is a lot of what the Defense
14 brief is about. Those are all fair game kind of issues that
15 I see all the time.

16 Usually less debate about things like accruable
17 interest; it is usually math. Unless after discovery they
18 think that your client has done something unusual, or they
19 disagree -- there was some sort of odd term about what the
20 default interest rate is. I'm not sure I fully understand.
21 Usually there's a specifically stated rate. I think there's
22 some weird provision?

23 HARRY TIWARI: I think it is five percent over what
24 the interest amount is in the document, something like that.

25 THE COURT: You know, I would imagine that is all

-Proceedings-

1 solvable, rather than spending money on being in court with
2 witnesses.

3 HARRY TIWARI: Yes, Your Honor.

4 THE COURT: All right. So, from your perspective,
5 it is a pretty simple story.

6 HARRY TIWARI: Yes, Your Honor.

7 THE COURT: It seems like there's agreement from
8 your side that 1.6 million, even with all the allocations
9 that were done, is off the top, in terms of what is
10 continuing to earn interest. And I recognize there's
11 continuing interest, if, in fact, it is not fully paid off,
12 which they may disagree with.

13 The rest of it is just the unpaid interest as your
14 client calculates it, and then legal fees?

15 HARRY TIWARI: Yes, Your Honor.

16 THE COURT: Okay.

17 HARRY TIWARI: Thank you, Your Honor.

18 THE COURT: Okay. Let me hear from defense. This
19 seems pretty straightforward from the Plaintiff's side.

20 HARRY TIWARI: Thank you.

21 MS. POLER: Good afternoon, Your Honor.

22 THE COURT: Good afternoon.

23 MS. POLER: I don't know if you have any questions
24 for me?

25 THE COURT: No, I mean, jump right in.

-Proceedings-

1 I think we can cut right to the merits here.

2 MS. POLER: Great.

3 So one thing I just want to mention off the top is
4 that Plaintiff's counsel has referred to there being a
5 waterfall. There is no waterfall. The agreement just says
6 they can allocate payments they receive in whatever order.

7 Our position is that they have relied on that
8 provision to make it extremely difficult and refused to
9 provide us with documents demonstrating the supposed
10 reasonable legal fees to extend the period of interest.

11 I mean, all of this sort of -- I had a prepared
12 argument. I was going to say this --

13 THE COURT: I don't want to stop you from doing
14 that. The only thing I would note is, it actually wouldn't
15 have surprised me if they allocated less to principal than
16 they did.

17 MS. POLER: Okay.

18 THE COURT: But I'm glad that most of the money
19 that has been received has been allocated to principal.
20 Because I think some lenders might have even been more
21 aggressive.

22 MS. POLER: Okay. I guess --

23 THE COURT: Go ahead with what you want to say.

24 MS. POLER: No, I don't need to. I think we are
25 bypassing a lot of what I had to say. But, you know, I do

-Proceedings-

1 want to note a couple of things.

2 One is, they are claiming now about 188,000 in
3 legal fees. Of that 188,000, about 180,000 was incurred
4 between when the loan closed in July of 2024 and then filing
5 this action in 2025 and it was incurred by a transactional
6 attorney.

7 I don't know. I mean, 180K is a lot of money for a
8 transactional attorney on a deal that has been closed.

9 THE COURT: These are not litigation expenses?

10 MS. POLER: They are not litigation expenses.

11 So far they have not seemed to be claiming very
12 much in litigation expenses. I have not addressed that. If
13 they are claiming litigation expenses, we need to explore
14 whether the contract, in fact, allows them to recover
15 attorneys' fees on the attorneys' fees.

16 THE COURT: Usually not.

17 MS. POLER: Correct.

18 THE COURT: Unless it is explicit.

19 MS. POLER: It is not explicit.

20 THE COURT: There is the litigation here. I know
21 you pointed out that, from your perspective, there was a
22 duplicative litigation in Massachusetts. We'll get to all
23 of that.

24 In terms of the categories, those are at least the
25 normal kind of expenses I see in litigation. So you're

-Proceedings-

1 still in the midst of discovery now?

2 MS. POLER: We served document requests in August;
3 we have not received any documents.

4 I'm glad to hear that they are no longer claiming
5 300,000 in other lender expenses, but it is in their
6 Complaint, they have not amended the Complaint.

7 THE COURT: You hadn't heard that until today?

8 MS. POLER: It may be implied in their summary
9 judgment papers, but it is not explicit.

10 So I think we are spending -- my overall
11 impression, and this is what I was going to say, cut to the
12 chase.

13 THE COURT: It's been a good day so far.

14 MS. POLER: You know, I agree with counsel; this
15 seems like something that should be pretty easy to resolve
16 and I'm not sure why I've been having to, like, pry
17 documents relating to attorneys' fees out of the Plaintiff.
18 And I still don't have them. They said they will produce
19 stuff, but they have objected, I will note, in their
20 response. We have not met and conferred on this. They have
21 thus far objected to producing anything going to whether the
22 attorneys' fees they are claiming are reasonable, saying it
23 is outside the scope of discovery. That is generally.

24 THE COURT: I'm not sure what that looks like other
25 than, you know, billing records.

-Proceedings-

1 MS. POLER: Well, at minimum, usually parties
2 seeking -- at least, in my experience, parties seeking
3 attorneys' fees at least submit the affidavit of an attorney
4 from the firm saying, hey, this is how we normally bill and
5 these are the rates.

6 THE COURT: Right. But that would be more to part
7 of the court process, as opposed to -- you don't get that
8 affidavit in discovery. In discovery all you get are
9 documents and maybe interrogatory responses, or something.

10 Look, I'm with you in that I think we should be
11 focusing on the most cost-effective means of getting the
12 information necessary to make this inquest go as painlessly
13 and cheaply as possible, really for both sides, unless
14 there's something in the contract that you have not seen.
15 The Plaintiff should not assume that they are going to get
16 compensated for the amount it costs them to litigate their
17 fees. Your clause is very clear on that, the contract is
18 governed by New York law?

19 MS. POLER: It is.

20 THE COURT: In the absence of an explicit
21 provision, fees on fees are not allowed; yet fees to recover
22 on the loan, pursue the loan, and, you know, I can't say
23 categorically, as you were indicating, that a transactional
24 attorney time couldn't be part of pursuing recovery, but I
25 don't know until we see it. But, you know, part of what

-Proceedings-

1 you're asking is, can we accelerate and streamline the
2 process of getting information? The answer is yes. And had
3 we had a Preliminary Conference yet?

4 MS. POLER: We had not. There was one, I believe,
5 scheduled, I want to say for June or July -- late June,
6 early July and then Your Honor stayed discovery on the
7 merits.

8 THE COURT: The merits seemed -- I had a feeling
9 that this was going to come down to the numbers, as opposed
10 to whether there was full payment or not.

11 MS. POLER: I do just want to raise one other
12 thing, which is that we have asserted a counterclaim for
13 breach of the duty of good faith and fair dealing.

14 THE COURT: That, at least as I understand it, that
15 is whether they have improperly increased their costs by
16 suing in Massachusetts?

17 MS. POLER: Yes.

18 THE COURT: Why can't that be part of the
19 reasonableness of the fees?

20 MS. POLER: That is fine. I want to make sure that
21 is something that is being addressed. And also their
22 ongoing refusal to provide us -- for a year with documents
23 relating to --

24 THE COURT: Let me put it this way. I think your
25 burden would be lower saying that these were unreasonable

-Proceedings-

1 expenses, than to say there's an implicit provision in the
2 contract prohibiting them from pursuing collateral where it
3 exists. That is a high -- I'm not a -- I mean, I follow the
4 law about what the implied covenant stands for, but I think
5 you have to be careful to not overread it.

6 MS. POLER: That is fine, however we get there.

7 THE COURT: Any broad disagreement with the
8 numbers, in terms of -- I mean, maybe you have not gotten
9 enough information to know whether you're comfortable with
10 the 1.6 million allocated to principal?

11 MS. POLER: We don't exactly understand how they
12 got there, so we would like to understand.

13 THE COURT: It sounds like what we need is a
14 Preliminary Conference to not only set a tight schedule, but
15 to talk frankly about what has to happen, and it will either
16 be with me or with Ms. Remick over here, and get you all the
17 reasonable information you need. This should not be that
18 hard. We do this a lot. Lenders usually have information
19 segregated by borrower. And it shouldn't be too hard. The
20 law firm certainly will have their expenses, usually down to
21 the 10th of an hour. And, you know, I think we should move
22 into practical mode.

23 And, frankly, would it surprise me a little if, at
24 the end of the day, you all conclude it makes sense to spend
25 the money on an evidentiary hearing. You can, if you want

-Proceedings-

1 to, we're open 9 to 5. But it is going to cost you a heck
2 of a lot more than crunching the numbers on your own. It
3 seems to me, maybe we should have a conference with you two
4 and me and Ms. Remick and work out -- I would put together
5 in advance of that conference everything you think you want
6 that you don't have. And, you know, some sort of a, maybe a
7 joint letter as to what the Defendant thinks they need, what
8 the Plaintiff thinks they need, what the Plaintiff has
9 provided, any disputes about that, so that we can come in
10 with some education. But this is not rocket science at this
11 point.

12 You know, there's a little bit of a judgment call
13 in what reasonable attorneys' fees means. But that I'm used
14 to and we can, you know, we do need the building blocks. We
15 need the hourly rates, the prevailing hourly rates, and the
16 jurisdiction, which I generally know. The kind of staffing,
17 whether there's block billing instead of very targeted
18 stuff.

19 Now, the good thing about this, it sounds like
20 usually that issue is tied up in litigation billing. This
21 sounds like a lot of it is something else. I would be
22 curious what that is.

23 MS. POLER: Me too.

24 THE COURT: So I guess the task I will set for you
25 both is to come up with a letter. Sometimes these have two

-Proceedings-

1 parts; Plaintiff's position, Defendant's position, about
2 what information is needed, what has been provided, and how
3 quickly it can be produced, and any push back that you're
4 getting. It is an unusual situation where usually the
5 Plaintiff is the one seeking discovery, here it is the
6 Defendant, but I get it.

7 And then we'll have a conference and figure it out.
8 I don't expect to hear that the lender is sort of purposely
9 drawing it out just to get more interest. I would imagine
10 they would just close the book on this and move on, but
11 we'll see.

12 MS. POLER: Your Honor, could I add one thing, just
13 so that the record is clear?

14 We're very much -- my clients are very much
15 interested to getting to a resolution. But in the context
16 of why we're here today, which is the motion for summary
17 judgment. I just don't want it to be read into the
18 transcript that we are in any way agreeing that Plaintiff
19 has, you know, established that they are entitled to summary
20 judgment.

21 THE COURT: Yeah, no, I understand that. But I
22 have not -- I have read your brief carefully. I think you
23 have made a powerful argument that two million and change
24 has been paid back. And I don't think there's any
25 disagreement about that.

-Proceedings-

1 I also don't see how there's an argument that that
2 is the end of it, because repaying the principal is
3 step one. So I have not seen an argument to suggest that
4 you have a defense to paying interest.

5 MS. POLER: I understand. I'm just saying that I
6 don't believe that Plaintiff has satisfied their initial
7 burden of establishing entitlement to summary judgment.

8 THE COURT: Well, I break it down into liability.
9 Well, it does seem to me that they -- by establishing a loan
10 and interest rate, a default interest rate, and some
11 expenses, that prima facie, that does -- and the repayment
12 totaling just a little over the original principal, to me,
13 prima facie, facially, that means that they have not been
14 paid everything that they were entitled to, contractually,
15 which would be summary judgment on liability in some amount
16 to be determined.

17 I don't think they have established a prima facie
18 case on damages, on the amount. And I can understand you
19 don't want this transcript to read as defense counsel
20 concedes summary judgment. I don't take it that way.

21 I think the papers, as I read them, don't have a
22 rebuttal to the prima facie case on there being some
23 liability over and above the two point -- small amount
24 million, that has been recovered by the Plaintiff.

25 That is my ruling here, is that the Plaintiff has

-Proceedings-

1 made the prima facie case that some amount is due above what
2 has been recovered.

3 Defendants have not rebutted that threshold
4 question of liability sufficient to require a trial on the
5 question of whether essentially they have fully satisfied
6 their obligations under the loan.

7 Summary judgment will be granted on liability with
8 an open question as to what the amount still owed is.

9 I don't think that summary judgment is appropriate
10 on that question. I think the parties -- so there's no way
11 to enter judgment now because there's no number. And I
12 would switch ourselves into the second phase of this to
13 determine the amount of damage, which could be very small,
14 could be larger than that, I don't know, but the way the
15 math reads to me, looking at all the records, it is at least
16 more than -- I forgot what the exact number, 2.10 -- 2.1
17 million has been paid, something like that?

18 MS. POLER: Something like that.

19 HARRY TIWARI: A little less than.

20 THE COURT: A little less than 2.1 million.

21 Just the interest on a \$2 million loan for the
22 period of time it was outstanding would be more than the
23 amount that has to be paid back. There's clearly some
24 liability, in my opinion, and it is a question of figuring
25 out what it is.

-Proceedings-

1 Again, I don't think the counterclaim for implied
2 covenant would lead to being under the amount owed. It
3 would just decrease potentially the amount owed above the
4 2.1 million. I think that argument can collapse into the
5 reasonableness of fees' argument.

6 So that is my ruling here, is that I think there
7 are grounds for summary judgment on liability. We now
8 switch to determining the merits of the damage claim.

9 I'm going to be fairly aggressive with the
10 Plaintiff to open their cupboard, with what information is
11 legitimately necessary either to prove your case and/or
12 rebut it. I have not seen the document requests. I don't
13 want to get too deep into the weeds today. When we meet,
14 let's just say you should assume we know what we are doing.

15 And if they are reasonable requests and there has
16 been pushback on them, that will not be the good look for
17 the Plaintiffs because they want their money back.
18 Hopefully that will not be a big issue.

19 On the attorneys' fees, I do think you have to give
20 enough information to permit them to make their argument.
21 You know there are some privilege issues that arise where
22 maybe some redaction of specific things in billing records.
23 But I don't believe in the whole idea that, you know, the
24 whole right side of the billing record can be redacted and
25 you have just hours.

-Proceedings-

1 I think there's a way to summarize things without
2 waiving privilege. Really, if necessary, then I can look at
3 the unredacted ones and see what they are. But you have to
4 give the other side enough to know what is going on, what is
5 the nature of the activities going on. You don't have to
6 say researched this particular statute that we think they
7 may raise, something that gives away work-product; but I
8 think we can get through that. So...

9 MS. POLER: Sorry. I'm even happy if you want to
10 do some kind of agreement where we would not assert waiver
11 of attorney-client privilege.

12 THE COURT: We'll see. I'm going to let you --
13 after we are done here, the next phase should be a schedule
14 and maybe we could just cut through the Preliminary
15 Conference Order and just have you propose a discovery
16 schedule for the damages trial, we'll call it, whether we
17 call it an inquest or -- so a discovery phase for the
18 damages trial.

19 How long -- you need depositions. Are
20 interrogatories the way to do it? I'm not a big fan for
21 interrogatory information for something like this, because
22 it usually doesn't get you much. But, you know, you're all
23 in a better position to know what you need. I would get on
24 it quickly. I would like to set this preliminary meeting
25 with us for like a couple of weeks out.

-Proceedings-

1 I do think, as the clock ticks, it doesn't favor
2 defense. I don't know what the current default interest
3 rate is, it is probably not low; is it ten percent?

4 HARRY TIWARI: I think there's a per diem \$220 a
5 day.

6 THE COURT: Because you're basing it on what you
7 count as the amount due?

8 HARRY TIWARI: Yes.

9 THE COURT: All right. I've had worse. But still,
10 we will try to set a date in the next two to three weeks to
11 meet with you. We could do it virtually through a Teams
12 call or a phone call and then hammer out a schedule.

13 MS. POLER: Thank you, Your Honor.

14 THE COURT: Okay. So, again, I'll have a short
15 order. Again, I mean, to be clear, just so that we are not
16 overly informal here:

17 I have applied the summary judgment standard. It
18 is properly granted where there are no genuine disputes of
19 material fact. That is the standard set forth in many
20 cases, including the Alvarez case, Court of Appeals 68
21 N.Y.2d 320. Parties entitled to summary judgment, if upon
22 all the papers and proof submitted, the cause of action or
23 defense shall be established sufficiently to warrant the
24 Court, as a matter of law, in directing judgment in favor of
25 any party. That is straight out of CPLR 3212.

-Proceedings-

1 The burden to establish a right to summary judgment
2 is a heavy one. The facts must be viewed in the light most
3 favorable to the nonmoving party. Every available inference
4 must be drawn in the nonmoving party's favor. But before
5 the parties seeking summary judgment does make a prima facie
6 showing of its claim, it then becomes the burden of the
7 summary judgment opponent to present admissible evidence
8 showing the existence of a triable issue of fact or a
9 defense warranting denial of summary judgment. Mere
10 conclusions, allegations, or assertions are insufficient to
11 raise a triable issue of fact.

12 As I have said earlier, Plaintiffs have met their
13 burden, in my view, with respect to liability.

14 And Defendants have failed to raise a triable issue
15 of material fact on that question.

16 The parties entered into a loan agreement.

17 Plaintiffs performed their obligations by funding
18 the initial \$2 million Term A Loan.

19 The undisputed evidence indicates that Defendants
20 breached the Loan Agreement by not making timely monthly
21 interest payments, late payments under the contract
22 constitute an Event of Default. And at that point, upon a
23 default, the outstanding principal of all loans accrued and
24 unpaid interest, fees, charges, et cetera, are due and
25 owing.

-Proceedings-

1 And so I think that the evidence is clear that
2 there is some shortfall regardless of how you do the
3 calculations, in terms of what the Plaintiff has recovered
4 and what they are owed. And I think that most of what --
5 almost entirely what I have read from the defense side is
6 disputing things like the reasonableness of attorneys' fees
7 and other kinds of line-items that the Plaintiff either was,
8 or still is seeking. But I don't see anything in their
9 papers which suggests that they have already fully repaid
10 the loan, plus interest, plus expenses, even reasonable
11 ones.

12 Plaintiffs submitted their payment and transaction
13 activity history loan gear, et cetera. I think they have
14 done enough to establish a prima facie case and it has not
15 been rebutted.

16 I do not think, though, that the record is
17 indisputable as to the amount owed. There seems to be, at
18 the moment, disputes about the reasonableness of attorneys'
19 fees and expenses.

20 I'm also a little uncertain about the calculation
21 and allocation of interest, and how much has been allocated
22 to principal. And the record is just not as crisp as I
23 would like as to what the actual number in a judgment would
24 look like.

25 I think summary judgment can't be granted on

-Proceedings-

1 damages; therefore, we are at a partial summary judgment;
2 meaning, that we have a second phase focused on discovery
3 and any fact finding that is necessary on the quantum of
4 damages and expenses that are due as a result of the default
5 under the loan.

6 Part of the summary judgment is to dismiss the
7 counterclaim for breach of the implied covenant of good
8 faith and fair dealing. My view is that implied covenant
9 claim does not have merit, although I don't think it
10 matters, because the same arguments can be made in
11 contesting the reasonableness of the fees.

12 The main focus of it is the fact that Plaintiffs
13 have sued both here and in Massachusetts. But as the
14 Plaintiffs point out, the conduct that they are focused on
15 was expressly authorized by the loan documents, including
16 reference to commencing an action in Massachusetts Superior
17 Court. So, I don't see how I can imply a covenant that is
18 explicitly permitted under the loan documents. So, I don't
19 think in the end it really matters; so that counterclaim, I
20 think, summary judgment is appropriate for the Plaintiffs.
21 But it doesn't get them anywhere. Because the same
22 arguments can be made that under the actual documents, the
23 contract, the Defendants are free to argue that some of
24 these costs, even if it was permissible under the loan
25 documents, may be unreasonable. And I do have discretion

-Proceedings-

1 with respect to what reasonable expenses are. We will see
2 what the records show. I don't think the dismissal of this
3 counterclaim is terribly material. I think as a legal
4 matter, it is subject to dismissal as a standalone claim.

5 I think the affirmative defenses are essentially
6 pretty similar. I don't see any basis in the record for
7 defenses such as laches, release, waiver, estoppel, unclean
8 hands, and the like. Those all seem just like, you know,
9 sort of buzzwords without any facts attached to them. This
10 was a loan, it wasn't repaid. The question is whether some
11 of the expenses in getting the money back have been
12 unreasonable. I can deal with that without having to reach
13 for defenses like waiver and unclean hands.

14 So I think some of those are unnecessarily
15 complicating the record. I think it is a pretty
16 straightforward case, frankly.

17 So, as I said, we'll start a process for phase two
18 which is focused on damages.

19 We will, in my order, set a date for a conference,
20 hopefully, it will work out for everybody; if not, we will
21 try to reschedule for your convenience for a virtual
22 conference.

23 In advance of that, I would ask the parties to
24 meet-and-confer. Is a week or ten days enough time for you
25 to propose a schedule, at least, and a process?

-Proceedings-

1 If you can't agree on one, which, frankly, you
2 should, you can put two proposals together. But it would be
3 a great sign to me if you can at least agree on the shape of
4 the table and how quickly we could do this and any process
5 points you would like to get guidance on. And send an
6 letter to chambers by the end of next week, jointly.
7 Hopefully it is one proposal. If my luck holds the way it
8 has been lately, there will be two proposals in that one
9 proposal; but do your best to keep your clients' costs down
10 by not having more disputes than necessary, okay?

11 Any questions?

12 HARRY TIWARI: No, Your Honor.

13 MS. POLER: No, Your Honor.

14 THE COURT: Thanks, everyone. I would ask the
15 movant to order the transcript. Those will be recoverable
16 costs at the end of the day. I mean, you can split them if
17 you want and then -- but if movant gets it, because I'm
18 ordering you to get it, which I have to do, I've been told,
19 otherwise you don't get them as recoverable costs, then you
20 can just put that into the judgment at the end.

21 Thank you.

22 HARRY TIWARI: Thank you.

23 MS. POLER: Thank you.

24 (Continued next page.)

25 * * *

-Proceedings-

(Whereupon, the proceedings concluded.)

* * * *

It is hereby certified that the foregoing is a true
and accurate transcript of the proceedings.

A handwritten signature in blue ink, appearing to read 'Deborah Rothrock', with a horizontal line drawn through the middle of the signature.

DEBORAH ANN ROTHROCK, RPR
Official Court Reporter

#	6			
#10 [1] - 1:12	60 [1] - 1:15 627,000 [1] - 8:6 659237/2025 [1] - 1:15 68 [1] - 23:20	allegations [1] - 24:10 allocate [1] - 11:6 allocated [6] - 5:23, 6:20, 11:15, 11:19, 16:10, 25:21 allocating [1] - 6:14 allocation [1] - 25:21 allocations [1] - 10:8 allowed [1] - 14:21 allows [1] - 12:14 almost [1] - 25:5 Alvarez [1] - 23:20 amended [1] - 13:6 America [1] - 6:18 amount [19] - 4:9, 4:13, 6:8, 7:2, 8:5, 9:6, 9:24, 14:16, 19:15, 19:18, 19:23, 20:1, 20:8, 20:13, 20:23, 21:2, 21:3, 23:7, 25:17 amounts [4] - 4:22, 5:6, 8:15, 9:11 ANN [1] - 29:7 answer [1] - 15:2 Appeals [1] - 23:20 appearances [1] - 3:2 applied [1] - 23:17 appropriate [2] - 20:9, 26:20 areas [1] - 4:3 argue [1] - 26:23 argument [9] - 3:22, 5:21, 11:12, 18:23, 19:1, 19:3, 21:4, 21:5, 21:20 arguments [2] - 26:10, 26:22 arise [1] - 21:21 Arizona [1] - 1:9 assert [1] - 22:10 asserted [1] - 15:12 assertions [1] - 24:10 assume [3] - 5:19, 14:15, 21:14 attached [1] - 27:9 attorney [5] - 12:6, 12:8, 14:3, 14:24, 22:11 Attorney [2] - 1:24, 2:5 attorney-client [1] - 22:11 attorneys' [15] - 4:2, 5:14, 8:1, 8:14, 9:9, 9:13, 12:15, 13:17, 13:22, 14:3, 17:13, 21:19, 25:6, 25:18 August [2] - 5:11, 13:2 authorized [1] - 26:15	available [1] - 24:3 Avenue [1] - 1:23 AZ [1] - 1:9	21:11, 23:20, 25:14, 27:16 cases [1] - 23:20 categorically [1] - 14:23 categories [3] - 5:17, 5:25, 12:24 Centre [1] - 1:15 certain [3] - 1:4, 7:19, 9:6 certainly [1] - 16:20 certified [1] - 29:3 cetera [2] - 24:24, 25:13 chambers [1] - 28:6 change [2] - 6:19, 18:23 charges [1] - 24:24 chase [1] - 13:12 cheaply [1] - 14:13 CIVIL [1] - 1:1 claim [4] - 21:8, 24:6, 26:9, 27:4 claiming [5] - 12:2, 12:11, 12:13, 13:4, 13:22 clause [1] - 14:17 clawed [1] - 3:17 clear [6] - 3:14, 6:17, 14:17, 18:13, 23:15, 25:1 clearly [1] - 20:23 client [4] - 5:23, 9:18, 10:14, 22:11 clients [2] - 8:20, 18:14 clients' [1] - 28:9 clock [1] - 23:1 close [1] - 18:10 closed [2] - 12:4, 12:8 COHEN [1] - 1:19 collapse [1] - 21:4 Collateral [1] - 1:3 collateral [1] - 16:2 comfortable [1] - 16:9 commencing [1] - 26:16 company [3] - 1:9, 1:10, 1:11 compensated [1] - 14:16 complaint [1] - 6:7 Complaint [2] - 13:6 complicated [2] - 4:15, 4:16 complicating [1] - 27:15 concedes [1] - 19:20 conclude [1] - 16:24
\$	8		B	
\$12,000 [1] - 7:24 \$220 [1] - 23:4 \$35,000 [1] - 7:25 \$391,715.10 [1] - 6:12 \$500,000 [1] - 6:18	810 [1] - 2:4 875 [1] - 1:23		balance [3] - 6:10, 6:22, 7:13 Bank [1] - 6:18 basing [1] - 23:6 basis [1] - 27:6 becomes [1] - 24:6 beginning [1] - 3:2 behalf [2] - 3:5, 3:8 best [1] - 28:9 better [1] - 22:23 between [1] - 12:4 beyond [1] - 7:21 big [2] - 21:18, 22:20 bill [1] - 14:4 billing [5] - 13:25, 17:17, 17:20, 21:22, 21:24 bit [1] - 17:12 block [1] - 17:17 blocks [1] - 17:14 book [1] - 18:10 books [2] - 7:9, 8:17 borrower [1] - 16:19 breach [2] - 15:13, 26:7 breached [1] - 24:20 break [1] - 19:8 brief [2] - 9:14, 18:22 briefing [1] - 5:7 broad [1] - 16:7 Brooklyn [1] - 2:4 building [1] - 17:14 burden [5] - 15:25, 19:7, 24:1, 24:6, 24:13 business [2] - 8:10, 9:10 buzzwords [1] - 27:9 BY [2] - 1:24, 2:5 bypassing [1] - 11:25	
1	9		C	
1 [1] - 1:12 1.5 [1] - 6:19 1.6 [4] - 7:14, 7:16, 10:8, 16:10 10 [1] - 1:12 10007 [1] - 1:16 10022 [1] - 1:23 10th [1] - 16:21 11201 [1] - 2:4 180,000 [1] - 12:3 180K [1] - 12:7 188,000 [3] - 8:2, 12:2, 12:3	9 [1] - 17:1		CA [1] - 1:10 calculates [1] - 10:14 calculating [1] - 8:23 calculation [1] - 25:20 calculations [1] - 25:3 California [1] - 1:10 capacity [1] - 1:3 careful [1] - 16:5 carefully [1] - 18:22 case [9] - 4:5, 4:12, 19:18, 19:22, 20:1,	
2	A			
2 [7] - 3:15, 3:16, 3:18, 5:21, 6:13, 20:21, 24:18 2.1 [3] - 20:16, 20:20, 21:4 2.10 [1] - 20:16 2024 [2] - 1:4, 12:4 2025 [2] - 5:11, 12:5 2026 [1] - 1:17 22 [1] - 1:17	A.R.I [3] - 1:3, 1:5, 3:5 absence [1] - 14:20 accelerate [1] - 15:1 account [1] - 6:18 accounts [1] - 3:17 accruable [1] - 9:16 accrued [1] - 24:23 accurate [1] - 29:4 action [3] - 12:5, 23:22, 26:16 activities [1] - 22:5 activity [1] - 25:13 actual [2] - 25:23, 26:22 add [1] - 18:12 addressed [2] - 12:12, 15:21 Administrative [1] - 1:3 admissible [1] - 24:7 advance [2] - 17:5, 27:23 affidavit [2] - 14:3, 14:8 afternoon [5] - 3:1, 3:6, 4:25, 10:21, 10:22 afterwards [1] - 5:11 AGENT [1] - 1:3 Agent [2] - 1:3 aggressive [2] - 11:21, 21:9 ago [1] - 5:7 agree [4] - 9:6, 13:14, 28:1, 28:3 agreeing [1] - 18:18 Agreement [2] - 1:4, 24:20 agreement [6] - 5:10, 6:21, 10:7, 11:5, 22:10, 24:16 ahead [2] - 4:24, 11:23			
3				
3 [1] - 1:1 300,000 [2] - 6:6, 13:5 31 [1] - 1:4 320 [1] - 23:21 3212 [1] - 23:25 391,000 [1] - 7:13				
4				
400,000 [2] - 7:22, 8:3 45 [1] - 2:4				
5				
5 [1] - 17:1				

concluded [1] - 29:1 conclusions [1] - 24:10 conduct [1] - 26:14 confer [1] - 27:24 Conference [3] - 15:3, 16:14, 22:15 conference [5] - 17:3, 17:5, 18:7, 27:19, 27:22 conferred [1] - 13:20 constitute [1] - 24:22 contesting [1] - 26:11 context [1] - 18:15 Continued [3] - 1:25, 2:2, 28:24 continuing [2] - 10:10, 10:11 contract [6] - 12:14, 14:14, 14:17, 16:2, 24:21, 26:23 contractually [1] - 19:14 convenience [1] - 27:21 corporation [3] - 1:8, 1:11, 1:12 correct [2] - 7:8, 12:17 cost [3] - 6:21, 14:11, 17:1 cost-effective [1] - 14:11 costs [11] - 4:9, 6:24, 7:4, 7:22, 8:11, 14:16, 15:15, 26:24, 28:9, 28:16, 28:19 counsel [5] - 5:15, 8:20, 11:4, 13:14, 19:19 count [2] - 3:21, 23:7 counterclaim [5] - 15:12, 21:1, 26:7, 26:19, 27:3 COUNTY [1] - 1:1 couple [3] - 6:1, 12:1, 22:25 course [1] - 9:12 Court [6] - 1:20, 2:25, 23:20, 23:24, 26:17, 29:8 court [2] - 10:1, 14:7 COURT [55] - 1:1, 3:1, 3:6, 3:9, 4:24, 5:17, 6:11, 6:13, 6:23, 7:1, 7:4, 7:6, 7:9, 7:14, 7:16, 7:21, 8:3, 8:5, 8:7, 8:16, 9:12, 9:25, 10:4, 10:7, 10:16, 10:18, 10:22, 10:25, 11:13, 11:18, 11:23,	12:9, 12:16, 12:18, 12:20, 13:7, 13:13, 13:24, 14:6, 14:20, 15:8, 15:14, 15:18, 15:24, 16:7, 16:13, 17:24, 18:21, 19:8, 20:20, 22:12, 23:6, 23:9, 23:14, 28:14 covenant [5] - 16:4, 21:2, 26:7, 26:8, 26:17 CPLR [1] - 23:25 CREDIT [1] - 1:5 crisp [1] - 25:22 crunching [1] - 17:2 cupboard [1] - 21:10 curious [1] - 17:22 current [2] - 3:16, 23:2 cut [3] - 11:1, 13:11, 22:14	Delaware [1] - 1:8 demonstrating [1] - 11:9 denial [1] - 24:9 depositions [1] - 22:19 determine [1] - 20:13 determined [1] - 19:16 determining [1] - 21:8 diem [1] - 23:4 difficult [1] - 11:8 directing [1] - 23:24 direction [1] - 3:18 disagree [4] - 4:7, 8:24, 9:19, 10:12 disagreement [2] - 16:7, 18:25 discovery [13] - 5:5, 5:8, 9:5, 9:17, 13:1, 13:23, 14:8, 15:6, 18:5, 22:15, 22:17, 26:2 discretion [1] - 26:25 dismiss [1] - 26:6 dismissal [2] - 27:2, 27:4 dispute [4] - 4:22, 5:10, 5:11, 5:13 disputes [5] - 9:2, 17:9, 23:18, 25:18, 28:10 disputing [1] - 25:6 document [3] - 9:24, 13:2, 21:12 documents [12] - 5:15, 8:15, 9:5, 11:9, 13:3, 13:17, 14:9, 15:22, 26:15, 26:18, 26:22, 26:25 DOE [1] - 1:12 done [4] - 9:18, 10:9, 22:13, 25:14 down [5] - 3:15, 15:9, 16:20, 19:8, 28:9 drawing [1] - 18:9 drawn [2] - 3:15, 24:4 due [7] - 4:6, 4:13, 20:1, 23:7, 24:24, 26:4 duplicative [1] - 12:22 duty [1] - 15:13	16:15, 21:11, 25:7 elements [1] - 4:21 EMILY [1] - 2:5 Emily [1] - 3:7 end [11] - 3:15, 3:23, 3:25, 6:4, 9:4, 16:24, 19:2, 26:19, 28:6, 28:16, 28:20 ended [1] - 3:15 enforcing [1] - 4:2 engaged [1] - 5:5 enter [1] - 20:11 entered [1] - 24:16 entirely [2] - 4:11, 25:5 entitled [3] - 18:19, 19:14, 23:21 entitlement [1] - 19:7 ESQ [2] - 1:24, 2:5 essentially [2] - 20:5, 27:5 establish [2] - 24:1, 25:14 established [3] - 18:19, 19:17, 23:23 establishing [2] - 19:7, 19:9 estoppel [1] - 27:7 et [2] - 24:24, 25:13 Event [1] - 24:22 evidence [3] - 24:7, 24:19, 25:1 evidentiary [1] - 16:25 exact [1] - 20:16 exactly [2] - 4:15, 16:11 exchanged [1] - 9:5 existence [1] - 24:8 exists [1] - 16:3 expect [1] - 18:8 expenses [16] - 6:2, 8:1, 12:9, 12:10, 12:12, 12:13, 12:25, 13:5, 16:1, 16:20, 19:11, 25:10, 25:19, 26:4, 27:1, 27:11 experience [1] - 14:2 explain [1] - 8:22 explicit [4] - 12:18, 12:19, 13:9, 14:20 explicitly [1] - 26:18 explore [1] - 12:13 expressly [1] - 26:15 extend [1] - 11:10 extremely [1] - 11:8	19:13, 19:17, 19:22, 20:1, 24:5, 25:14 fact [11] - 6:13, 7:17, 8:12, 10:11, 12:14, 23:19, 24:8, 24:11, 24:15, 26:3, 26:12 factors [1] - 8:11 facts [2] - 24:2, 27:9 factual [1] - 9:2 failed [2] - 5:10, 24:14 fair [3] - 9:14, 15:13, 26:8 fairly [2] - 3:21, 21:9 faith [2] - 15:13, 26:8 fan [1] - 22:20 far [3] - 12:11, 13:13, 13:21 favor [3] - 23:1, 23:24, 24:4 favorable [1] - 24:3 fee [1] - 6:7 fees [27] - 4:2, 5:14, 7:1, 8:1, 8:9, 8:14, 9:9, 9:13, 10:14, 11:10, 12:3, 12:15, 13:17, 13:22, 14:3, 14:17, 14:21, 15:19, 17:13, 21:19, 24:24, 25:6, 25:19, 26:11 fees' [1] - 21:5 fictitious [1] - 1:12 fight [2] - 8:9, 8:25 figure [2] - 4:13, 18:7 figuring [2] - 8:7, 20:24 filing [1] - 12:4 fine [2] - 15:20, 16:6 firm [2] - 14:4, 16:20 first [4] - 6:21, 6:23, 7:2 five [1] - 9:23 Florida [1] - 1:11 flow [1] - 4:15 focus [1] - 26:12 focused [3] - 26:2, 26:14, 27:18 focusing [1] - 14:11 follow [1] - 16:3 foregoing [1] - 29:3 forgot [1] - 20:16 forth [1] - 23:19 frankly [5] - 8:19, 16:15, 16:23, 27:16, 28:1 free [1] - 26:23 full [2] - 4:17, 15:10 fully [4] - 9:20, 10:11, 20:5, 25:9 FUND [1] - 1:5 funding [1] - 24:17
	D damage [2] - 20:13, 21:8 damages [10] - 4:20, 5:4, 5:18, 9:5, 19:18, 22:16, 22:18, 26:1, 26:4, 27:18 date [2] - 23:10, 27:19 dated [1] - 1:4 days [1] - 27:24 deal [2] - 12:8, 27:12 dealing [2] - 15:13, 26:8 debate [1] - 9:16 DEBORAH [2] - 2:24, 29:7 decrease [1] - 21:3 deep [1] - 21:13 default [10] - 5:12, 6:17, 7:24, 7:25, 8:24, 9:20, 19:10, 23:2, 24:23, 26:4 Default [1] - 24:22 Defendant [2] - 17:7, 18:6 Defendant's [1] - 18:1 Defendants [8] - 1:14, 2:5, 3:8, 5:9, 6:19, 24:14, 24:19, 26:23 defendants [1] - 20:3 Defense [1] - 9:13 defense [11] - 3:6, 4:5, 4:10, 5:15, 10:18, 19:4, 19:19, 23:2, 23:23, 24:9, 25:5 defense's [1] - 3:22 defenses [3] - 27:5, 27:7, 27:13	E early [1] - 15:6 earn [1] - 10:10 easy [1] - 13:15 education [1] - 17:10 effective [1] - 14:11 either [4] - 3:17,	F facially [1] - 19:13 facie [7] - 19:11,	

G game [1] - 9:14 gear [1] - 25:13 generally [2] - 13:23, 17:16 genuine [1] - 23:18 glad [2] - 11:18, 13:4 governed [1] - 14:18 granted [3] - 20:7, 23:18, 25:25 great [2] - 11:2, 28:3 grounds [1] - 21:7 GROWTH [1] - 1:5 guess [2] - 11:22, 17:24 guidance [1] - 28:5 guys [1] - 7:10	hopefully [3] - 21:18, 27:20, 28:7 hour [1] - 16:21 hourly [2] - 17:15 hours [1] - 21:25 hundred [1] - 6:1	22:20 interrogatory [2] - 14:9, 22:21 involved [1] - 4:9 issue [9] - 8:5, 8:14, 9:8, 9:11, 17:20, 21:18, 24:8, 24:11, 24:14 issues [2] - 9:14, 21:21 items [1] - 25:7	LEE [6] - 1:8, 1:8, 1:9, 1:10, 1:11, 1:11 left [3] - 3:19, 7:13, 7:21 legal [5] - 7:1, 10:14, 11:10, 12:3, 27:3 legitimately [1] - 21:11 lender [3] - 6:2, 13:5, 18:8 lender's [1] - 8:1 lenders [2] - 11:20, 16:18 Lenders [1] - 1:4 less [4] - 9:16, 11:15, 20:19, 20:20 letter [3] - 17:7, 17:25, 28:6 level [1] - 3:12 level-set [1] - 3:12 liability [16] - 1:9, 1:10, 1:10, 4:5, 4:8, 4:19, 5:3, 5:8, 19:8, 19:15, 19:23, 20:4, 20:7, 20:24, 21:7, 24:13 light [1] - 24:2 limited [3] - 1:9, 1:10, 1:10 line [1] - 25:7 line-items [1] - 25:7 litigate [1] - 14:16 litigation [8] - 12:9, 12:10, 12:12, 12:13, 12:20, 12:22, 12:25, 17:20 LLC [4] - 1:3, 1:8, 1:9, 1:10 LLP [1] - 1:22 loan [15] - 4:2, 12:4, 14:22, 19:9, 20:6, 20:21, 24:16, 25:10, 25:13, 26:5, 26:15, 26:18, 26:24, 27:10 Loan [3] - 1:4, 24:18, 24:20 loans [2] - 3:21, 24:23 LOCKE [1] - 1:22 Locke [1] - 3:5 look [5] - 4:8, 14:10, 21:16, 22:2, 25:24 looking [2] - 6:3, 20:15 looks [2] - 5:20, 13:24 low [1] - 23:3 lower [1] - 15:25 LP [1] - 1:5 luck [1] - 28:7	M MA [1] - 1:8 main [1] - 26:12 Main [1] - 2:4 Massachusetts [5] - 1:9, 12:22, 15:16, 26:13, 26:16 material [3] - 23:19, 24:15, 27:3 math [3] - 3:24, 9:17, 20:15 matter [2] - 23:24, 27:4 matters [2] - 26:10, 26:19 mean [9] - 4:4, 5:19, 10:25, 11:11, 12:7, 16:3, 16:8, 23:15, 28:16 meaning [1] - 26:2 means [4] - 6:2, 14:11, 17:13, 19:13 meet [3] - 21:13, 23:11, 27:24 meet-and-confer [1] - 27:24 meeting [1] - 22:24 mention [1] - 11:3 mentioned [1] - 9:8 mere [1] - 24:9 merit [1] - 26:9 merits [4] - 11:1, 15:7, 15:8, 21:8 met [2] - 13:20, 24:12 mic [1] - 3:3 midst [1] - 13:1 might [2] - 4:22, 11:20 million [16] - 3:15, 3:16, 3:18, 5:22, 6:13, 7:14, 7:16, 10:8, 16:10, 18:23, 19:24, 20:17, 20:20, 20:21, 21:4, 24:18 mind [1] - 3:11 minimum [1] - 14:1 mirrors [1] - 5:2 mode [1] - 16:22 moment [1] - 25:18 MONA [6] - 1:8, 1:8, 1:9, 1:10, 1:11, 1:11 money [8] - 4:15, 9:6, 10:1, 11:18, 12:7, 16:25, 21:17, 27:11 monies [1] - 6:20 month [1] - 5:6 monthly [1] - 24:20 morning [1] - 3:4 most [4] - 11:18, 14:11, 24:2, 25:4
H hammer [1] - 23:12 handle [1] - 8:10 hands [2] - 27:8, 27:13 happy [1] - 22:9 hard [2] - 16:18, 16:19 HARRY [30] - 1:24, 3:4, 4:23, 4:25, 6:5, 6:12, 6:16, 6:25, 7:3, 7:5, 7:8, 7:12, 7:15, 7:20, 7:23, 8:4, 8:6, 8:13, 9:3, 9:23, 10:3, 10:6, 10:15, 10:17, 10:20, 20:19, 23:4, 23:8, 28:12, 28:22 Harry [1] - 3:4 hear [4] - 4:4, 10:18, 13:4, 18:8 heard [2] - 4:10, 13:7 hearing [2] - 5:4, 16:25 heavy [1] - 24:2 heck [1] - 17:1 help [1] - 4:17 hereby [1] - 29:3 high [1] - 16:3 history [1] - 25:13 holds [1] - 28:7 Honor [20] - 4:23, 5:1, 5:2, 5:13, 6:5, 6:16, 7:20, 7:23, 8:13, 9:3, 10:3, 10:6, 10:15, 10:17, 10:21, 15:6, 18:12, 23:13, 28:12, 28:13 Honor's [1] - 5:6 HONORABLE [1] - 1:19 hope [1] - 8:19	I idea [1] - 21:23 imagine [2] - 9:25, 18:9 implicit [1] - 16:1 implied [5] - 13:8, 16:4, 21:1, 26:7, 26:8 imply [1] - 26:17 important [1] - 3:21 impression [1] - 13:11 improperly [1] - 15:15 INC [3] - 1:8, 1:11, 1:11 includes [1] - 7:1 including [2] - 23:20, 26:15 increased [1] - 15:15 incurred [2] - 12:3, 12:5 Index [1] - 1:15 indicates [1] - 24:19 indicating [1] - 14:23 indisputable [1] - 25:17 inference [1] - 24:3 informal [2] - 5:7, 23:16 information [9] - 14:12, 15:2, 16:9, 16:17, 16:18, 18:2, 21:10, 21:20, 22:21 initial [2] - 19:6, 24:18 inquest [7] - 5:4, 8:8, 8:17, 9:7, 9:8, 14:12, 22:17 instead [1] - 17:17 insufficient [1] - 24:10 interest [29] - 3:20, 4:11, 5:11, 5:20, 6:21, 6:24, 7:18, 7:24, 7:25, 8:11, 8:23, 8:24, 9:17, 9:20, 9:24, 10:10, 10:11, 10:13, 11:10, 18:9, 19:4, 19:10, 20:21, 23:2, 24:21, 24:24, 25:10, 25:21 interested [1] - 18:15 interests [2] - 7:4, 7:22 interrogatories [1] -	J JOEL [1] - 1:19 JOHN [1] - 1:12 joint [1] - 17:7 jointly [1] - 28:6 judgment [28] - 3:10, 4:18, 4:20, 5:3, 13:9, 17:12, 18:17, 18:20, 19:7, 19:15, 19:20, 20:7, 20:9, 20:11, 21:7, 23:17, 23:21, 23:24, 24:1, 24:5, 24:7, 24:9, 25:23, 25:25, 26:1, 26:6, 26:20, 28:20 July [4] - 1:4, 12:4, 15:5, 15:6 jump [1] - 10:25 June [2] - 15:5 jurisdiction [1] - 17:16 Justice [1] - 1:20	K Kansas [1] - 1:11 keep [1] - 28:9 kicks [1] - 8:24 kind [6] - 3:13, 8:12, 9:14, 12:25, 17:16, 22:10 kinds [1] - 25:7	L laches [1] - 27:7 larger [1] - 20:14 last [1] - 1:12 late [2] - 15:5, 24:21 lately [1] - 28:8 law [4] - 14:18, 16:4, 16:20, 23:24 lawyer [1] - 8:10 lead [1] - 21:2 least [9] - 4:3, 7:18, 12:24, 14:2, 14:3, 15:14, 20:15, 27:25, 28:3

mostly [1] - 8:1 motion [2] - 3:10, 18:16 movant [2] - 28:15, 28:17 move [3] - 3:23, 16:21, 18:10 MS [29] - 3:7, 10:21, 10:23, 11:2, 11:17, 11:22, 11:24, 12:10, 12:17, 12:19, 13:2, 13:8, 13:14, 14:1, 14:19, 15:4, 15:11, 15:17, 15:20, 16:6, 16:11, 17:23, 18:12, 19:5, 20:18, 22:9, 23:13, 28:13, 28:23 must [2] - 24:2, 24:4	OF [3] - 1:1, 1:1 Official [2] - 2:25, 29:8 one [14] - 5:3, 5:19, 5:20, 11:3, 12:2, 15:4, 15:11, 18:5, 18:12, 19:3, 24:2, 28:1, 28:7, 28:8 ones [2] - 22:3, 25:11 ongoing [1] - 15:22 open [3] - 17:1, 20:8, 21:10 opinion [1] - 20:24 opponent [1] - 24:7 opposed [2] - 14:7, 15:9 Order [1] - 22:15 order [5] - 5:6, 11:6, 23:15, 27:19, 28:15 ordering [1] - 28:18 original [2] - 6:7, 19:12 otherwise [1] - 28:19 ourselves [2] - 3:13, 20:12 outside [1] - 13:23 outstanding [2] - 20:22, 24:23 overall [1] - 13:10 overly [1] - 23:16 overread [1] - 16:5 owed [7] - 5:6, 9:2, 20:8, 21:2, 21:3, 25:4, 25:17 owing [1] - 24:25 own [1] - 17:2	payment [2] - 15:10, 25:12 payments [3] - 11:6, 24:21 PEPPER [1] - 1:22 Pepper [1] - 3:5 per [1] - 23:4 percent [2] - 9:23, 23:3 performed [1] - 24:17 period [2] - 11:10, 20:22 permissible [1] - 26:24 permit [1] - 21:20 permitted [1] - 26:18 perspective [2] - 10:4, 12:21 phase [5] - 20:12, 22:13, 22:17, 26:2, 27:17 phone [1] - 23:12 piecing [1] - 3:19 Plaintiff [15] - 1:13, 3:3, 9:9, 13:17, 14:15, 17:8, 18:5, 18:18, 19:6, 19:24, 19:25, 21:10, 25:3, 25:7 Plaintiffs [5] - 3:9, 4:12, 10:19, 11:4, 18:1 Plaintiffs [9] - 1:6, 1:24, 3:5, 6:17, 21:17, 24:12, 26:12, 26:14, 26:20 plaintiffs [3] - 6:8, 24:17, 25:12 Plaintiffs' [2] - 5:1, 9:4 plus [3] - 8:3, 25:10 podium [1] - 3:11 point [8] - 5:9, 6:6, 6:9, 7:19, 17:11, 19:23, 24:22, 26:14 pointed [1] - 12:21 points [1] - 28:5 POLER [3] - 2:3, 2:5, 3:7, 10:21, 10:23, 11:2, 11:17, 11:22, 11:24, 12:10, 12:17, 12:19, 13:2, 13:8, 13:14, 14:1, 14:19, 15:4, 15:11, 15:17, 15:20, 16:6, 16:11, 17:23, 18:12, 19:5, 20:18, 22:9, 23:13, 28:13, 28:23 Poler [3] - 3:7, 4:7 position [6] - 5:1, 9:4, 11:7, 18:1, 22:23	possible [1] - 14:13 potentially [1] - 21:3 powerful [1] - 18:23 practical [2] - 4:14, 16:22 preliminary [1] - 22:24 Preliminary [3] - 15:3, 16:14, 22:14 prepared [1] - 11:11 present [2] - 9:10, 24:7 presented [1] - 8:15 pretty [5] - 10:5, 10:19, 13:15, 27:6, 27:15 prevailing [1] - 17:15 prima [7] - 19:11, 19:13, 19:17, 19:22, 20:1, 24:5, 25:14 principal [20] - 3:23, 5:20, 5:23, 6:9, 6:15, 6:22, 7:7, 7:10, 7:13, 7:16, 7:17, 7:22, 8:3, 11:15, 11:19, 16:10, 19:2, 19:12, 24:23, 25:22 privilege [3] - 21:21, 22:2, 22:11 proceedings [2] - 29:1, 29:4 PROCEEDINGS [1] - 1:15 process [7] - 5:3, 9:5, 14:7, 15:2, 27:17, 27:25, 28:4 produce [1] - 13:18 produced [1] - 18:3 producing [2] - 5:15, 13:21 product [1] - 22:7 prohibiting [1] - 16:2 proof [1] - 23:22 properly [1] - 23:18 proposal [2] - 28:7, 28:9 proposals [2] - 28:2, 28:8 propose [2] - 22:15, 27:25 prove [1] - 21:11 provide [3] - 8:22, 11:9, 15:22 provided [2] - 17:9, 18:2 provision [5] - 6:20, 9:22, 11:8, 14:21, 16:1 pry [1] - 13:16 purposely [1] - 18:8 pursuant [1] - 6:20	pursue [1] - 14:22 pursuing [2] - 14:24, 16:2 push [1] - 18:3 pushback [1] - 21:16 put [6] - 8:17, 8:21, 15:24, 17:4, 28:2, 28:20
Q				
quantum [2] - 5:6, 26:3 questions [2] - 10:23, 28:11 quickly [3] - 18:3, 22:24, 28:4				
R				
raise [4] - 15:11, 22:7, 24:11, 24:14 range [1] - 4:18 rate [5] - 9:20, 9:21, 19:10, 23:3 rates [3] - 14:5, 17:15 rather [1] - 10:1 reach [1] - 27:12 read [5] - 18:17, 18:22, 19:19, 19:21, 25:5 reads [1] - 20:15 ready [1] - 4:20 really [6] - 3:23, 4:4, 4:11, 14:13, 22:2, 26:19 reasonable [8] - 4:1, 11:10, 13:22, 16:17, 17:13, 21:15, 25:10, 27:1 reasonableness [9] - 5:14, 8:9, 8:14, 9:9, 15:19, 21:5, 25:6, 25:18, 26:11 reasonably [1] - 3:14 rebut [1] - 21:12 rebuttal [1] - 19:22 rebutted [2] - 20:3, 25:15 receive [1] - 11:6 received [3] - 5:22, 11:19, 13:3 recognize [1] - 10:10 record [7] - 3:14, 18:13, 21:24, 25:16, 25:22, 27:6, 27:15 records [8] - 7:9, 8:17, 8:22, 9:10, 13:25, 20:15, 21:22, 27:2 recover [2] - 12:14,				

14:21 recoverable [2] - 28:15, 28:19 recovered [4] - 6:14, 19:24, 20:2, 25:3 recovery [1] - 14:24 redacted [1] - 21:24 redaction [1] - 21:22 reference [2] - 6:1, 26:16 referred [1] - 11:4 refusal [1] - 15:22 refused [1] - 11:8 regardless [1] - 25:2 relating [2] - 13:17, 15:23 release [1] - 27:7 relevant [1] - 3:24 relied [1] - 11:7 remainder [1] - 7:6 remaining [2] - 6:22, 8:15 Remick [2] - 16:16, 17:4 repaid [2] - 25:9, 27:10 repaying [1] - 19:2 repayment [1] - 19:11 Reporter [2] - 2:25, 29:8 requests [3] - 13:2, 21:12, 21:15 require [3] - 4:18, 8:12, 20:4 reschedule [1] - 27:21 researched [1] - 22:6 resolution [1] - 18:15 resolve [2] - 9:7, 13:15 respect [2] - 24:13, 27:1 response [2] - 4:10, 13:20 responses [1] - 14:9 rest [1] - 10:13 result [1] - 26:4 rocket [1] - 17:10 ROTHROCK [2] - 2:24, 29:7 roughly [8] - 3:16, 3:18, 6:12, 6:19, 7:11, 7:12, 7:14, 8:6 RPR [2] - 2:24, 29:7 ruling [2] - 19:25, 21:6	27:25 scheduled [1] - 15:5 science [1] - 17:10 scope [1] - 13:23 second [2] - 20:12, 26:2 SECURED [1] - 1:5 Security [1] - 1:4 see [13] - 5:2, 6:1, 9:15, 12:25, 14:25, 18:11, 19:1, 22:3, 22:12, 25:8, 26:17, 27:1, 27:6 seek [1] - 5:18 seeking [6] - 6:8, 14:2, 18:5, 24:5, 25:8 seem [2] - 19:9, 27:8 segregated [1] - 16:19 send [1] - 28:5 SENIOR [1] - 1:5 sense [2] - 9:1, 16:24 separate [2] - 5:4, 5:20 September [1] - 1:17 served [1] - 13:2 set [7] - 3:12, 16:14, 17:24, 22:24, 23:10, 23:19, 27:19 shall [1] - 23:23 shape [1] - 28:3 short [1] - 23:14 shortfall [1] - 25:2 show [1] - 27:2 showing [2] - 24:6, 24:8 side [5] - 10:8, 10:19, 21:24, 22:4, 25:5 sides [2] - 8:20, 14:13 sign [1] - 28:3 similar [1] - 27:6 simple [1] - 10:5 situation [1] - 18:4 small [2] - 19:23, 20:13 so.. [1] - 22:8 SOLAR [3] - 1:8, 1:9, 1:10 solvable [1] - 10:1 sometimes [1] - 17:25 sophisticated [1] - 8:20 sorry [1] - 22:9 sort [8] - 5:1, 5:2, 8:23, 9:19, 11:11, 17:6, 18:8, 27:9 sounds [3] - 16:13, 17:19, 17:21 soup [1] - 4:19 specific [1] - 21:22	specifically [1] - 9:21 spend [1] - 16:24 spending [2] - 10:1, 13:10 split [1] - 28:16 staffing [1] - 17:16 stage [1] - 5:3 standalone [1] - 27:4 standard [2] - 23:17, 23:19 stands [1] - 16:4 start [3] - 3:2, 3:10, 27:17 STATE [1] - 1:1 statute [1] - 22:6 stayed [1] - 15:6 step [1] - 19:3 still [5] - 13:1, 13:18, 20:8, 23:9, 25:8 stop [1] - 11:13 story [1] - 10:5 straight [1] - 23:25 straightforward [2] - 10:19, 27:16 streamline [1] - 15:1 Street [2] - 1:15, 2:4 stuff [3] - 3:19, 13:19, 17:18 subject [1] - 27:4 submit [1] - 14:3 submitted [2] - 23:22, 25:12 sued [1] - 26:13 sufficient [1] - 20:4 sufficiently [1] - 23:23 suggest [1] - 19:3 suggests [2] - 7:18, 25:9 suing [1] - 15:16 Suite [1] - 2:4 summarize [1] - 22:1 summary [22] - 3:10, 4:18, 5:3, 13:8, 18:16, 18:19, 19:7, 19:15, 19:20, 20:7, 20:9, 21:7, 23:17, 23:21, 24:1, 24:5, 24:7, 24:9, 25:25, 26:1, 26:6, 26:20 Superior [1] - 26:16 supposed [1] - 11:9 SUPREME [1] - 1:1 Supreme [1] - 1:20 surprise [1] - 16:23 surprised [1] - 11:15 sweep [1] - 3:17 swept [1] - 6:18 switch [2] - 20:12, 21:8	T table [1] - 28:4 tackle [1] - 6:6 target [1] - 3:13 targeted [1] - 17:17 task [1] - 17:24 Teams [1] - 23:11 ten [3] - 1:12, 23:3, 27:24 Term [1] - 24:18 TERM [1] - 1:1 term [1] - 9:19 terms [6] - 4:3, 8:7, 10:9, 12:24, 16:8, 25:3 terribly [1] - 27:3 test [1] - 8:21 testimony [1] - 9:10 THE [55] - 1:1, 3:1, 3:6, 3:9, 4:24, 5:17, 6:11, 6:13, 6:23, 7:1, 7:4, 7:6, 7:9, 7:14, 7:16, 7:21, 8:3, 8:5, 8:7, 8:16, 9:12, 9:25, 10:4, 10:7, 10:16, 10:18, 10:22, 10:25, 11:13, 11:18, 11:23, 12:9, 12:16, 12:18, 12:20, 13:7, 13:13, 13:24, 14:6, 14:20, 15:8, 15:14, 15:18, 15:24, 16:7, 16:13, 17:24, 18:21, 19:8, 20:20, 22:12, 23:6, 23:9, 23:14, 28:14 therefore [1] - 26:1 thinks [2] - 17:7, 17:8 Third [1] - 1:23 thousand [1] - 6:1 three [1] - 23:10 threshold [1] - 20:3 ticks [1] - 23:1 tied [1] - 17:20 tight [1] - 16:14 timely [1] - 24:20 TIWARI [30] - 1:24, 3:4, 4:23, 4:25, 6:5, 6:12, 6:16, 6:25, 7:3, 7:5, 7:8, 7:12, 7:15, 7:20, 7:23, 8:4, 8:6, 8:13, 9:3, 9:23, 10:3, 10:6, 10:15, 10:17, 10:20, 20:19, 23:4, 23:8, 28:12, 28:22 Tiwari [2] - 3:4, 3:10 today [5] - 4:20, 9:1, 13:7, 18:16, 21:13 together [3] - 3:19, 17:4, 28:2	top [2] - 10:9, 11:3 total [2] - 4:13, 8:5 totaling [1] - 19:12 Trachtman [1] - 3:7 TRACHTMAN [1] - 2:3 transaction [1] - 25:12 transactional [3] - 12:5, 12:8, 14:23 transcript [4] - 18:18, 19:19, 28:15, 29:4 triable [3] - 24:8, 24:11, 24:14 trial [3] - 20:4, 22:16, 22:18 TROUTMAN [1] - 1:22 Troutman [1] - 3:5 true [1] - 29:3 try [3] - 3:12, 23:10, 27:21 trying [1] - 4:13 two [11] - 4:3, 5:3, 5:7, 17:3, 17:25, 18:23, 19:23, 23:10, 27:17, 28:2, 28:8 two-stage [1] - 5:3 typically [1] - 3:21
U				
uncertain [1] - 25:20 unclean [2] - 27:7, 27:13 under [8] - 1:4, 20:6, 21:2, 24:21, 26:5, 26:18, 26:22, 26:24 undisputed [2] - 4:12, 24:19 unknown [1] - 1:13 unless [4] - 8:22, 9:17, 12:18, 14:13 unnecessarily [1] - 27:14 unpaid [4] - 6:9, 7:13, 10:13, 24:24 unreasonable [3] - 15:25, 26:25, 27:12 unredacted [1] - 22:3 unusual [2] - 9:18, 18:4 up [5] - 3:15, 4:7, 7:18, 17:20, 17:25				
V				
view [2] - 24:13, 26:8 viewed [1] - 24:2 virtual [1] - 27:21 virtually [1] - 23:11				

W
waiver ^[3] - 22:10, 27:7, 27:13 waiving ^[1] - 22:2 walk ^[2] - 5:25, 6:3 warrant ^[1] - 23:23 warranting ^[1] - 24:9 waterfall ^[3] - 6:20, 11:5 weeds ^[1] - 21:13 week ^[2] - 27:24, 28:6 weeks ^[2] - 22:25, 23:10 weird ^[1] - 9:22 whole ^[2] - 21:23, 21:24 witness ^[1] - 8:18 witnesses ^[1] - 10:2 work-product ^[1] - 22:7 worse ^[1] - 23:9 write ^[1] - 4:20
Y
year ^[1] - 15:22 York ^[6] - 1:16, 1:23, 2:4, 14:18 YORK ^[2] - 1:1, 1:1

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

A.R.I. AGENT, LLC, in its capacity as
Administrative Agent and Collateral Agent for
the Lenders under that certain Loan and
Security Agreement dated as of July 31, 2024,
and A.R.I. SENIOR SECURED GROWTH
CREDIT FUND, LP

Plaintiffs,

v.

MONA LEE INC., a Delaware corporation;
MONA LEE SOLAR MA LLC, a
Massachusetts limited liability company;
MONA LEE SOLAR AZ LLC, an Arizona
limited liability company; MONA LEE
SOLAR CA LLC, a California limited liability
company; MONA LEE INC., a Kansas
corporation; MONA LEE INC., a Florida
corporation; JOHN DOE #1 through #10, the
last ten (10) names being fictitious and
unknown to the Plaintiff.

Defendants.

Index No.:

VERIFIED COMPLAINT

Plaintiffs A.R.I. Agent, LLC (“Agent”) and A.R.I. Senior Secured Growth Credit Fund, LP (“Lender,” and together with Agent, “Plaintiffs”), for their Complaint against Defendants Mona Lee Inc., a Delaware corporation, Mona Lee Solar MA LLC, a Massachusetts limited liability company, Mona Lee Solar AZ LLC, an Arizona limited liability company, Mona Lee Solar CA LLC, a California limited liability company, Mona Lee Inc., a Kansas corporation, Mona Lee Inc., a Florida corporation (individually and collectively, “Borrower” and/or “Mona Lee” and/or “Loan Party”), and Does 1–10 (together with Borrower, each individually, a “Defendant,” and collectively, “Defendants”), allege as follows:

THE PARTIES

1. Plaintiff A.R.I. Agent, LLC is a limited liability company with its principal business address at [REDACTED]

2. Plaintiff A.R.I. Senior Secured Growth Credit Fund, LP is a lender under that certain Loan and Security Agreement identified below, for which Agent acts as administrative agent and collateral agent.

3. Defendant Mona Lee Inc. is a Delaware corporation, a Borrower and Borrower Representative under that certain Loan and Security Agreement dated as of July 31, 2024. A true and correct copy of the Loan and Security Agreement is attached as **Exhibit A**.

4. Mona Lee Solar MA LLC, a Massachusetts limited liability company, and a Borrower under that certain Loan and Security Agreement dated as of July 31, 2024. *Id.*

5. Mona Lee Solar AZ LLC, an Arizona limited liability company, and a Borrower under that certain Loan and Security Agreement dated as of July 31, 2024. *Id.*

6. Mona Lee Solar CA LLC, a California limited liability company, and a Borrower under that certain Loan and Security Agreement dated as of July 31, 2024. *Id.*

7. Mona Lee Inc., a Kansas corporation, and a Borrower under that certain Loan and Security Agreement dated as of July 31, 2024. *Id.*

8. Mona Lee Inc., a Florida corporation, and a Borrower under that certain Loan and Security Agreement dated as of July 31, 2024. *Id.*

9. The Loan and Security Agreement provides for Agent to act on behalf of Lenders with respect to administration, collateral, and enforcement rights.

JURISDICTION

10. This Court has subject matter jurisdiction over this action pursuant to CPLR § 301 and/or § 302 because this action arises from Defendants' contractual obligations to Plaintiffs

under the Loan and Security Agreement and related loan documents and Plaintiffs seek legal and equitable relief cognizable in the Supreme Court of the State of New York.

VENUE

11. Venue is proper in New York County pursuant to CPLR § 503 because the parties agreed to New York County as a proper forum in the Loan and Security Agreement.

FACTUAL BACKGROUND

12. On July 31, 2024, Mona Lee Inc., as “Borrower Representative,” and its subsidiaries named as co-Defendants herein, entered into a Loan and Security Agreement with the Lenders, with A.R.I. Agent, LLC as administrative agent and collateral agent (as amended, restated, supplemented or otherwise modified, the “Loan and Security Agreement”).¹

13. Under the Loan and Security Agreement, Borrower is obligated, among other things, to make timely interest payments and comply with various affirmative and negative covenants, financial reporting requirements, financial covenants, and investment restrictions, and to maintain specified deposit account controls and board observer rights.

14. Pursuant to the Loan Agreement, the Lenders agreed to provide term loans, including a Term A Loan of \$2,000,000 on the Closing Date, with additional facilities available thereafter, and the Loans mature on July 31, 2027. Interest accrues at the Applicable Rate, with a default rate premium upon Events of Default.

15. To secure the Obligations, Mona Lee and the other Loan Parties granted Agent, for the ratable benefit of Lenders, a first-priority, perfected security interest in the Collateral, including all assets and proceeds as described in the Loan Documents.

Defaults, Acceleration, and Outstanding Obligations

¹ Capitalized terms used herein have the meanings ascribed in the Loan and Security Agreement.

16. Events of Default have occurred and are continuing, including repeated failures to make timely monthly interest payments when due for the months of September 2024 through February 2025, covenant/reporting defaults across multiple sections, existence of conditions reasonably expected to have a Material Adverse Effect, and material misrepresentations in certain Loan Documents, including, without limitation, Mona Lee's maintenance of additional deposit account not subject to control agreements in favor of Agent in violation of the Loan Documents and not disclosed to Agent or Lenders until late September 2025.

17. On September 26, 2025, Agent issued a Notice of Events of Default; Reservation of Rights; Acceleration of Obligations and Demand for Repayment to Mona Lee via email to [REDACTED] (as contemplated under the Loan and Security Agreement), declaring the unpaid balance of the Obligations immediately due and payable and demanding immediate payment, including accrued interest at the applicable default rate. A true and correct copy of the Acceleration/Demand Letter is attached as **Exhibit B**.

18. Agent and the Lenders are entitled to exercise any and all default-related rights and remedies under the Loan Agreement, other Loan Documents, and applicable law, including the right to foreclose or otherwise liquidate or realize on any or all of the Collateral.

19. Despite acceleration and demand, Borrower has failed and refused to pay the accelerated Obligations in full.

20. As of the date hereof, the unpaid balance of the Obligations, together with accrued but unpaid interest thereon at least at the default rate and all fees, expenses, and other amounts due under the Loan Documents, remain immediately due and payable.

21. Plaintiffs have fully performed all conditions and obligations required of them under the Loan and Security Agreement.

22. As a direct and proximate result of Defendants' defaults, Plaintiffs have suffered damages in an amount to be proven at trial, consisting of unpaid principal, accrued and default interest, fees, expenses, and other amounts due under the Loan Documents.

FIRST CAUSE OF ACTION
Breach of Contract

23. Plaintiff repeats and realleges the foregoing paragraphs.

24. The Loan Agreement is a valid and enforceable contract supported by consideration.

25. Defendants breached the Loan Agreement by, among other things, failing to make interest payments when due for September 2024 through February 2025 and by committing multiple covenant and reporting defaults, including, without limitation, maintaining additional deposit account not subject to control agreements in favor of Agent in violation of the Loan Documents.

26. Agent accelerated the Obligations and demanded immediate payment pursuant to the Loan Documents.

27. Plaintiff and the Lenders have suffered damages in an amount to be determined at trial, including principal, accrued interest at least at the default rate, fees, costs, and expenses.

SECOND CAUSE OF ACTION
Money Had and Received

28. Plaintiff repeats and realleges the foregoing paragraphs.

29. Defendants received loan proceeds and related benefits under the Loan Documents that, in equity and good conscience, should be repaid to Lenders through Agent, yet Defendant has failed to pay the accelerated Obligations.

THIRD CAUSE OF ACTION
Unjust Enrichment

30. Plaintiff repeats and realleges the foregoing paragraphs.

31. Defendants were enriched by receipt and use of loan proceeds and continued retention of the benefits thereof without repayment; equity and good conscience require restitution to Plaintiff for the benefit of the Lenders.

FOURTH CAUSE OF ACTION
Foreclosure of Security Interest

32. Plaintiff repeats and realleges the foregoing paragraphs.

33. Defendants granted Agent, for the ratable benefit of Lenders, a first-priority security interest in all Collateral described in the Loan Documents, including all assets and proceeds.

34. Events of Default have occurred, Obligations have been accelerated, and Agent and Lenders are entitled to exercise all rights and remedies, including foreclosure, liquidation, and realization on the Collateral.

35. Plaintiff seeks a judgment authorizing foreclosure and sale or other disposition of the Collateral in accordance with the Loan Documents and applicable law, and application of proceeds to the Obligations.

FIFTH CAUSE OF ACTION
Declaratory Relief

36. Plaintiff repeats and realleges the foregoing paragraph.

37. An actual controversy exists regarding the existence of Events of Default, the acceleration of the Obligations, Plaintiff's rights and remedies, and the validity, priority, and enforceability of Agent's security interests.

38. Plaintiff seeks a judicial declaration that: (a) Events of Default have occurred and are continuing; (b) the Obligations are immediately due and payable; (c) Agent's security interests are valid, perfected, and first priority (subject to permitted liens); and (d) Agent and Lenders may exercise all rights and remedies under the Loan Documents and applicable law.

SIXTH CAUSE OF ACTION
Appointment of Receiver

39. Plaintiff repeats and realleges the foregoing paragraphs.

40. The Loan Documents entitle Agent and Lenders to exercise default-related rights and remedies under the Loan Agreement, other Loan Documents, and applicable law, including

foreclosing or otherwise liquidating or realizing on any or all of the Collateral. Appointment of a receiver is necessary and appropriate to preserve, protect, operate, and/or liquidate the Collateral pending foreclosure and to prevent waste, dissipation, concealment, and diversion of Collateral and proceeds.

41. Defendants have failed to make required payments and has committed multiple covenant and reporting defaults, triggering default interest and acceleration, demonstrating a risk of irreparable harm to the Collateral absent a receiver.

42. Plaintiff requests the Court appoint a neutral receiver over the Collateral with customary powers to take possession, control, manage, secure, collect, operate, and, subject to further order, sell or otherwise dispose of Collateral; to collect accounts and proceeds; to establish blocked accounts; to execute documents; and to perform all acts necessary to preserve and maximize the value of the Collateral for the benefit of the Lenders, with reasonable fees and expenses to be treated as costs of the receivership and recoverable as part of the Obligations.

SEVENTH CAUSE OF ACTION
Attorney Fees and Expenses

43. Plaintiff repeats and realleges the foregoing paragraphs.

44. Under the Loan Documents, Borrowers are obligated to pay Lender Expenses, including attorneys' fees and expenses of documentation and enforcement, which are secured Obligations.

45. Plaintiff seeks recovery of all such fees and expenses.

WHEREFORE, Plaintiff demands judgment against Defendant as follows:

A. On the First Cause of Action (Breach of Contract), awarding Plaintiff the full amount of the Obligations, including all principal, accrued interest at least at the default rate, fees, costs, and Lender Expenses, in amounts to be proven at trial, plus post-judgment interest.

B. On the Second Cause of Action (Money Had and Received), awarding restitution of monies had and received by Defendant, with interest.

D. On the Third Cause of Action (Unjust Enrichment), awarding restitution and/or disgorgement, with interest.

E. On the Fourth Cause of Action (Foreclosure of Security Interest), authorizing foreclosure and sale or other disposition of the Collateral in accordance with the Loan Documents and applicable law, directing application of proceeds to the Obligations, and awarding any deficiency against Defendant.

F. On the Fifth Cause of Action (Declaratory Relief), declaring (i) Events of Default have occurred and are continuing; (ii) the Obligations are immediately due and payable; (iii) Agent's security interests are valid, perfected, and first priority (subject to permitted liens); and (iv) Agent and Lenders may exercise all rights and remedies under the Loan Documents and applicable law.

G. Damages in an amount to be determined at trial, including all unpaid principal, accrued interest (including default interest), fees, costs, and other amounts due under the Agreement;

H. Declaration that Plaintiffs are entitled to exercise all rights and remedies against the Guarantors under the Agreement, including acceleration and foreclosure;

I. Appointing a receiver over the Collateral with the powers described above to preserve, protect, and realize upon the Collateral pending foreclosure and further order of the Court.

J. Awarding Plaintiff its attorneys' fees, costs, and expenses as Lender Expenses, and such other and further relief as the Court deems just and proper.

Dated: New York, New York

October 20, 2025

TROUTMAN PEPPER LOCKE LLP

By: /s/ Joseph M. DeFazio

Joseph M. DeFazio

A large black rectangular redaction box covering the signature and any accompanying text or contact information.

Attorneys for Plaintiffs

ATTORNEY VERIFICATION

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

Joseph M. DeFazio, an attorney dully admitted to practice law in all of the Courts of the State of New York, affirms under the penalty of perjury that he is an attorney associated with the law firm of Troutman Pepper Locke LLP, attorneys for the Plaintiff named in the within action. I have read the foregoing Summons and Complaint and hereby certify that, to the best of my knowledge, information and belief, formed after reasonable inquiry regarding the present action, the presentation of the pleadings, and the contentions contained herein are not frivolous as defined in 22 NYCRR 130- 1.1 (c) and the same is true to my own knowledge and as to those matters therein stated to be alleged upon information and belief, I believe them to be true. The basis of my belief are the documents and records of the Plaintiff as well as conversations with its employees, agents and/or representatives. I make this verification on behalf of the Plaintiff because it maintains its offices in a county other than the county in which I maintain my office.
Dated: New York, New York

October 20, 2025

By: /s/ Joseph M. DeFazio
Joseph M. DeFazio

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

SUPERIOR COURT DEPARTMENT
CIVIL ACTION NO.: 2584CV03003

A.R.I. AGENT, LLC, in its capacity as
Administrative Agent and Collateral Agent, and
A.R.I. SENIOR SECURED GROWTH CREDIT
FUND, LP

Plaintiffs,

v.

MONA LEE INC., a Delaware corporation;
MONA LEE SOLAR MA LLC, a Massachusetts
limited liability company; MONA LEE SOLAR
AZ LLC, an Arizona limited liability company;
MONA LEE SOLAR CA LLC, a California
limited liability company; MONA LEE INC., a
Kansas corporation; MONA LEE INC., a Florida
corporation, BANK OF AMERICA, N.A., and
WALID HALTY,

Defendants, and

BANK OF AMERICA, N.A.

Trustee Defendant.

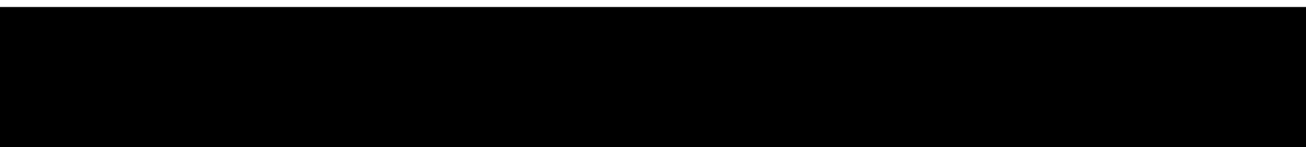
**FIRST AMENDED
VERIFIED COMPLAINT**

INTRODUCTORY STATEMENT

Plaintiffs A.R.I. Agent, LLC (“Agent”) and A.R.I. Senior Secured Growth Credit Fund, LP (“Lender,” and together with Agent, the “Plaintiffs”), bring this action against Defendants Mona Lee Inc., a Delaware corporation; Mona Lee Solar MA LLC, a Massachusetts limited liability company; Mona Lee Solar AZ LLC, an Arizona limited liability company; Mona Lee Solar CA LLC, a California limited liability company; Mona Lee Inc., a Kansas corporation; and Mona Lee Inc., a Florida corporation (collectively, the “Borrower” or “Mona Lee”). This action seeks to

recover amounts due and owing under loans made by the Plaintiffs to Mona Lee. The Plaintiffs seek double, treble damages and attorney's fees from the Defendants for Unfair and Deceptive Trade Practices as well as damages from the Mona Lee Defendants for Breach of Covenant of Good Faith and Fair Dealing. The Plaintiffs also seek damages from Walid Halty, as Chief Shareholder of the Mona Lee Defendants for his willful and intentional misconduct in causing the Mona Lee Defendants to transfer funds from an account under the Plaintiffs' control to the Mona Lee Defendants accounts and to conceal those transfers from the Plaintiffs in violation of the agreements between the Mona Lee Defendants and the Plaintiffs. Plaintiffs also seek damages against Bank of America, N.A. ("Bank of America") arising from its gross negligence and intentional misconduct in connection with a Deposit Account Control Agreement entered into by and among the Plaintiffs, Bank of America, and Mona Lee. Plaintiffs seek double and/or treble damages against Bank of America for this same conduct. By way of further remedy, the Plaintiffs seek disgorgement of funds transferred by way of Fraudulent Transfer against John Doe Company 1-10.

PARTIES



2. Plaintiff A.R.I. Senior Secured Growth Credit Fund, LP is a lender under that certain Loan and Security Agreement identified and defined below, for which Agent acts as administrative agent and collateral agent.

3. The Loan and Security Agreement provides for Agent to act on behalf of Lenders with respect to administration, collateral, and enforcement rights.

4. Defendant Mona Lee Inc. is a Delaware corporation, a Borrower and Borrower Representative under that certain Loan and Security Agreement dated as of July 31, 2024. A true and correct copy of the Loan and Security Agreement is attached as **Exhibit A**.

5. Mona Lee Solar MA LLC, is a Massachusetts limited liability company, and a Borrower under that certain Loan and Security Agreement dated as of July 31, 2024. Id.

6. Mona Lee Solar AZ LLC, is an Arizona limited liability company, and a Borrower under that certain Loan and Security Agreement dated as of July 31, 2024. Id.

7. Mona Lee Solar CA LLC, is a California limited liability company, and a Borrower under that certain Loan and Security Agreement dated as of July 31, 2024. Id.

8. Mona Lee Inc., is a Kansas corporation, and a Borrower under that certain Loan and Security Agreement dated July 31, 2024. Id.

9. Mona Lee Inc., is a Florida corporation, and a Borrower under that certain Loan and Security Agreement dated July 31, 2024. Id.

10. Walid Halty (“Halty”) is an individual residing [REDACTED]
[REDACTED] Pursuant to the 2025 Annual Report of Mona Lee Solar MA, LLC, Halty is its Resident Agent with an address at 391 Congress Street, Boston, Massachusetts.

11. Bank of America is a corporation duly under the laws of the United States of America and having a place of business at 100 Federal Street, Boston Massachusetts.

12. John Doe Corporations are corporations controlled or directed by Walid Halty or other principals, agents or employees of Halty and/or the Mona Lee Defendants.

FACTUAL STATEMENT

Loan Agreement, Mona Lee Defaults, and Plaintiffs Acceleration the Obligations

13. On July 31, 2024, Mona Lee Inc., as “Borrower Representative,” and its subsidiaries named as Co-Defendants herein, entered into a Loan and Security Agreement with the Lenders, with A.R.I. Agent, LLC as administrative agent and collateral agent (as amended,

restated, supplemented or otherwise modified, the “Loan and Security Agreement”). A copy of the Loan and Security Agreement is annexed as **Exhibit A**.

14. Pursuant to the Loan Agreement, the Lenders agreed to provide term loans, including a Term A Loan of \$2,000,000 on the Closing Date, with additional facilities available thereafter, and the Loans mature on July 31, 2027. Interest accrues at the Applicable Rate, with a default rate premium upon Events of Default.

15. To secure the Obligations, Mona Lee and the other Loan Parties granted Agent, for the ratable benefit of Lenders, a first-priority, perfected security interest in the Collateral, including all assets and proceeds as described in the Loan Documents (as each term is defined in the Loan and Security Agreement).

16. To further secure its Obligations, Mona Lee and the Plaintiffs entered into a Deposit Account Control Agreement (“DACA”) with Bank of America. A copy of which is annexed as **Exhibit B**.

17. The Loan Agreement and the DACA, among other loan documents, were executed by Halty as Chief Executive Officer and controlling shareholder of the Mona Lee Defendants.

18. Events of Default have occurred and are continuing, including repeated failures to make timely monthly interest payments when due and material misrepresentations in certain Loan Documents, including, without limitation, Mona Lee’s maintenance of additional deposit accounts not subject to control agreements in favor of the Plaintiffs in violation of the Loan Documents and not disclosed to Agent or Lenders until late September 2025.

19. On September 26, 2025, Agent issued a Notice of Events of Default; Reservation of Rights; Acceleration of Obligations and Demand for Repayment to Mona Lee, declaring the unpaid balance of the Obligations immediately due and payable and demanding immediate

payment, including accrued interest at the applicable default rate. A true and correct copy of the Acceleration/Demand Letter is attached as **Exhibit C**.

20. Agent and the Lenders are entitled to exercise any and all default-related rights and remedies under the Loan Agreement, other Loan Documents, and applicable law, including the right to foreclose or otherwise liquidate or realize on any or all of the Collateral.

21. Despite acceleration and demand, Borrower has failed and refused to pay the accelerated Obligations in full.

22. As of the date hereof, the unpaid balance of the Obligations, together with accrued but unpaid interest at least at the default rate and all fees, expenses, and other amounts due under the Loan Documents, remain immediately due and payable.

23. Plaintiffs have fully performed all conditions and obligations required of them under the Loan and Security Agreement.

Upon Mona Lee Default Plaintiffs Seeks to Enforce It Rights Under The DACA

24. Pursuant to the DACA, Bank of America agreed to established and maintain for Mona Lee certain deposit accounts (the “Account”), in which account Mona Lee had granted a security interest to the Plaintiffs.

25. Bank of America agreed that it was entering into the DACA for the benefit of the Plaintiffs and Mona Lee, and that the DACA evidenced the Plaintiff’s control over the Account. Bank of America further agreed notwithstanding any agreements between it and Mona Lee governing the account, Bank of America would comply with instructions originated by the Plaintiffs directing the disposition of the Funds in the Account without further consent of Mona Lee.

26. Bank of America further agreed that on and after a “Activation Notice Effective Time, the Bank SHALL ONLY HONOR INSTRUCTIONS ORIGINATED BY THE Lender (the

Plaintiffs) concerning the disposition of the Funds in the Account” (emphasis added). Bank of America further agreed that after the Activation Effective Time “the Company (Mona Lee) SHALL HAVE NO RIGHT OR ABILITY to access, withdraw, or transfer Funds from the Account” (emphasis added).

27. On September 25, 2025, the Plaintiffs sent an Activation Notice to Bank of America notifying Bank of America that the Plaintiffs were exercising its control of the Account subject to the DACA. A copy of the Activation Notice is annexed as **Exhibit D**.

28. On September 26, 2025, the Plaintiffs requested Bank of America confirm receipt of the Activation Notice and Mona Lee’s representation that the account had been frozen. A copy of the email is annexed as **Exhibit E**.

29. On September 29, 2025, the Plaintiffs sent a follow-up request to Bank of America seeking (i) confirmation of the current balances of all accounts subject to the DACA, (ii) confirmation that the Plaintiffs had obtained exclusive control over such accounts, (iii) confirmation that Mona Lee no longer possessed unilateral authority to initiate transfers or withdrawals, and (iv) an explanation of the process by which the Plaintiffs could sweep funds to their own account. A copy of this correspondence is annexed hereto as Exhibit F. A copy of the email is annexed as **Exhibit F**.

30. On September 29, 2025, Bank of America acknowledged receipt of the Activation Notice and had processed it in accordance with the terms of the DACA. A copy of the acknowledgment is annexed as **Exhibit G**.

31. On September 29, 2025, the Account had a balance of \$5,451,804.70. A screen shot of the Account is annexed as **Exhibit H**.

32. On and after September 29, 2025, the Plaintiffs sent instructions to Bank of

America to wire transfer Funds from the Account to the Plaintiffs. Notwithstanding the express provision of the DACA and Bank of America's obligation to honor the Plaintiffs' instruction to wire transfer Funds, Bank of America failed and refused to honor the Plaintiffs' initial instructions and wire transfer Funds from the Account and instead required a call and several revisions in order to comply with Bank of America's internal "requirements". A copy of the email chain is annexed as **Exhibit I**.

33. On and after September 29, 2025, Bank of America transferred all Funds from the Account not pursuant to the Plaintiff's instructions to another Mona Lee account maintained at Bank of America.

34. On and after October 10, 2025, Bank of America wired funds from a DACA account to the Plaintiffs. Thereafter, Bank of America began wiring Funds from the DACA Account to the Plaintiffs, but the amounts received do not reflect funds that were in the Account on September 29, 2025, and instead such funds represent new deposits received in the Account. Neither Mona Lee nor Bank of America restored the September balance to the DACA Account.

35. In addition to failing to honor the Plaintiffs' instructions to wire transfer the Funds that were in the Account on September 29, 2025 and allowing fund to be transferred out of the DACA Account, Bank of America has refused to provide the Plaintiffs with any information regarding the status of the Account, the balance of any Funds therein, or any transfers made from the Account following receipt of the Activation Notice.

36. On September 26, 2025, Halty acknowledged the Plaintiffs delivered the Activation Notice and emailed the Plaintiffs: "Just saw our BoA account has been locked. If you are exercising repayment of principal according to the loan terms, we'll honor that...we'll get you your \$2M<early next week."

37. Notwithstanding Halty's acknowledgment of the Plaintiffs control over the DACA, Halty, contrary to the express term of the DACA continued to have full access to Mona Lee's Bank of America CashPro online banking system, but the Plaintiffs were never provided with such access by Mona Lee or Bank of America.

38. On September 29, 2025, a screenshot from Bank of America's portal reflected a balance of \$5,451,804.70 in the DACA Account. On information and belief, Halty, in direct violation of the express term of the DACA, prior to September 29, 2025, directed Bank of America to transfer the funds in the DACA Account to other accounts maintained by the Mona Lee defendants at Bank of America that were not subject to the Plaintiffs' DACA.

39. Halty's actions were a knowing and intentional violation of the Loan and Security Agreement and the DACA and Mona Lee obligations thereunder. The actions were taken by Halty for the express purpose of removing the Funds from the Plaintiffs' control, depriving the Plaintiffs of their property interest in the Funds and the Plaintiffs right to apply the Funds to Mona Lee's obligations to the Plaintiffs.

40. From July 31, 2024 or thereabout, Halty continued to cause Mona Lee to knowingly and intentionally breach the Loan and Security Agreement and DACA by causing Funds to be transferred to other Mona Lee non-DACA accounts at Bank of America with the intent to conceal those funds from the Plaintiffs and to deprive the Plaintiffs of their interests in those Funds.

COUNT I
(Breach of Contract against Mona Lee)

41. Plaintiffs repeat and realleges the foregoing paragraphs 1 through 40 above and by reference incorporates them herein.

42. The Loan and Security Agreement is a valid and enforceable contract supported by consideration.

43. Mona Lee breached the Loan and Security Agreement by, among other things, failing to make interest payments when due and by committing multiple covenant and reporting defaults, including, without limitation, maintaining additional deposit accounts not subject to control agreements in favor of Agent in violation of the Loan Documents.

44. Agent accelerated the Obligations and demanded immediate payment under the Loan Documents.

45. As of October 21, 2025, Plaintiffs are owed \$691,715.00, plus accrued and accruing interest at least at the default rate, fees, costs, and expenses incurred by the Plaintiffs as a result of the defaults, including, but not limited to, increased cost of administration and reasonable attorneys' fees.

COUNT II
(Against Halty for Intentionally Causing Mona Lee to Breach the DACA and Convert the Property of the Plaintiffs)

46. The Plaintiffs repeat and reallege the allegation in paragraphs 1 through 45 above and by reference incorporate them herein.

47. Halty engaged in a willful and knowing pattern of conduct to cause Mona Lee to breach its obligations to the Plaintiffs and to deprive the Plaintiff of their property by transferring and concealing the Funds of the Plaintiffs.

48. As a result of Halty's willful and intentional conduct the Plaintiffs have suffered a loss of property and otherwise been damaged.

COUNT III
(Against Bank of America for Gross Negligence)

49. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 48 above and by reference incorporate them herein.

50. The Plaintiffs suffered damages as a result of the acts and omissions of Bank of America in connection with the administration of the Account and its obligation to the Plaintiffs which acts and omissions constitute gross negligence.

COUNT IV
(Against Bank of America for Intentional Misconduct)

51. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 50 above and by reference incorporate them herein.

52. The Plaintiffs suffered damages as a result of intentional misconduct by Bank of America in knowingly and willfully failing to honor the Plaintiff's instruction to wire transfer Funds from the Account in accordance with the express provisions of the DACA and intentionally breaching the DACA by permitting Mona Lee to transfer Funds from the Account after receiving the Activation Notice from the Plaintiffs.

COUNT V
(Against Bank of America for an Accounting)

53. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 52 above and by reference incorporate them herein.

54. On and after September 25, 2025, the Account and all Funds therein are the property of the Plaintiffs. As the holder of the Account, the Plaintiffs are entitled to a full accounting detailing the date, amount, and recipient of all transfers made to and from the Account.

55. The Plaintiffs have repeatedly requested an accounting from Bank of America regarding the Account and its activity, but Bank of America has failed and refused to provide the requested information.

COUNT VI
(Against Mona Lee and Bank of America for Injunctive Relief)

56. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 55 above and by reference incorporate them herein.

57. Plaintiffs request the Court under Mass. R. Civ. Rule 65 for the entry of an order.

58. The Plaintiffs have a reasonable likelihood of success in establishing a claim against Mona Lee and an interest in any Funds maintained in any account of Mona Lee and Bank of America.

59. Mona Lee, with the cooperation of Bank of America, has wrongfully transferred from the control account to other accounts, and the Plaintiffs, on information and belief assert those Funds were wrongly transferred to other accounts at Bank of America demonstrating a wanton disregard for the rights of the Plaintiffs in the Funds.

60. Unless the injunction is granted the Plaintiffs will suffer irreparable harm by the loss of its property and deprivation of its property rights.

61. The harm the Plaintiffs will suffer absent the granting of the requested injunctive relief substantially outweighs any harm that either Mona Lee or Bank of America will suffer as a result of the granting of the requested injunction.

COUNT VII
(For an Attachment by Trustee Process)

62. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 61 above and by reference incorporate them herein.

63. Pursuant to Mass. Rules of Civ. Proc, Rule 4.2, the Plaintiffs seek an attachment by trustee process on all Funds in any account at Bank of America standing in the name of Mona Lee.

COUNT VIII
(Against Mona Lee for Breach of Implied Covenant of Good Faith and Fair Dealing)

64. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 63 above and by reference incorporate them herein.

65. The Mona Lee Defendants were parties to the Loan and Security Agreement.

66. The Mona Lee Defendants worked to destroy the benefits of the Loan and Security Agreement for Plaintiffs by creating bank accounts (“Bank Accounts”) within Bank of America, and with at least one other financial institution despite an agreed prohibition on creating further Bank Accounts.

67. In reliance of the prohibition, Plaintiffs deposited loan monies for Mona Lee Defendants use and benefit.

68. Mona Lee used the Bank accounts to siphon away Plaintiffs bargained for security depriving Plaintiffs of the fruits of their contract and defeating the purpose of the Security Agreement.

69. The Plaintiffs were damaged thereby.

COUNT IX
(Against Bank of America and Mona Lee for Breach of Implied Covenant of Good Faith and Fair Dealing)

70. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 69 above and by reference incorporate them herein.

71. Bank of America and the Mona Lee Defendants were a party to the DACA Agreement.

72. Bank of America and the Mona Lee Defendants worked to destroy the benefits of DACA for Plaintiffs by creating Bank Accounts within the same bank that Plaintiffs deposited loan monies for Mona Lee Defendants use and benefit, thereby diluting Plaintiffs' security.

73. Bank of America and Mona Lee Defendants subsequently used the Bank Accounts to dissipate the loan monies and remove them from Plaintiffs' control in direct contravention of the express terms of the Loan and Security Agreement.

74. Bank of America failed and refused to allow control of the Bank Accounts although they were notified by the Plaintiffs via an "Activation" notice.

75. Bank of America ignored the instruction via the Activation Notice to cede control of accounts to Plaintiffs.

76. Bank of America has failed and refused to provide Plaintiffs with monthly bank statements and other bank records, although they had promised to do so, in an attempt to obscure their prior breach of the DACA.

77. Plaintiffs were damaged thereby.

COUNT X
(Against Bank of America and Mona Lee for Unfair and Deceptive Trade Practices M.G.L. ch. 93A § 11)

78. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 77 above and by reference incorporate them herein.

79. Defendants engaged in unfair and deceptive trade practices as described in this Complaint.

80. All conditions precedent to the maintenance of this action have been maintained.

81. Plaintiffs and Defendants were engaged in trade or commerce.

82. The conduct occurred substantially in the Commonwealth of Massachusetts.

83. Defendants' actions were unfair and deceptive.

84. Defendants' actions were willful, knowing and reckless.

85. Plaintiffs were damaged thereby.

COUNT XI

(Fraudulent Conveyance against Mona Lee Defendants, Halty MGL 109A (6))

86. Plaintiffs repeat and reallege the foregoing paragraphs 1 through 85 above and by reference incorporate them herein.

87. The Mona Lee Defendants transferred monies to John Doe Corporations 1-10 with receiving reasonable equivalent value in exchange for the transfer or obligation.

88. The Mona Lee Defendants were insolvent or became insolvent because of the transaction.

89. The John Doe Defendants are insiders ("Insiders") as defined by M.G.L. ch. 109A, et seq. and common law.

90. The Mona Lee Defendants transferred to the Insiders for antecedent debt and the Mona Lee Defendants were insolvent at the time and the Insiders had reasonable cause to believe that the debtor was insolvent.

91. Plaintiffs were damaged thereby.

WHEREFORE, the Plaintiffs requests this Court enter the following Judgments:

1. Judgment for Plaintiffs against Mona Lee, Inc., a Delaware corporation; Mona Lee Solar MA LLC, a Massachusetts limited liability company; Mona Lee Solar AZ LLC, an Arizona limited liability company; Mona Lee Solar CA LLC, a California limited liability company; Mona Lee, Inc., a Kansas corporation; Mona Lee, Inc., a Florida corporation, in the amount of \$691,715.00, plus accrued and accruing interest at least at the default rate, fees, costs, and expenses incurred by the Plaintiffs as a result of the defaults, including but not limited to, increased cost of

administration and reasonable attorneys' fees.

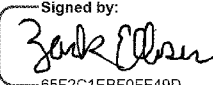
2. Judgment for Plaintiffs against Walid Halty in an amount determined by the Court after trial to compensate Plaintiffs for the damages and loss it sustained as a result of Halty intentionally causing Mona Lee to breach the Loan and Security Agreement and the DACA and convert the property of the Plaintiffs.
3. Judgment for Plaintiffs against Bank of America N. A. in an amount determined by the Court after trial to compensate Plaintiffs for the damage and loss it sustained as a result of Bank of America's gross negligence and/or intentional misconduct.
4. Judgment for Plaintiffs against Bank of America compelling it to account for all Funds in the Account subject to the Deposit Account Control Agreement and transferred from that account on and after September 25, 2025.
5. A Temporary Restraining Order, and, after Notice and Hearing, a Preliminary Injunction against Bank of America N. A., Walid Halty, and Mona Lee, Inc., a Delaware corporation; Mona Lee Solar MA LLC, a Massachusetts limited liability company; Mona Lee Solar AZ LLC, an Arizona limited liability company; Mona Lee Solar CA LLC, a California limited liability company; Mona Lee, Inc., a Kansas corporation; Mona Lee, Inc., a Florida corporation, their agents, servants, employees, and anyone active in concert with them restraining and enjoining from using, conveying, encumbering, transferring, or otherwise taking any action to diminish funds in any Account maintained at Bank of America in the name of any of the above identified Mona Lee entities.
6. An attachment by Trustee Process on all accounts of Mona Lee, Inc., a Delaware corporation; Mona Lee Solar MA LLC, a Massachusetts limited liability company;

Mona Lee Solar AZ LLC, an Arizona limited liability company; Mona Lee Solar CA LCC, a California limited liability company; Mona Lee, Inc., a Kansas corporation; Mona Lee, Inc., a Florida corporation maintained at Bank of America.

7. Under Counts VIII and IX, award damages for damages including but not limited to special, consequential, lost profit and delay damages, attorneys' fees and interest.
8. Under Count X, award Plaintiffs single damages and that those damages be doubled and/or trebled, and attorneys' fees.
9. Under Count XI, order that a constructive trust be imposed on any transferee to convey the transferred sums back to the Defendants, award the Plaintiffs their damages and attorneys' fees in recovering the recovered sums, award damages against any transferee who is liable as a matter of law or equity.
10. Such other and further relief as this Court deems just and proper.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS 2nd DAY OF
DECEMBER 2025:

A.R.I. AGENT, LLC, in its capacity as
Administrative Agent and Collateral Agent,
and A.R.I. SENIOR SECURED GROWTH
CREDIT FUND, LP,

Signed by:

65F2C1EBF0FF49D...

Zack Ellison
Chief Investment Officer

Respectfully submitted,

A.R.I. AGENT, LLC, in its capacity as
Administrative Agent and Collateral Agent, and
A.R.I. SENIOR SECURED GROWTH CREDIT
FUND, LP,

By their attorney,

/s/ David McGlone

David McGlone, BBO#559814

[REDACTED]

Gesmer Updegrove LLP

[REDACTED]

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Dated: December 2, 2025

CERTIFICATE OF SERVICE

I, David McGlone, hereby certify that on December 2, 2025, I served a true and accurate copy of the Amended Verified Complaint via e-FileMA upon all counsel of record:

J. Mark Dickison, Esquire
Deyanira D. Gonzalez, Esquire
Lawson & Weitzen, LLP

[REDACTED]

/s/ David McGlone

David McGlone