

**Arrowgrass Capital Partners LLP v Edwards**

2024 NY Slip Op 33521(U)

September 28, 2024

Supreme Court, New York County

Docket Number: Index No. 654378/2019

Judge: Andrea Masley

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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 48

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ARROWGRASS CAPITAL PARTNERS LLP,  
ARROWGRASS CAPITAL PARTNERS (US) LP,  
ARROWGRASS CAPITAL SERVICES (US) INC.,  
ARROWGRASS CAPITAL SERVICES UK LTD., and  
ARROWGRASS INVESTMENT MANAGEMENT LTD.,

Plaintiffs,

- v -

MICHAEL EDWARDS and OLD POST COMPANY, INC.,

Defendants.

INDEX NO. 654378/2019

MOTION DATE --

MOTION SEQ. NO. 002 003

**DECISION + ORDER ON  
MOTION**

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HON. ANDREA MASLEY:

The following e-filed documents, listed by NYSCEF document number (Motion 002) 58, 59, 60, 61, 62, 63, 64, 65, 66, 68, 69

were read on this motion to/for SEAL

The following e-filed documents, listed by NYSCEF document number (Motion 003) 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97

were read on this motion to/for SEAL

**Mot. Seq. No. 002**

In motion sequence number 002, plaintiffs Arrowgrass Capital Partners LLP, Arrowgrass Capital Partners (US) LP, Arrowgrass Capital Services (US) Inc., Arrowgrass Capital Services UK Ltd., and Arrowgrass Investment Management Ltd. move pursuant to the Uniform Rules of the New York State Trial Courts (22 NYCRR) § 216.1 to redact NYSCEF 38<sup>1</sup> (Amended and Restated Consultancy Agreement) and 39<sup>2</sup>

<sup>1</sup> NYSCEF 38 has been refiled as NYSCEF 61. Public copy of NYSCEF 38 with plaintiffs' proposed redaction is filed at NYSCEF 42.

<sup>2</sup> NYSCEF 39 has been refiled as NYSCEF 62. Public copy of NYSCEF 39 with plaintiffs' proposed redaction is filed at NYSCEF 43.

(Amended and Restated Separation Agreement between Arrowgrass and Michael Edwards) which were previously permitted to be redacted by this court in a related case. (Index. No.654375/2019, NYSCEF 216, Decision and Order [mot. seq. no. 004].<sup>3</sup>) The motion is unopposed. For the reasons stated in the decision in the related action (*id.* at 7), motion sequence 002 is granted.

### **Mot. Seq. No. 003**

In motion sequence number 003, plaintiffs move pursuant to the Uniform Rules of the New York State Trial Courts (22 NYCRR) § 216.1 to redact NYSCEF 75 (Nicholas Hammerschlag deposition excerpt), NYSCEF 77 (document summarizing defendant Michael Edwards' earnings for 2016-2018), NYSCEF 78 (March 4-5, 2019 email chain involving Brett Kasner), and NYSCEF 79 (MNA Capital term sheet ) and NYSCEF 84 (plaintiffs' reply memorandum in support of their in limine motion sequence 001).<sup>4</sup> The motion is unopposed.

In the related action, the court permitted redactions similar to those sought as to NYSCEF 77. (Index. No. 654375/2019, NYSCEF 229, Decision and Order [mot. seq. no. 006].<sup>5</sup>) For the reasons stated in the decision in the related action (*id.* at 4), motion sequence 003 is granted as to NYSCEF 77.

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<sup>3</sup> In this court's decision in the related case (Index. No. 654375/2019, NYSCEF 216, Decision and Order [mot. seq. no. 004]), NYSCEF 38 and 39 are referred to as NYSCEF 67 and 66, respectively.

<sup>4</sup> NYSCEF 75, 77, 78, 79 and 84 have been refiled as NYSCEF 89, 90, 91, 92, and 93, respectively. Public copies of NYSCEF 75, 77, 78, 79 and 84 with plaintiffs' proposed redaction are filed at NYSCEF 80, 81, 82, 83 and 85, respectively.

<sup>5</sup> NYSCEF 77 is comprised of two documents referred to in this court's decision in the related action as 193 and 194 (Index. No. 654375/2019, NYSCEF 229, Decision and Order [mot. seq. no 006]).

Likewise, in its decision in the related action, the court permitted redactions to NYSCEF 75, 78 and 79 similar to the redactions sought here. (Index. No.654375/2019, NYSCEF 216, Decision and Order [mot. seq. no. 004].<sup>6</sup>) For the reasons stated in the decision in the related action (*id.* at 7), motion sequence 003 is granted as to NYSCEF 75, 78 and 79.

Finally, plaintiffs seek to redact NYSCEF 84, their reply memorandum (mot. seq. no. 001), to the extent it states the amounts paid to Edwards in 2017 and 2016.

Section 216.1(a) of the Uniform Rules for Trial Courts empowers courts to seal documents upon a written finding of good cause. It provides:

“(a) Except where otherwise provided by statute or rule, a court shall not enter an order in any action or proceeding sealing the court records, whether in whole or in part, except 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. Where it appears necessary or desirable, the court may prescribe appropriate notice and opportunity to be heard.”

“Under New York law, 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] [citations omitted].) The “party seeking to seal court records has the burden to demonstrate compelling circumstances to justify restricting public access” to the documents. (*Id.* at 349 [citations omitted].) Good cause must “rest on a sound basis or legitimate need to take judicial action.” (*Danco Lab, Ltd. v Chemical Works of Gedeon Richter, Ltd.*, 274 AD2d 1, 8 [1st Dept 2000] [internal quotations omitted].)

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<sup>6</sup> In this court’s decision in the related case (Index. No. 654375/2019, NYSCEF 216, Decision and Order [mot. seq. no. 004]), NYSCEF 75, 78 and 79 are referred to as NYSCEF 64, 76 and 69, respectively.

Records concerning financial information may be sealed where there has not been a showing of relevant public interest in the disclosure of that information. (See *Dawson v White & Case*, 184 AD2d 246, 247 [1st Dept 1992].) A party “ought not to be required to make their private financial information public ... where no substantial public interest would be furthered by public access to that information.” (*D’Amour v Ohrenstein & Brown*, 17 Misc 3d 1130[A], 2007 NY Slip Op 52207[U], \*20 [Sup Ct, NY County 2007] [citations omitted].)

Plaintiffs have demonstrated good cause to redact Edwards’ compensation information in NYSCEF 84. Plaintiffs have an interest in keeping the financial arrangement with Edwards private and there has been no showing of a legitimate public interest in this information. Moreover, the court has already permitted similar redactions of Edward’s compensation. (See Index. No. 654375/2019, NYSCEF 229, Decision and Order [mot. seq. no. 006] [sealing NYSCEF 193 and 194].)

Accordingly, it is

ORDERED that motion sequence number 002 is granted and the County Clerk, upon service of this order, shall permanently seal NYSCEF 38, 39, 61 and 62; and it is further

ORDERED that motion sequence number 003 is granted and the County Clerk, upon service of this order, shall permanently seal NYSCEF 75, 77, 78, 79, 84, 89, 90, 91, 92 and 93; and it is further

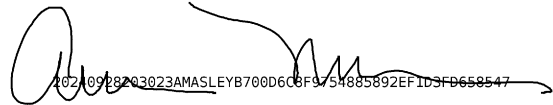
ORDERED the New York County Clerk shall restrict access to the sealed documents with access to be granted only to authorized court personnel and designees, the parties and counsel of record in the above-captioned action, and any representative

of a party or of counsel of record upon presentation to the County Clerk of written authorization from counsel; and it is further

ORDERED that plaintiffs serve a copy of this order upon the Clerk of the Court and the Clerk of the General Clerk’s Office 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 at the address [www.nycourts.gov/supctmanh](http://www.nycourts.gov/supctmanh)); and it is further

ORDERED that if any party seeks to redact identical information in future filings that the court is permitting to be redacted here, that party shall submit a proposed sealing order to the court (via [SFC-Part48@nycourts.gov](mailto:SFC-Part48@nycourts.gov) and NYSCEF) instead of filing another seal motion; and it is further

ORDERED that this order does not authorize sealing or redacting for purposes of trial.



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9/28/2024  
DATE

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ANDREA MASLEY, J.S.C.

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