SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION PART 49M

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WHITE OAK COMMERCIAL FINANCE, LLC,

Plaintiff,

- v -

EIA INC., ELECTRONIC INTERFACE ASSOCIATES, INC., EIA DATACOM, INC., EIA ELECTRIC, INC., GEORGE ENGEL LIC, LLC, YOLANDA DELPRADO, ALEXANDRA ENGEL, DAVID ENGEL, GEORGE ENGEL, MATTHEW ORENT, ANDREEA ORENT, CHARLES SCHWAB & CO., INC. (A NOMINAL DEFENDANT), ADP TOTALSOURCE, INC. (A NOMINAL DEFENDANT), 1861 ACQUISITION LLC (A NOMINAL DEFENDANT), GREAT MIDWEST INSURANCE COMPANY (A NOMINAL DEFENDANT), and SOFIA ENGEL,

Defendants.

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INDEX NO. 650346/2023

MOTION DATE 05/18/2023, 05/08/2023

MOTION SEQ. NO. (MS) 003 004

DECISION + ORDER ON MOTION

HON. MARGARET CHAN:

The following e-filed documents, listed by NYSCEF document number (MS 003) 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 132, 133, 134, 138, 139, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155

were read on this motion to/for ORDER OF ATTACHMENT.

The following e-filed documents, listed by NYSCEF document number (MS 004) 94, 95, 96, 97, 98, 99, 100, 119, 130, 137

were read on this motion to/for MISCELLANEOUS.

Plaintiff White Oak Commercial Finance, LLC (White Oak) brings this action against defendants EIA Inc., Electronic Interface Associates, Inc., EIA Datacom, Inc., EIA Electric, Inc. (collectively, Borrowers), Yolanda V. DelPrado, Alexandra Engel, George Engel, Matthew Orent (Matthew, with DelPrado, Alexandra Engel, and George Engel, collectively, the Individual Guarantors), George Engel LIC, LLC (George Engel LIC, with the Individual Guarantors, collectively, Guarantors), AnDreea Orent (AnDreea, with Borrowers and Guarantors, collectively, the EIA Defendants), and Sofia Engel, alleging causes of action for, *inter alia*, breach of contract, replevin, conversion, negligent misrepresentation, fraudulent misrepresentation, and fraudulent conveyance.

Presently before the court is White Oak's motion (MS003) seeking (1) a preliminary injunction enjoining and retraining Matthew and AnDreea (together,

the Orents) from using, transferring, selling, pledging, assigning, or disposing of any of the their property and identifiable proceeds to any person, corporation, or entity other than White Oak, or permitting such assets to become subject to a security interest or lien other than in favor of White Oak; and (2) an order of attachment against the Orents' property up to the amount due and owning by the EIA Defendants to White Oak in the sum of $9,720,545.09 (NYSCEF #120).[1] The Orents oppose the motion.

Also before the court is the Orents' motion (MS004) for an order directing Charles Schwab & Co. (Charles Schwab or Schwab)[2] to remove restrictions on certain individual brokerage, joint brokerage, and Individual Retirement Account (IRA) accounts owned by Matthew and AnDreea (NYSCEF # 94). Both White Oak and Charles Schwab oppose the motion.

BACKGROUND

The following facts are derived from (1) the parties' submissions filed in connection with MS 003 and 004 (NYSCEF # 96-100; NYSCEF # 120-129; NYSCEF # 144-155); (2) the Affidavit of Robert L. Dean and its accompanying exhibits, which were submitted in support of White Oak's January 18, 2023 Order to Show Cause (NYSCEF # 41-62) and relied upon and referenced by White Oak in MS 003; and (3) the Verified Amended Complaint (NYSCEF # 102).

EIA Defendants Enter into Credit Agreement with White Oak

On November 12, 2020, White Oak's predecessor in interest, White Oak Business Capital, Inc., entered into with Borrowers a Revolving Credit and Security Agreement (the Credit Agreement) (NYSCEF #41 – Dean Aff.; NYSCEF # 42 – Credit Agreement; NYSCEF # 48). Under the Credit Agreement, White Oak extended to Borrowers a $10 million revolving secured line of credit (Credit Agreement §§ 1.1, 2.1, 2.9). The Credit Agreement makes it clear that "[t]he aggregate outstanding Obligations shall not exceed the Credit Limit," as those terms are defined therein (*id.* §§ 1.1, 2.9).

Together with the Credit Agreement, Borrowers executed a promissory note, dated November 12, 2020, under which Borrowers covenanted and agreed to pay the lesser of $10 million or "the aggregate unpaid principal amount of all Advances made or extended to Borrowers under [the Credit Agreement]" (NYSCEF # 50). As a condition to White Oak extending the credit line to Borrowers, each Individual

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[1] On May 22, 2023, following a hearing, the Court granted a temporary restraining order (TRO) against the Orents (NYSCEF # 133). The Court later clarified during a conference held on May 30, 2023, that the TRO did not preclude the sale of the Orents' apartment located at 301 East 87th Street, Unit 22DE, New York, New York.

[2] White Oak has also named Charles Schwab, ADP TotalSource, Inc., and Great Midwest Insurance Company as nominal defendants.

Guarantor, including Matthew,[3] executed unconditional and absolute personal guarantees of Borrowers' Obligations on November 12, 2020 (NYSCEF # 51).

The Credit Agreement sets forth various occurrences constituting an "Event of Default" (Credit Agreement § 8.1). This includes, *inter alia*, Borrower "fail[ing] to pay any Obligation or fail[ing] to perform or observe any term, covenant or agreement contained in this Agreement" (*id.* § 8.1(a)). In the event of a default, White Oak's obligations to make advances terminate and all Obligations under the Credit Agreement become immediately due and payable (*id.* Article IX). White Oak could also exercise certain enumerated rights and remedies under the Credit Agreement (*id.* § 9.1).

The Credit Agreement also provides that "[a]s security for the payment of all Obligations, and satisfaction by Borrowers of all covenants and undertakings contained in" the Credit Agreement, Borrowers granted a "first Lien on and security interest in" Borrowers' assets, including, among other items, inventory, equipment, books, records, and accounts receivable (the Collateral) (Dean Aff. ¶ 7; Credit Agreement § 4.1). And Borrowers represented and warranted in the Credit Agreement that White Oak would have a "valid, perfected security interest in the Accounts and the other Collateral, subject to no other Liens, claims or encumbrances . . ." (Credit Agreement § 5.10). White Oak perfected its security interest in the Collateral by filing Uniform Commercial Code (UCC) financing statements with appropriate authorities (NYSCEF # 49).

Borrowers' Purported Default and Matthew's Pledge of the Brokerage Account

White Oak agreed to advance up to 85% of Borrowers' eligible accounts receivable delineated in the Credit Agreement (Dean Aff. ¶ 19; Credit Agreement § 2.3). In exchange, Borrowers were required to submit to White Oak an Accounts Reporting Certificate (ARC) that certified the total calculation of eligible accounts receivable (Dean Aff. ¶19; Credit Agreement §§ 1.1, 2.2-2.3). White Oak alleges that it relies upon ARCs when determining whether to extend loans to Borrowers (Am. Compl. ¶ 45). While White Oak claims that AnDreea was involved in preparing ARCs (*id.* ¶¶ 44, 46), DelPrado affirms that AnDreea made no decisions regarding their contents and only provided certain information discerned from her collection activities on behalf of Borrowers (NYSCEF # 151 – DelPrado Aff. ¶¶ 5-9).

Beginning in August 2022, Borrowers apparently began experiencing collection issues on their accounts receivable (Dean Aff. ¶ 21; Am. Compl. ¶ 48). Consequently, on September 13, 2022, Borrowers submitted to White Oak an ARC that removed approximately $1.72 million from the borrowing base, purportedly without adequate explanation (Dean Aff. ¶ 21; Am. Compl. ¶ 48; NYSCEF # 53

[3] AnDreea did not execute a personal guarantee of Borrowers' obligations (NYSCEF # 150 – AnDreea PI Aff. ¶ 20).

[reflecting adjustments to the "Other Adjustments to A/R" line item]). White Oak contends that this apparent write-off caused Borrowers' outstanding Obligations to exceed the Credit Limit in breach of Section 2.9 of the Credit Agreement (Dean Aff. ¶ 22; Am. Compl. ¶ 49).

Because of these purported defaults, on September 16, 2022, White Oak issued a Reservation of Rights letter to Borrowers (Am. Compl. ¶ 52; NYSCEF # 54). Nevertheless, that same month, White Oak agreed to advance $6.8 million in additional funds to Borrowers pursuant to the Credit Agreement (Dean Aff. ¶ 24; Am. Compl. ¶¶ 53, 63). As a condition to advancing these funds, White Oak required Guarantors, including Matthew, to pledge additional security as Collateral (Dean Aff. ¶ 26).[4] Thus, on October 7, 2022, Matthew entered into a Securities Account Pledge and Security Agreement (the Pledge Agreement), pursuant to which Matthew pledged, assigned, and granted White Oak a security interest in all his rights, title, and interest in and to his Charles Schwab cash brokerage account (the Brokerage Account) (NYSCEF # 55 – Pledge Agreement).[5] White Oak duly perfected its security interest in and to the Brokerage Account by filing a UCC financing statement with the appropriate authorities (NYSCEF # 56).

In connection with the Pledge Agreement, Matthew transferred $201,210.60 from the Orents' joint brokerage account (the Joint Account) to the Brokerage Account in September 2022 (Matthew Unfreeze Aff. ¶¶ 9-11). For her part, AnDreea was aware that Matthew had set up the Brokerage Account and pledged its funds as Collateral to White Oak (NYSCEF # 100 – AnDreea Unfreeze Aff. ¶ 9).

White Oak Ceases Funding and Issues Demand Letter

Borrowers' financial struggles continued into November 2022 (Dean Aff. ¶ 35; Am. Compl. ¶ 67; *see also* NYSCEF ## 58, 59, 123).[6] Evidently, on December 5, 2022, Borrowers submitted to White Oak an ARC that allegedly wrote off an additional $1.63 million of accounts receivables, purportedly without adequate explanation (NYSCEF #57 [reflecting adjustments to "New Sales Since Last BBC"]). White Oak alleges that Borrowers were unwilling or unable to provide it with requested financial information, or to pledge sufficient collateral to satisfy White Oak that Borrowers had the ability to repay the outstanding indebtedness (Am. Compl. ¶ 65). As a result, White Oak ceased making any further funding available

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[4] George Engel and DelPrado also purportedly agreed to pledge additional collateral (NYSCEF # 145 – Matthew PI Aff. ¶ 3).

[5] Matthew contends that he was only provided with a signature page for the Pledge Agreement and never saw its final form (*see* NYSCEF # 99 – Matthew Aff ¶¶ 15-17). But he does not argue in any of his submissions that the terms contained in the final version of the Pledge Agreement substantively differ in any material way from the prior versions he reviewed.

[6] The Orents affirm that they reduced compensation taken from Borrowers to keep Borrowers operating and meeting financial obligations (Matthew PI Aff. ¶¶ 20-31; AnDreea PI Aff. ¶¶ 38-39).

under the Credit Agreement, and Borrowers ceased operations and discontinued funding payroll for employees (*id.* ¶¶ 65-66).

White Oak contends that the information reflected in the December ARC, as well as Borrowers' pause in operations, constitute breaches of the Credit Agreement (Am. Compl. ¶ 70). White Oak therefore issued a demand letter dated December 12, 2022 (the Demand Letter) to notify Borrowers and Guarantors of Borrowers' defaults under the Credit Agreement and to demand immediate payment in full of all Obligations due and owing (NYSCEF # 14). As of May 1, 2023, the outstanding indebtedness due to White Oak totals $9,720,546.09 (inclusive of principal, interest, and fees), plus interest, fees, costs, and other charges thereafter (Am. Compl. ¶ 77).

The Purported Fraudulent Transfers and Other Alleged Improper Payments

White Oak contends, and Matthew essentially concedes (*see* NYSCEF # 99 - Matthew Unfreeze Aff. ¶¶ 23, 25-26, 33), that Matthew improperly transferred funds from the Brokerage Account to other accounts held by the Orents (Am. Compl. ¶¶ 90-91). According to Matthew, the Brokerage Account accrued an additional value of approximately $11,000 by November 2022 (Matthew Unfreeze Aff. ¶ 23). Matthew believes he had only pledged $200,000—notwithstanding the plain terms of his Pledge Agreement—and thus, on November 21, 2022, he directed his financial advisor to sell some of the mutual and transfer proceeds to the Joint Account (*id.* ¶ 25). The next day, Matthew directed his financial advisor to transfer $10,500 to AnDreea's individual brokerage account (AnDreea's Account) (*id.* ¶ 26).[7] Later, on December 12, 2022 (the same day Borrowers and Guarantors received White Oak's Demand Letter), Matthew directed his financial advisor to journal the mutual funds worth approximately $196,000 from the Brokerage Account to the Joint Account and to transfer $500 in cash to the Joint Account (*id.* ¶ 33).[8]

In addition to these transfers by Matthew, White Oak also alleges that, between November 2020 and December 2022, Borrowers paid Matthew and AnDreea's personal expenses, including, but not limited to, approximately $124,000 paid to an American Express credit card in Matthew's name (Am. Compl. ¶ 86; NYSCEF # 121 – Amato Aff. ¶ 36). White Oak further avers that Borrowers paid for multiple luxury vehicles for the EIA Defendants (namely Matthew and AnDreea), including a 2017 Aston Martin Rapide, a 2018 Porsche 211 Turbo, a 2021 Porsche Macan Turbo, a 2021 Porsche Cayenne, a 2020 Mercedes-Benz GLS, and a 2022 Acura MDX (Am. Compl. ¶ 87; Amato Aff. ¶ 36). The Orents, in their opposing

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[7] Matthew avers that the Orents use the Joint Account and AnDreea's Account to fund their living expenses (Matthew Unfreeze Aff. ¶ 27).

[8] Matthew attempts to justify his actions by claiming that he believed he had been "fraudulently induced to sign the Pledge Agreement," although he now concedes that he "should not have removed funds out of the Broker Account" (Matthew Unfreeze Aff. ¶¶ 29, 51).

papers, dispute that Borrowers ever made any improper payments to them or expenditures on their behalf (*see* DelPrado Aff. ¶¶ 18-27).

Charles Schwab Freezes the Orents' Accounts

White Oak commenced this action on January 17, 2023, and, the next day, moved by order to show cause for, among other relief, a preliminary injunction restraining Matthew from using, transferring, or disposing of any Collateral, including the Brokerage Account (NYSCEF ## 1, 41). The parties partially resolved this motion by stipulation dated January 25, 2023 (NYSCEF # 69). As part of this stipulation, Matthew agreed to not "use, remove, transfer, hypothecate, sell, pledge, encumber, convey, assign, destroy, erase, mutilate, conceal, alter or dispose of the Brokerage Account or any investments therein" (*id.* ¶ 7).

Charles Schwab froze the Brokerage Account on January 21, 2023 (Matthew Unfreeze Aff. ¶ 36). Additionally, Charles Schwab also froze the Joint Account and AnDreea's Account on February 16, 2023, and then the Orents' respective IRA accounts on February 25, 2023 (Matthew Unfreeze Aff. ¶¶ 36-38; AnDreea Unfreeze Aff. ¶¶ 14-15). The Orents aver that Schwab justified its decision based on certain contractual provisions contained in the Schwab One Account Agreement (applicable to the Brokerage Account, the Joint Account, and AnDreea's Account), as well as the Schwab Retirement Plan Brokerage Account Agreement (applicable to the IRA accounts) (Matthew Unfreeze Aff. ¶ 40; AnDreea Unfreeze Aff. ¶ 18; *see also* NYSCEF #'s 97, 98). These provisions grant Charles Schwab the unilateral right to place restrictions on the Orents' accounts to the extent it "deems necessary" (NYSCEF #'s 97, 98). These are standard contractual terms in Charles Schwab's agreements that neither Matthew nor AnDreea could negotiate (Matthew Unfreeze Aff. ¶ 42; AnDreea Unfreeze Aff. ¶ 19).

The Orents affirm that they purportedly have day-to-day expenses of approximately $42,000, and that Charles Schwab's actions are placing significant financial pressure on them (Matthew Unfreeze Aff. ¶¶ 43-45; AnDreea Unfreeze Aff. ¶¶ 21-23).[9] The Orents note that, to reduce monthly expenses, they have been forced to sell their New York City apartment (NYSCEF # 132).[10] The Orents' various accounts remain frozen to this day, and Charles Schwab will not lift any

[9] According to the Orents, these expenses include mortgage payments, Hebrew school tuition for their daughters, health insurance, and medical expenses for an injury suffered by one of their daughters on October 19, 2022 (Matthew PI Aff. ¶¶ 41-43; AnDreea PI Aff. ¶¶ 47-51).

[10] White Oak alleges that the Orents reduced the sales price of their New York City apartment from $2.5 million to $1.8 million as part of a "fire sale" (Amato Aff. ¶ 37-39). The Orents respond, however, that (1) their ownership of this property pre-dates White Oak's involvement with Borrowers, (2) the property was listed for sale well before the White Oak issued the Demand Letter or even its reservation of rights, and (3) any price reductions are a result of a flood of housing inventory and rising interest rates (Matthew PI Aff. ¶¶ 9, 32-38; NYSCEF # 132). The Court concluded that the Orents could proceed with the sale of this property during the hearing over White Oak's TRO request.

restrictions unless either White Oak agrees to release Schwab of all liability in connection with this action, or this court so orders it to do so (NYSCEF # 96 ¶ 5).

DISCUSSION

I. WHITE OAK'S MOTION FOR A PRELIMINARY INJUNCTION (MS 003)

"The provisional remedy of a preliminary injunction in New York civil actions is governed by CPLR 6301" (*Credit Agricole Indosuez v Rossiyskiy Kredit Bank*, 94 NY2d 541, 544 [2000]), which provides in relevant part:

> A preliminary injunction may be granted in any action where it appears that the defendant threatens or is about to do, or is doing or procuring or suffering to be done, an act in violation of the plaintiff's rights respecting the subject of the action, and tending to render the judgment ineffectual, or in any action where the plaintiff has demanded and would be entitled to a judgment restraining the defendant from the commission or continuance of an act, which, if committed or continued during the pendency of the action, would produce injury to the plaintiff. . . .

(CPLR 6301).

"The purpose of a preliminary injunction is to maintain the status quo and prevent the dissipation of property that could render a judgment ineffectual" (*1650 Realty Assocs., LLC v Golden Touch Mgmt., Inc.*, 101 AD3d 1016, 1018 [2d Dept 2012]). That said, the "remedy of granting a preliminary injunction is a drastic one which should be used sparingly" (*McLaughlin, Piven, Vogel, Inc. v W.J. Nolan & Co.*, 114 AD2d 165, 172 [2d Dept 1986]). "A preliminary injunction substantially limits a defendant's rights and is thus an extraordinary provisional remedy requiring a special showing. . . . [It] will only be granted when the party seeking such relief demonstrates a likelihood of ultimate success on the merits, irreparable injury if the preliminary injunction is withheld, and a balance of equities tipping in favor of the moving party" (*1234 Broadway LLC v West Side SRO Law Project*, 86 AD3d 18, 23 [1st Dept 2011], citing *Doe v Axelrod*, 73 NY2d 748 [1988]).

Whether to grant a preliminary injunction is "committed to the sound discretion of the motion court" (*Harris v Patients Med., P.C.*, 169 AD3d 433, 434 [1st Dept 2019]). The existence of triable issues of fact does not require the denial of a preliminary injunction when the movant meets its burden of establishing the three prerequisites for injunctive relief (*Bell & Co, P.C. v Rosen*, 114 AD3d 411, 411 [1st Dept 2014]; CPLR 6312[c]).

As will be explained, this court finds that White Oak has made the requisite showing for a preliminary injunction against both Matthew and AnDreea, although

the scope of the injunction will not be as expansive as what White Oak is seeking in its motion (NYSCEF # 120).

A. Likelihood of Ultimate Success on the Merits

White Oak advances two bases in support of its contention that it is likely to succeed on the merits. White Oak first argues that it is likely to succeed on the merits of its breach of contract claims against Matthew (NYSCEF # 129 – Pl. MOL at 11-12). This court agrees.

"To establish a breach of contract claim, the plaintiff[] must allege the specific terms of the agreement, the consideration, the plaintiff['s] performance, and the defendant['s] breach of the agreement" (*Sylmark Holdings Ltd. v Silicone Zone Int'l Ltd.*, 5 Misc 3d 285, 295 [Sup Ct, NY County 2004]). Here, there are sufficient allegations and evidence in the record supporting White Oak's breach of contract claim. At the outset, the record establishes that, in exchange for receiving a $10 million revolving secured line of credit, Borrowers covenanted and agreed to pay the lesser of $10 million or "the aggregate unpaid principal amount of all Advances made or extended to Borrowers under [the Credit Agreement]" (Credit Agreement §§ 1.1, 2.1, 2.9; NYSCEF # 50; NYSCEF # 106). Borrowers further agreed that "[t]he aggregate outstanding Obligations shall not exceed the Credit Limit," and they further agreed to the Credit Agreement's terms that failure to "pay any Obligation or fail[ure] to perform or observe any term, covenant or agreement" constitutes to a default event (*id.* §§ 1.1, 2.9, 8.1(a)).

Relying on these provisions (among others), White Oak has proffered evidence and allegations establishing that Borrowers breached the Credit Agreement by, *inter alia*, allowing Obligations to exceed the credit limit and ultimately failing to repay any of the funds it received from White Oak under the Credit Agreement (even after receiving the Demand Letter) (*see* Dean Aff. ¶¶ 18, 21, 32; Am. Compl. ¶¶ 48, 64, 75-77; NYSCEF ## 53, 57, 109, 114, 115). And, as is relevant here, White Oak has also established that Matthew (among others) "unconditionally and absolutely" guaranteed Borrowers' performance under the Credit Agreement and the promissory notes (NYSCEF ## 51, 107 ["Guarantor, jointly and severally if more than one, unconditionally and absolutely guarantees to Lender [] the due and punctual payment and performance when due of all obligations . . . under the Credit Documents . . . [and] [] the due and punctual performance and observance . . . of all other terms, covenants, agreements, indemnifications, and conditions of the Credit Documents"). Accordingly, taking White Oak's allegations and evidentiary submissions together, there is sufficient basis for the court to conclude that White Oak has demonstrated its likelihood of ultimate success on the merits of its breach of contract claim against Matthew.

White Oak separately contends that it is likely to succeed on the merits of its fraudulent conveyance claims against Matthew and AnDreea arising out of the

Brokerage Account transfer (Pl. MOL at 12). Under Section 273 of the New York Debtor and Creditor Law (DCL), a transfer made or obligation incurred by a debtor is voidable as to a creditor if the debtor made the transfer or incurred the obligation (1) "with actual intent to hinder, delay or defraud any creditor of the debtor," or (2) "without receiving a reasonably equivalent value in exchange for the transfer or obligation" (i) while engaged or about to be engaged "in a business or a transaction for which the remaining assets of the debtor were unreasonably small in relation to the business or transaction," or (ii) while intending to incur, or believing or reasonably should have been believing it would incur, "debts beyond debtor's ability to pay as they became due" (DCL § 273[a][1]-[2]).

For claims under Section 273(a)(1), the DCL sets forth several non-exhaustive factors that courts may consider as indicia of fraud in a transaction, including whether "the transfer or obligation was to an insider," "the value of the consideration received by the debtor was reasonably equivalent to the value of the asset transferred or the amount of the obligation incurred," and "the debtor was insolvent or became insolvent shortly after the transfer was made or the obligation was incurred" (DCL § 273[b][1]-[11]). Conversely, claims brought under Section 273(a)(2) do not require any proof of fraudulent intent because they are "based on constructive fraud" (*see Bd. of Managers of the 165 E. 62nd St. Condominium v Churchill E 62nd LLC*, 2023 WL 372504 at *7-8 [Sup Ct, NY County, May 25, 2023], citing *Ridinger v West Chelsea Dev. Partners LLC*, 150 AD3d 559, 560 [1st Dept 2017]). Here, White Oak has demonstrated a likelihood of ultimate success as to its claims under both Section 273(a)(1) against Matthew and Section 273(a)(2) against Matthew and AnDreea.

Regarding Section 273(a)(1), several of the requisite badges of fraud appear to be reflected in the record, at least regarding Matthew. For instance, there is no credible dispute that Matthew pledged to White Oak all his "rights, title and interest in and to" the Brokerage Account (Pledge Agreement; *see also* NYSCEF # 111). Despite this clear pledge, Matthew admits that he directed his financial advisor to transfer away all funds from the Brokerage Account to the Joint Account and AnDreea's Account, and that he did so on the ***same day*** Borrowers and Guarantors received the Demand Letter (Matthew Unfreeze Aff. ¶¶ 26, 28, 33, 51). Upon completion of the transfer, Matthew remained in full control of the funds.[11]

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[11] Although Matthew now claims that he understands that he "should not have removed funds out of the Brokerage Account," and advances purported justifications for his conduct, his contentions at most raise triable issues of fact that do not subvert White Oak's showing of the requisite badges of fraud underlying the Brokerage Account transfer (*see Elsayed v Sunset Corp.*, 2022 WL 861542 at *2 [Sup Ct, NY County, Mar. 17, 2022 [noting that an affidavit refuting allegations did not disturb the court's conclusion that plaintiff had demonstrated a likelihood of success on the merits"]; *25 CPW City Views, LLC v Cohen*, 2020 WL 375608, at *6 [Sup Ct, NY County, Jan. 22, 2020] ["Even if Cohen's affidavit raised a factual issue as to whether Stempler had been making noises that were disturbing Cohen, this factual issue does not subvert plaintiffs' establishment of a clear right to relief."]).

At no point did Matthew disclose the transfer from the Brokerage Account prior to the filing of MS 004 (Amato Aff. ¶ 18).

Turning to Section 273(a)(2), White Oak has demonstrated a requisite likelihood of ultimate success over this claim against both Matthew and AnDreea at this stage of the proceedings. To start, as the above facts indicate, the transfers by Matthew from the Brokerage Account were seemingly made for less than reasonably equivalent value and effectively rendered the Brokerage Account—which was pledged to White Oak—insolvent. And insofar as this claim targets AnDreea, there is no dispute that the funds transferred from the Brokerage Account went directly to accounts over which AnDreea had control, making her one of the transferees of the conveyance. For these reasons, the Orents' contentions that AnDreea did not have the "authority or ability to transfer funds out of the Brokerage Account" and "did not cause any of the assets in [the] account to be transferred" are unavailing (NYSCEF # 144 – Orent Opp. at 11) (*see Constitution Realty, LLC v Oltarsh*, 309 AD2d 714, 716 [1st Dept 2003] ["Liability is imposed on 'parties who participate in the fraudulent transfer of a debtor's property and are transferees of the assets and beneficiaries of the conveyance.'"]).

At bottom, White Oak has established a likelihood of ultimate success on the merits of its breach of contract and fraudulent conveyance claims. The court need not, and does not, reach the Orents' arguments as to the sufficiency of White Oak's other causes of action against them (*see e.g. Petry v Gillon*, 199 AD3d 1277, 1279 [3d Dept 2021] ["to obtain a preliminary injunction, plaintiffs needed to demonstrate a likelihood of success on the merits on at least one of their claims"]).

B. Irreparable Injury

White Oak contends that it will suffer irreparable harm without injunctive relief because "denial [of its motion] would render any final judgment in favor of White Oak ineffectual" (Pl. MOL at 12-13). White Oak argues, "[p]reservation of the Orents' assets, including their Charles Schwab accounts and the apartment . . . is needed to protect White Oak's interests" because "further loss of those and any other assets held by the Orents as a potential basis of recovery will severely prejudice White Oak" (*id.*). In response, the Orents argue that White Oak's damages are monetary and readily calculable and that White Oak's motion is "merely speculating" that the Orents will not pay any judgment (Orent Opp. at 12-16).

Typically, a "general creditor has no legally recognized interest in or right to interfere with the use of the unencumbered property of a debtor prior to obtaining judgment" (*Credit Agricole,* 94 NY2d at 549 [quoting CPLR 6301]). As a result, "the acts of the debtor in disposing of assets will not have 'produce[d] [cognizable] injury to the plaintiff' and thus will not support a temporary injunction" (*id.*). In such cases, "[Plaintiff's] remedy [], if [plaintiff] can establish such conduct by [defendant]

convincingly, is an order of attachment under CPLR 6201 [3], not an injunction under Article 63" (*id.* at 548, quoting Siegel, NY Prac § 327 at 498 [3d ed]).

That said, a secured creditor *does* have a legally recognized interest in preventing dissipation of encumbered property prior to obtaining judgment (*see e.g. Winchester Glob. Tr. Co. v Donovan*, 58 AD3d 833, 834 [2d Dept 2009] [holding that injunctive relief was properly granted as the uncontrolled disposition of assets "would threaten to render ineffectual any judgment which the plaintiff might obtain" in an action by a secured party to set aside allegedly fraudulent conveyances made "in derogation of the plaintiff's perfected security interest"]; *Goldman Sachs Bank USA v Schreiber*, 2022 WL 60650 at *3 [Sup Ct, NY County 2022] [granting preliminary injunction enjoining the transfer of assets where plaintiff, a secured creditor, sought to prevent a dissipation of collateral, and the sale of such assets in direct contravention of agreements would cause irreparable harm by taking away the value of the collateral]).

White Oak has made a sufficient showing of irreparable harm. To start, White Oak has established that it is a secured creditor. As reflected in the Dean Affidavit and its accompanying exhibits (as well as the Amended Complaint and its accompanying exhibits), White Oak extended a $10 million revolving secured line of credit to Borrowers under the Credit Agreement. Borrowers, in turn, granted White Oak a first lien and security interest in the Collateral, and the security interest was perfected by the filing of UCC financing statements (*id.* § 4.1; NYSCEF # 47). The security interest was then guaranteed by various individual and corporate guarantors (including Matthew) (NYSCEF ## 51, 52).

There is likewise support in the record that White Oak's collateral is at risk of further dissipation and may not otherwise be collectable from the Orents. Neither Matthew nor AnDreea dispute that the outstanding indebtedness due to White Oak under the Credit Agreement and related guarantees totals $9,720,546.09 (Am. Compl. ¶ 77). And White Oak has alleged several instances of Matthew and/or AnDreea disbursing or accepting funds, directly or indirectly, that were otherwise owed to White Oak under the Credit Agreement and guaranteed and/or pledged by Matthew, in some cases purportedly due to the Orents' ongoing financial struggles (Am. Compl. ¶¶ 86-87, 90-92; Matthew Unfreeze Aff. ¶¶ 26, 28, 32-33). These alleged facts, coupled with other relevant factors reflected in the parties' submissions, reflect conduct that threatens to render ineffectual any judgment which the plaintiff might obtain herein.

The Orents' reliance on cases such as *Mosley v Brittain* (2017 NY Slip Op 32447[U] [Sup Ct, NY County, Nov. 27, 2017]) and *Buckley v McAteer* (210 AD3d 1044 [2d Dept 2022]) does not warrant a different conclusion. Indeed, neither plaintiff in *Mosley* or in *Buckley* was a secured creditor (2017 NY Slip Op 32447[U] at 1-3 [plaintiff brought a personal injury claim against a defendant who physically assaulted her and had sought to freeze his assets in pursuit of collecting a potential

judgment in her favor]; 210 AD3d at 1044-45 [plaintiff was a victim of defendant's criminal conduct—again, not a secured creditor—and only brought claims that gave rise to money damage]). Similarly unavailing is the Orents' citation to cases such as *Chiagkouris v 201 W. 16 Owners Corp.* (150 AD3d 442 [1st Dept 2017]). The plaintiff in *Chiagkouris*, for example, had simply stated that he would face "severe financial consequences" absent an injunction in an action challenging defendant's decision to terminate an apartment lease (150 AD3d at 442).

In sum, White Oak has established the requisite irreparable harm needed to obtain a preliminary injunction.

C. Balance of Equities

"To obtain an injunction, the plaintiff [must] show that the irreparable injury to be sustained is more burdensome to [such plaintiff] than the harm that would be caused to the defendant through the imposition of the injunction" (*Lombard v Station Square Inn Apartments Corp.*, 94 AD3d 717, 721-22 [2d Dept 2012]). For its part, White Oak argues that "the harm that will inure to White Oak is greater than any injury that might befall the Orents" (Pl. MOL at 14). White Oak further notes that Matthew in particular "personally guaranteed the significant sums due and owing to White Oak" (*id.*). The Orents counter that an injunction would deprive them of access to bank accounts or funds, prevent them from using any earned income, disincentivize them from working, prevent them from responding to market changes that could, in turn, result in greater financial losses to them, and, finally, impede their ability to pay for living expenses (Orent Opp. at 17-18).

Here, the balance of equities weighs in favor of issuing an injunction. On one hand, White Oak faces a real risk of being without a viable recourse in these proceedings in the absence of an injunction. Conversely, White Oak has shown that the Orents have improperly dissipated assets to which White Oak is entitled, which, if not restrained to maintain the status quo, would further exacerbate White Oak's position. The living expense considerations advanced by the Orents in opposition to White Oak's motion does not alter this conclusion (*see e.g. Felix v Brand Serv. Grp. LLC*, 101 AD3d 1724, 1726 [4th Dept 2012] [finding balance of equities supported applicant where even if defendants may be delayed in using the restrained funds, nonetheless without the injunction "plaintiffs may never be able to recover the money, if disbursed"]; *Goldman Sachs Bank USA*, 2022 WL 60650 at *2 [finding balance of equities favored lender where there were loan defaults by the debtor]).

D. Scope of Injunction

Although a preliminary injunction is warranted against the Orents, the court is mindful that Matthew and AnDreea stand in vastly different positions vis-à-vis White Oak's claims in this action. Accordingly, the scope of the preliminary injunction will be as follows: (1) Matthew is enjoined and restrained from using,

transferring, selling, pledging, assigning, or disposing of any of his property, as well as any identifiable proceeds, to any person, corporation, or entity other than White Oak, and from permitting such assets to become subject to a security interest or lien other than in favor of White Oak; and (2) AnDreea is enjoined and restrained from using, transferring, selling, pledging, assigning, or disposing of any property jointly owned, held, or controlled with Matthew (e.g., funds contained in the Joint Account), as well as any identifiable proceeds, to any person, corporation, or entity other than White Oak, and from permitting such assets to become subject to a security interest or lien other than in favor of White Oak.[12] In all events, the Orents should be permitted to access reasonable living expenses and White Oak is directed to continue working in good faith with the Orents to determine that amount.[13]

II. WHITE OAK'S MOTION FOR AN ORDER OF ATTACHMENT (MS 003)

A. Order of Attachment as to Matthew

"Attachment is a harsh remedy and is construed narrowly in favor of the party against whom the remedy is invoked" (*VisionChina Media Inc. v S'holder Representative Servs., LLC*, 109 AD3d 49, 59 [1st Dept 2013] [internal citations omitted]). A plaintiff seeking an order of attachment "must show the probability of its success on the merits of its cause of action, that one or more grounds provided for in CPLR 6201 exist, and that the amount demanded from the defendant exceeds all counterclaims known to the plaintiff" (*Reed Smith LLP v LEED HR, LLC*, 156 AD3d 420, 420 [1st Dept 2017]) and demonstrate an "identifiable risk that the defendant will not be able to satisfy the judgment" (*ALP, Inc. v Moskowitz*, 2021 WL 840013, *4 [Sup Ct, NY County, Mar. 4, 2021]). Plaintiff must establish a ground for attachment as to each defendant (*Genger v Genger*, 152 AD3d 444, 445 [1st Dept 2017], citing *Ford Motor Credit Co. v Hickey Ford Sales*, 62 NY2d 291, 296 [1984]). Ultimately, "[w]hether to grant a motion for an order of attachment rests within the discretion of the court" (*VisionChina*, 109 AD3d at 59). Courts have further recognized that "[t]here is a great deal of overlap in the showing required for an order of attachment and a preliminary injunction" (*Goodstein v Enbar*, 2017 NY Slip Op 30496[U], at *5 [Sup Ct, NY County, Mar. 17, 2017]).

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[12] For the avoidance of doubt, the court finds no basis in the record to enjoin the Matthew's IRA Account, at least for now (*cf. Lauder v Jacobs*, 10 Misc 3d 1052[A] at *4 [Sur Ct, Westchester County, Nov. 10, 2005] [finding that "any assets currently in defendant's IRA account at Merrill Lynch . . . are exempt from attachment"]).

[13] If the Orents and White Oak are unable to reach an agreement on reasonable living expenses, the Orents may move for appropriate relief (*see* CPLR § 1312[4] ["Upon motion of any party against whom a provisional remedy granted pursuant to this article is in effect, the court may issue an order modifying or vacating such provisional remedy if necessary to permit the moving party to obtain funds for the payment of reasonable living expenses."]).

As is relevant here, CPLR 6201(3) provides that an order of attachment may be granted "when . . . the defendant, with intent to defraud his creditors or frustrate the enforcement of a judgment that might be rendered in plaintiff's favor, has assigned, disposed of, encumbered or secreted property, or removed it from the state or is about to do any of these acts[.]" (CPLR 6201[3]). The "removal, assignment or other disposition of property is not a sufficient ground for attachment [under CPLR 6201(3)]; fraudulent intent must be proven, not simply alleged or inferred, and the facts relied upon to prove it must be fully set forth in the moving affidavits" (*Abacus Fed. Sav. Bank v Lim*, 8 AD3d 12, 13 [1st Dept 2004]; *Mitchell v Fidelity Borrowing LLC*, 34 AD3d 366, 366-67 [1st Dept 2006]; *see also Computer Strategies v Commodore Bus Machs.*, 105 AD2d 167, 173 [2d Dept 1984]). Nor is mere suspicion of an intent to defraud enough to warrant attachment (*Mitchell*, 34 AD3d at 366-67 ["[t]he fact that the affidavits in support of an attachment contain allegations raising a suspicion of an intent to defraud is not enough"] [internal citation and quotation omitted]).

Under this standard, a limited order of attachment against Matthew is warranted on the record. First, as explained above, White Oak has established a probability of success on the merits regarding its breach of contract and fraudulent conveyance causes of action. Second, White Oak has made the requisite showing of fraudulent intent necessary to warrant attachment considering the numerous badges of fraud inherent in the transfer of funds away from the Brokerage Account (*see Steinberg v Levine*, 6 AD3d 620 [2d Dept 2004] [concluding that there was "sufficient evidence" of fraudulent intent where respondent "transferred his assets, without consideration, to his wife while retaining control over them, and while aware of his financial obligation to the petitioner"]; *see also Amsterdam Nursing Home Corp. v Walkin*, 2019 WL 7067084 at *4 [Sup Ct, NY County, Dec. 23, 2019 [concluding that complaint adequately stated fraudulent conveyance claim when parent transferred funds to son for no consideration and with "good indication that the transfers would result in insolvency and leave her unable to pay current and future creditors"]). While Matthew heavily disputes whether the purported credit card payments and financing of company vehicles were improper (Orent Opp. at 20; DelPrado Aff. ¶¶ 6, 28; Matthew PI Aff. ¶¶ 12, 17), those contentions do not negate the clear badges of fraud reflected in his conveyance of funds away from the Brokerage Account. Nor do Matthew's post-hoc, self-serving explanations regarding his decision-making process alter the court's conclusion.

Finally, White Oak establishes an identifiable risk that Matthew will not be able to satisfy a judgment against him. The outstanding indebtedness to White Oak remains unpaid to date, yet Matthew knowingly emptied the pledged Brokerage Account due to purported financial struggles, which, by his own account, remain ongoing (Matthew Unfreeze Aff. ¶¶ 32-33; Matthew PI Aff. ¶ 43) (*see e.g., S.M.R.C., Inc. v Watkins*, 2015 WL 5774777, at *11 [ED NY, May 4, 2015, No. CV-13-193 (PKC)(VVP)], *adopted by Stock Market Recovery Consultants Inc. v Watkins*, 2015 WL 5771997 [ED NY, Sept. 30, 2015, No. 13-CV-193 (PKC)(VVP)] [identifiable risk

of inability to satisfy judgment found where defendants needed "funds to make ends meet, which mean[t] that the funds they seek would be dissipated and thus be unavailable to satisfy any money judgment that is entered against them"]).[14] And while the Orents indicate that they intend to file counterclaims (Orent Opp. at 19), none have been interposed at this juncture.

Turning to the scope of an order of attachment against Matthew's property, it is noted that White Oak's proposed order seeks attachment against "Matthew's and AnDreea's property," seemingly without specificity or limit (NYSCEF # 133). For this reason, the Orents contend that an order of attachment should be denied for failure to identify any specific property for attachment (Orent Opp. at 18). To be sure, the Orents' concerns have some merit given the expansive scope of White Oak's proposed order of attachment. White Oak, however, does appear to at least identify "the funds pledged in the Brokerage Account" in its memorandum of law (Pl. MOL at 15), thus identifying specific property for attachment. Based on the facts averred in the parties' submissions, an order of attachment is granted over the $211,000 transferred out of the Brokerage Account by Matthew into the Joint Account and AnDreea's Account (*see* Matthew Unfreeze Aff. ¶¶ 23-26, 33).

B. Order of Attachment as to AnDreea

As to AnDreea, beyond certain non-specific allegations averred in the Amended Complaint grouping AnDreea with the other Individual Guarantors (Am. Compl. ¶¶ 44, 46, 56-57, 86, 88), White Oak has not put forth sufficient evidence proving AnDreea's fraudulent intent or conduct. Without more, the fact that AnDreea has conceded knowledge that Matthew pledged the Brokerage Account to White Oak as collateral (AnDreea Unfreeze Aff. ¶ 9), or that the Brokerage Account's funds were transferred to two accounts over which AnDreea had control, does not justify an order of attachment against AnDreea's property. Thus, this branch of White Oak's motion to attach AnDreea's account is denied.

III. SETTING AN UNDERTAKING

CPLR 6312 provides that "prior to the granting of a preliminary injunction, the plaintiff shall give an undertaking in an amount to be fixed by the court, that the plaintiff, if it is finally determined that he or she was not entitled to an injunction, will pay to the defendant all damages and costs which may be sustained by reason of the injunction. . ." (CPLR 6312[b]). CPLR 6212 also requires an undertaking (CPLR 6212[b] ["On a motion for an order of attachment, the plaintiff shall give an undertaking, in a total amount fixed by the court[.]"]). The amount must be "rationally related to defendants' potential damages if the preliminary injunction later proves to have been unwarranted" (*Madison/Fifth Assocs. LLC v*

[14] While Matthew now states, in self-serving fashion, his intent to replenish the Brokerage Account (Matthew Aff. ¶ 51), the record before the court raises serious concerns over his ability to ultimately satisfy any judgment against him without attachment.

1841-1843 Ocean Parkway, LLC, 50 AD3d 533, 534 [1st Dept 2008]). Speculative damages are not considered (*Visual Equities Inc. v Sotheby's,* Inc., 199 AD2d 59, 59 [1st Dept 1993]).

Here, the Orents seek "at least $5 million" to account for "foreclosure of their residence and apartment, repossession of vehicles, lost investment income, loss of life and disability insurance benefits, and harm resulting from their inability to seek medical care" (Orent Opp. at 21-22). But the Orents have offered no indication that an undertaking of $5 million is, at most, based anything more than speculative damages. Instead, under the facts of this case, an undertaking of $500,000 is rationally related to the Orents' potential damages when considering the potential financial impact of this injunction on the Orents reflected in the record (*see* Matthew PI Aff. ¶¶ 32-43; AnDreea PI Aff. ¶¶ 47-51), the value of the attached property, and other corresponding costs such as attorneys' fees (*see e.g. JSC VTB Bank, Etc. v Mavlyanov*, 154 AD3d 560, 563 [1st Dept 2017] [setting undertaking at $1 million when considering value of property attached and corresponding attorneys' fees]; *see also MyPart Software Ltd. v Fluent Trade Techs. Ltd. S.A.R.L.*, 2017 NY Slip Op 32499[U], at *2-3 [Sup Ct, NY County, Nov. 29, 2017] ["Commentaries and court procedures suggest that an undertaking on an attachment should generally be set in the amount of five to ten percent of the amount restrained."]).

IV. ORENTS' MOTION TO UNFREEZE THEIR CHARLES SCHWAB ACCOUNTS (MS 004)

The Orents separately move for an order directing Charles Schwab to remove certain restrictions on the Orents' various bank accounts, including, but not limited to the Joint Account (account ending in x644), AnDreea's Account (account ending in x540), and the Orents' respective IRA accounts (accounts ending in x512 and x956, respectively) (NYSCEF ## 94, 95). The Orents argue that they are entitled to equitable relief because (1) the Schwab One Account Agreement and Schwab Retirement Plan Brokerage Account Agreement (the Schwab Agreements) are procedurally and substantively unconscionable, and (2) the Orents' urgently need access to the money in the non-pledged accounts considering their deteriorating financial circumstances (Orent MOL at 9-12). The Orents further argue that, at minimum, Charles Schwab should lift the restrictions on their IRA accounts because those accounts are unreachable by judgment creditors (NYSCEF # 137).

In opposition, White Oak contends that Charles Schwab acted consistently with the authority granted to it under the Schwab Agreements and that unfreezing the Orents' accounts will result in further loss to White Oak's sources of recovery (NYSCEF # 130 at 6-8). Meanwhile, Charles Schwab avers that the Schwab Agreements are valid and enforceable, and it was well within its contractual rights to place restrictions on the Orents' accounts (NYSCEF # 119 at 3-5). That said, Charles Schwab maintains that it will comply with any order by the court (*id.* at 5).

As a preliminary matter, it is undisputed that Charles Schwab is within its contractual right to apply restrictions to the Orents' accounts under the plain terms of the Schwab Agreements (NYSCEF ## 97, 98). The Orents' contention that the Schwab Agreements are procedurally and substantively unconscionable under California law is unpersuasive (*see e.g. Chou v Charles Schwab & Co., Inc.*, 2022 WL 1127384, at *5-6 [ND Cal., Mar. 22, 2022, No. 21-cv-06189-LB], *affd* 2023 WL 2674367 at *1 [9th Cir, Mar. 23, 2023, No. 22-15549]). Therefore, given the above ruling on White Oak's motion for a preliminary injunction and an order of attachment, the court declines to lift the restrictions that have been placed on the Joint Account to the extent such restrictions are consistent with the scope of the injunction set forth herein.

However, Charles Schwab is hereby directed to lift the restrictions on AnDreea's Account and the Orents' IRA accounts. Regarding the IRA accounts, the Orents' argue, and neither White Oak nor Charles Schwab seemingly challenges, that under CPLR 5205, funds held in qualifying IRA accounts are generally exempt from being used to satisfy money judgments (*see Friedman v Turner*, 135 AD3d 487, 487 [1st Dept 2016]; *Rech v Rech*, 162 AD3d 1731, 1733 ([4th Dept 2018]; CPLR 5205[c][2]). As such, there is no basis from these proceedings for Charles Schwab to maintain restrictions on these accounts. Turning to AnDreea's Account, the injunction relief against AnDreea is limited to property that she jointly controls with Matthew. For this reason, there is no need for Charles Schwab to continue restricting AnDreea's Account.

CONCLUSION

In view of the above, it is

ORDERED that plaintiff White Oak Commercial Finance, LLC (White Oak) motion for a preliminary injunction (MS 003) is granted on the terms set forth above; and it is further

ORDERED that defendant Matthew Orent and his representatives, successors, assigns, agents, executors, administrators, and all those acting in concert with, on his behalf, and/or under his direction or control are temporarily enjoined and restrained from (1) using, transferring, hypothecating, selling, pledging, assigning, or disposing any of his property and any identifiable proceeds thereof, excluding Matthew's individual retirement account or reasonable living expenses (Matthew Property), to any person, corporation, or entity other than White Oak; or (2) permitting Matthew Property to become subject to a security interest or lien other than in favor of White Oak; and it is further

ORDERED that defendant AnDreea Orent and her representatives, successors, assigns, agents, executors, administrators, and all those acting in concert with, on her behalf, and/or under her direction or control are temporarily

enjoined and restrained from (1) using, transferring, hypothecating, selling, pledging, assigning, or disposing any of her property and any identifiable proceeds thereof, to the extent jointly held, owned, or controlled with Matthew Orent excluding reasonable living expenses (AnDreea Property), to any person, corporation, or entity other than White Oak; or (2) permitting AnDreea Property to become subject to a security interest or lien other than in favor of White Oak; and it is further

ORDERED that White Oak's motion for an order of attachment (MS 003) is granted in part and denied in part on the terms set forth above; and it is further

ORDERED that an order of attachment in the amount of the $211,000 against defendant Matthew Orent, which constitutes the sum of proceeds transferred from the Schwab One Account of Matthew Orent at Charles Schwab & Co. account number ending in x349 (the Brokerage Account), as well as any interest, costs, and sheriff's fees, and the Sheriff of New York City or the Sheriff of any other county in the State of New York, shall levy within his/her jurisdiction at any time before final judgment herein, upon any assets, accounts, or other property in which Matthew Orent or his affiliates have an interest, and upon such debts owing to Matthew Orent, as will secure White Oak's interest in and to the Brokerage Account to the extent of at least $210,000, including, but not limited to the Orents' joint brokerage account at Charles Schwab & Co., account number ending in x644; and it is further

ORDERED that defendants Matthew Orent and AnDreea Orent's motion for an order directing Charles Schwab & Co to unfreeze certain of the Orents' brokerage and IRA accounts (MS 004) is granted in part and denied in part; and it is further

ORDERED that Charles Schwab & Co. shall lift any restrictions on the following bank accounts owned or controlled by Matthew Orent or AnDreea Orent: (1) Matthew Orent's Individual Retirement Account, account number ending in x512; (2) AnDreea Orent's Individual Retirement Account, account number ending in x956; and (3) AnDreea Orent's individual brokerage account, account number ending in x540; and it is further

ORDERED that pursuant to CPLR 6312(b) and CPLR6212(b), White Oak shall post an undertaking in the sum of $500,000 by June 30, 2023; and it is further

ORDERED that the temporary restrictions imposed in the Court's temporary restraining order dated May 22, 2023 (NYSCEF # 133) are lifted.

This constitutes the Decision and Order the court.

06/12/2023
DATE

MARGARET CHAN, J.S.C.

CHECK ONE:		CASE DISPOSED			X	NON-FINAL DISPOSITION	
		GRANTED		DENIED	X	GRANTED IN PART	OTHER
APPLICATION:		SETTLE ORDER				SUBMIT ORDER	
CHECK IF APPROPRIATE:		INCLUDES TRANSFER/REASSIGN				FIDUCIARY APPOINTMENT	REFERENCE