

**AI Intl. Holdings (BVI) Ltd. v TWC Borrower 2016,
LLC**

2023 NY Slip Op 31034(U)

March 30, 2023

Supreme Court, New York County

Docket Number: Index No. 656864/2017

Judge: Joel M. Cohen

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This opinion is uncorrected and not selected for official publication.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART IAS MOTION 3EFM

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AI INTERNATIONAL HOLDINGS (BVI) LIMITED,

Plaintiff,

- v -

TWC BORROWER 2016, LLC, THE WEINSTEIN
COMPANY HOLDINGS LLC, HARVEY WEINSTEIN

Defendants.

INDEX NO. 656864/2017

MOTION DATE N/A

MOTION SEQ. NO. 002

**DECISION + ORDER ON
MOTION**

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HON. JOEL M. COHEN:

The following e-filed documents, listed by NYSCEF document number (Motion 002) 82, 83, 84, 85, 86, 87

were read on this motion to REDACT.

Plaintiff AI International Holdings (BVI) Limited moves for an order redacting NYSCEF Document Numbers 62, 63, and 64, filed in connection with Plaintiff’s Motion for Summary Judgment (Motion Sequence Number 001). Plaintiff’s motion is unopposed. For the following reasons, Plaintiff’s motion to redact is **denied** without prejudice to filing a new motion consistent with the guidance provided below.¹

Pursuant to § 216.1 (a) of the Uniform Rules for Trial Courts, this Court may seal or redact a filing “upon a written finding of good cause, which shall specify the grounds thereof. In determining whether good cause has been shown, the court shall consider the interests of the public as well as of the parties” (22 NYCRR § 216.1 [a]).

¹ On April 13, 2020, the Court (Scarpulla, J.) stayed this matter pending a verdict in *People of the State of California v Harvey Weinstein*, Case No. BA483663, Superior Court of California of the County of Los Angeles (NYSCEF 101). The stay automatically terminated upon the entry of a verdict on December 21, 2022.

The Appellate Division has emphasized that “there is a broad presumption that the public is entitled to access to judicial proceedings and court records” (*Mosallem v Berenson*, 76 AD3d 345, 348 [1st Dept 2010]). “Since the right [of public access to court proceedings] is of constitutional dimension, any order denying access must be *narrowly tailored to serve compelling objectives*, such as a need for secrecy that outweighs the public's right to access” (*Danco Labs., Ltd. v Chemical Works of Gedeon Richter, Ltd.*, 274 AD2d 1, 6 [1st Dept 2000] [emphasis added]; *see also, e.g., Gryphon Dom. VI, LLC v APP Intern. Fin. Co., B.V.*, 28 AD3d 322, 324 [1st Dept 2006]). “Furthermore, because confidentiality is the exception and not the rule, ‘the party seeking to seal court records has the burden to demonstrate compelling circumstances to justify restricting public access’” (*Maxim, Inc. v Feifer*, 145 AD3d 516, 517 [1st Dept 2016] [citations omitted]).

Here, Plaintiff seeks to redact the amount outstanding under the Note, from which one purportedly could derive the amount of its settlement with non-parties MUFG Union Bank, N.A., and UnionBanCal Equities (together, “Union Bank”), made in connection with the bankruptcy of, among others, TWC Borrower 2016, LLC (NYSCEF 62, p. 9, 11; NYSCEF 63, p. 8; and NYSCEF 64, p. 3). Plaintiff asserts that the settling parties agreed that the settlement amount would remain nonpublic and confidential. However, the fact that parties agree to confidentiality is not determinative on the question of whether a court record should be sealed. “While there is a strong public interest in encouraging the settlement of private disputes, conclusory claims of the need for confidentiality of settlement agreements are insufficient to seal” (*In re Will of Hofmann*, 284 AD2d 92, 94 [1st Dept 2001]). Unlike *IDW Group, LLC v Levine Ins. Risk Mgt. Services, Inc.* (40 Misc 3d 368, 382 [Sup Ct, NY County 2013]), where the court found good cause to seal a settlement agreement where the terms of the settlement agreement were not

material to the motion for summary judgment, the amount outstanding under the Note is directly relevant to the relief Plaintiff seeks in this action.

However, in part because the settlement involved an entity that is not a party to this action (*Mancheski v Gabelli Group Capital Partners*, 39 AD3d 499, 502 [2d Dept 2007] [“disclosure could impinge on the privacy rights of third parties who clearly are not litigants herein”]), the documents will remain provisionally under seal and/or redacted to permit the prompt filing of a follow-up motion explaining the harm that would result to parties or non-parties from disclosure of the outstanding Note amount.

Accordingly, it is:

ORDERED that Plaintiff’s motion to seal and/or redact (Motion Sequence Number 002) is **denied** without prejudice to filing a new motion within 21 days consistent with this Decision and Order and applicable law; it is further

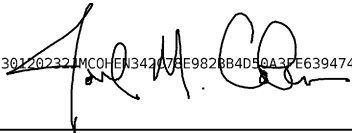
ORDERED that the County Clerk shall unseal NYSCEF Document Numbers 62 and 64, which already contain redactions, so that the documents are visible to the public; it is further

ORDERED that if no such motion is filed within 21 days from the entry of this Decision and Order, the parties shall within three business days thereafter file unredacted/unsealed copies of NYSCEF 62, 63, and 64; and it is further

ORDERED that nothing in this Order shall be construed as authorizing the sealing or redaction of any documents or evidence to be offered at trial.

This constitutes the decision and order of the Court.

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JOEL M. COHEN, J.S.C.

3/30/2023
DATE

CHECK ONE:	<input type="checkbox"/>	CASE DISPOSED	<input checked="" type="checkbox"/>	NON-FINAL DISPOSITION	<input type="checkbox"/>	OTHER
	<input type="checkbox"/>	GRANTED	<input checked="" type="checkbox"/>	DENIED	<input type="checkbox"/>	
APPLICATION:	<input type="checkbox"/>	SETTLE ORDER	<input type="checkbox"/>	SUBMIT ORDER	<input type="checkbox"/>	REFERENCE
CHECK IF APPROPRIATE:	<input type="checkbox"/>	INCLUDES TRANSFER/REASSIGN	<input type="checkbox"/>	FIDUCIARY APPOINTMENT	<input type="checkbox"/>	