

Satterfield v VStock Transfer, LLC
2019 NY Slip Op 33593(U)
December 5, 2019
Supreme Court, New York County
Docket Number: 650311/2019
Judge: Andrea Masley
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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART IAS MOTION 48EFM

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BRENT SATTERFIELD,

Plaintiff,

INDEX NO. 650311/2019

MOTION DATE N/A, N/A

MOTION SEQ. NO. 006 007

- v -

VSTOCK TRANSFER, LLC, AMERICA 2030 CAPITAL,
LLC (A/K/A BENTLEY ROTHSCHILD CAPITAL LTD
CORP.), BENTLEY ROTHSCHILD CAPITAL LTD CORP.,
AMERICA 2030 CAPITAL, LIMITED, BENTLEY
ROTHSCHILD FINANCIAL, LLC, BENTLEY ROTHSCHILD
INVESTMENTS, XYZ CORPORATION 1 - 10, VAL
SKLAROV,

**DECISION + ORDER ON
MOTION**

Defendant.

-----X

HON. ANDREA MASLEY:

The following e-filed documents, listed by NYSCEF document number (Motion 006) 133, 134, 135, 136,
137, 138, 139, 141, 142, 143
were read on this motion to/for INJUNCTION/RESTRAINING ORDER

The following e-filed documents, listed by NYSCEF document number (Motion 007) 145, 146, 147, 148,
149, 150, 151, 152, 153
were read on this motion to/for INJUNCTION/RESTRAINING ORDER

In motion sequence number 006, plaintiff Brent Satterfield moves, pursuant to CPLR 6301 (1), to enjoin defendants VStock Transfer, LLC (VStock), America 2030 Capital, LLC (AC LLC), Bentley Rothschild Capital Ltd. Corp. (BRC Ltd), America 2030 Capital Limited (AC Ltd), Bentley Rothschild Investments (BRI), XYZ Corporation (1-10 fictitious names), and Val Sklarov from transferring or disposing of any shares of nonparty Co-Diagnostics, Inc. (CoD); (2) staying the arbitrations commenced in St. Kitts & Nevis (Nevis Arbitrations); and (3) amending the caption by adding defendants AC Ltd, BRI, XYZ Corporation (1-10 fictitious names) and Sklarov (collectively, Additional Defendants). This court issued a TRO enjoining the Additional Defendants from

transferring or disposing of any shares of CoD and staying the Nevis Arbitrations. (NYSCEF 143).

In motion sequence number 007, AC LLC moves for an order enjoining plaintiff from (1) contacting SunTrust Bank, Daniel Stewart & Company, Dolfin Financial and any other financial institutions absent service of a subpoena or by court order; (2) misrepresenting the scope of this court's orders; (3) interfering with defendants' business and contractual relationships and (4) making defamatory statements that Sklarov has committed fraud against plaintiff or others to defendants' financial institutions. The court declined to sign the requested TRO. (NYSCEF 153).

This action was initiated by summons and notice on January 16, 2019 against Vstock. (NYSCEF 1)¹. On January 18, 2019, plaintiff filed an amended summons and notice against Vstock, AC LLC, and BRC Ltd. (NYSCEF 19, 20). On January 21, 2019, AC Ltd and BRC Ltd initiated arbitration in Nevis, objecting to this action and alleging plaintiff's interference with their ability to dispose of securities. (NYSCEF 66). Sklarov joined AC Ltd and BRC Ltd in a second arbitration application, dated February 4, 2019, in which they alleged defamation. (NYSCEF 68). On February 10, 2019, plaintiff moved, by order to show cause, for a stay of these arbitrations which this court granted to the extent of enjoining AC LLC, BRC Ltd and Sklarov from participating in the Nevis Arbitrations pending further order of the court. (see NYSCEF 59, 80, 200).

On March 13, 2019, plaintiff filed his complaint against Vstock, AC LLC, BRC Ltd, AC Ltd, BRI, XYZ Corporation (1-10 fictitious names) and Sklarov. (NYSCEF 130). On

¹ Vstock has yet to answer or move, though an affidavit of service was filed on January 23, 2019.

March 15, 2019, plaintiff filed a supplemental summons with notice to add AC Ltd, BRI, XYZ Corporation (1-10 fictitious names) and Sklarov. (NYSCEF 140).

On May 20, 2019, AC LLC, AC Ltd., BRC Ltd, and Sklarov finally moved to dismiss the action on jurisdictional grounds. (NYSCEF 175, motion sequence number 008). The court found that it has jurisdiction over all moving defendants except AC Ltd (NYSCEF 268, Motion 008 Decision and Order). Thus, defendants' motion was granted only to the extent that the action was dismissed against AC Ltd. (*id.*). Plaintiff, AC LLC, BRC Ltd., and Sklarov were directed to arbitration at AAA in New York consistent with the March 30, 2018 Master Loan Agreement. (*id.*).

Motion sequence number 006 is denied as to AC Ltd. as this defendant was dismissed from this action for lack of jurisdiction. (*id.*). The motion is also denied as to BRI, as plaintiff has failed to provide proof of service of this entity. (see NYSCEF 155).

Plaintiff's requested relief to amend the caption is denied as moot. Plaintiff filed an amended summons (NYSCEF 19) and supplemental summons (NYSCEF 140), as well as a complaint (NYSCEF 130), naming Vstock, AC LLC, BRC Ltd, AC Ltd, BRI, XYZ Corporation (1-10 fictitious names) and Sklarov as defendants.

Plaintiff's requested relief to stay the Nevis Arbitrations is also moot, as a stay was granted as to AC LLC, BRC Ltd. and Sklarov. (NYSCEF 200).

Finally, plaintiff's requested relief to enjoin Sklarov is granted for the reasons stated in this court decision on motion sequence numbers 001 and 002. (NYSCEF 158, 159, 161). As to the AC Ltd. and BRI, injunctive relief is denied for the reasons stated above. The injunction remains in effect as to the other defendants. (*id.*).

Motion sequence number 007 is denied as defendants fail to satisfy CPLR 6401.² Plaintiff's discovery in this action and service of this court's order is proper. Defendants fail to establish a likelihood of success that plaintiff is defaming defendants or impermissibly interfering with their business.

Accordingly, it is

ORDERED that motion sequence number 006 is granted to the extent that Sklarov is enjoined and restrained from selling, transferring assigning, encumbering or otherwise disposing of any shares of Co-Diagnostics, Inc., which are the subject of this action; and it is further

ORDERED that motion sequence number 007 is denied; and it is further

ORDERED that this action is to be restored to the court's calendar; and it is further

ORDERED that plaintiff is directed to follow this court's rules by describing its exhibits; "Satterfield Exhibit # or "Salisbury Exhibit X" is useless. Plaintiff is directed to amend prior filings within 10 days of the date of this decision and order; and it is further

ORDERED that, pursuant to this court's October 30, 2019 decision and order dismissing defendant America 2030 Capital Limited (NYSCEF 268), this action is dismissed in its entirety as against the defendant, with costs and disbursements to the defendant as taxed by the Clerk of the Court, and the Clerk is directed to enter judgment accordingly in favor of the defendant; and it is further

² Indeed, defendants have no counterclaims on which to establish likelihood of success. Rather, at the time that defendants filed motion sequence number 007 they asserted that the court had no jurisdiction over them. Defendants finally filed a motion sequence number 008 to dismiss on May 20, 2019.

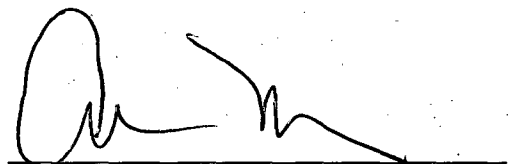
ORDERED that the action is severed and continued against the remaining defendants; and it is further

ORDERED that the caption be amended to reflect the dismissal of America 2030 Capital Limited and that all future papers filed with the court bear the amended caption; and it is further

ORDERED that counsel for America 2030 Capital Limited shall serve a copy of this order with notice of entry upon the Clerk of the Court and the Clerk of the General Clerk's Office, made in accordance with the procedures set forth in the Protocol on Courthouse and County Clerk Procedures for Electronically Filed Cases (accessible at the "E-Filing" page on the court's website), who are directed to mark the court's records to reflect the change in the caption herein; and it is further

ORDERED that the parties are to appear before this court on February 4, 2020 at 2:30PM on motion sequence number 003.

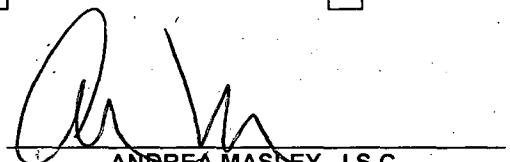
Motion Seq. No. 006
12/5/19
DATE


ANDREA MASLEY, J.S.C.
HON. ANDREA MASLEY

CHECK ONE: CASE DISPOSED DENIED
 GRANTED
APPLICATION: SETTLE ORDER
CHECK IF APPROPRIATE: INCLUDES TRANSFER/REASSIGN

NON-FINAL DISPOSITION
 GRANTED IN PART OTHER
 SUBMIT ORDER
 FIDUCIARY APPOINTMENT REFERENCE

Motion Seq. No. 007
12/5/19
DATE


ANDREA MASLEY, J.S.C.
HON. ANDREA MASLEY

CHECK ONE: CASE DISPOSED DENIED
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