

**Yuhe Wang v Jia Pei**

2026 NY Slip Op 30302(U)

January 22, 2026

Supreme Court, New York County

Docket Number: Index No. 655956/2025

Judge: Lyle E. Frank

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SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: HON. LYLE E. FRANK PART 11M

Justice

-----X

YUHE WANG

Plaintiff,

- v -

JIA PEI,

Defendant.

-----X

INDEX NO. 655956/2025

MOTION DATE 11/06/2025

MOTION SEQ. NO. 001

DECISION + ORDER ON MOTION

The following e-filed documents, listed by NYSCEF document number (Motion 001) 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18

were read on this motion to/for DISMISSAL.

Plaintiff brings the instant action alleging defendant committed fraud. Defendant moves to dismiss the complaint pursuant to CPLR § 3211(a)(1) and (7). Plaintiff opposes the instant motion. For the reasons set forth below, defendants' motion is granted.

Background

Plaintiff made three loans to non-party Circa Mirai Group LLC<sup>1</sup>, and other related entities, and alleges that defendant, a former principal of the non-party entities and close associate of the managing member, made fraudulent statements to induce plaintiff to issue the loans. Specifically, plaintiff alleges that defendant that loans made to the Circa Mirai Entities would be "safe, with a guaranteed rate of return, and would be fully secured by real estate" as well as personal guarantees from Mr. Liu, a managing member of the Circa Mirai entities. See NYSCEF Doc.1.

<sup>1</sup> Plaintiff has already obtained a judgment against these entities and Mr. Liu in a New Jersey action.

Plaintiff alleges that defendant knowingly made false statements despite knowing that the “Circa Mirai entities had no ability or willingness to repay and that guarantees from Mr. Liu were worthless.” *Id.*

#### Standard of Review

It is well-settled that on a motion to dismiss for failure to state a cause of action pursuant to CPLR § 3211(a)(7), the pleading is to be liberally construed, accepting all the facts as alleged in the pleading to be true and giving the plaintiff the benefit of every possible inference. *See Avgush v Town of Yorktown*, 303 AD2d 340 [2d Dept 2003]; *Bernberg v Health Mgmt. Sys.*, 303 AD2d 348 [2d Dept 2003]. Moreover, the Court must determine whether a cognizable cause of action can be discerned from the complaint rather than properly stated. *Matlin Patterson ATA Holdings LLC v Fed. Express Corp.*, 87 AD3d 836, 839 [1st Dept 2011]. “The complaint must contain allegations concerning each of the material elements necessary to sustain recovery under a viable legal theory.” *Id.*

Notwithstanding the broad pleading standard, a plaintiff’s bald legal conclusions, unsupported by factual specificity, will not withstand a motion to dismiss. *See Godfrey v Spano*, 13 NY3d 358, 373[2009]. “Dismissal of the complaint is warranted if the plaintiff fails to assert facts in support of an element of the claim, or if the factual allegations and inferences to be drawn from them do not allow for an enforceable right of recovery” (*Connaughton v Chipotle Mexican Grill, Inc.*, 29 NY3d 137, 142 [2017]).

CPLR § 3211(a)(1) allows for dismissal of a complaint if there is a “defense founded upon documentary evidence.” Dismissal is only warranted under this provision if “the documentary evidence submitted conclusively establishes a defense to the asserted claims as a matter of law.” *Leon v Martinez*, 84 NY2d 83, 88 [1994]. “[S]uch motion may be appropriately

granted only where the documentary evidence *utterly refutes* plaintiff's factual allegations."

*Goshen v Mut. Life Ins. Co.*, 98 NY2d 314, 326 [2002] (emphasis added).

A paper will qualify as "documentary evidence" only if it satisfies the following criteria:

(1) it is "unambiguous"; (2) it is of "undisputed authenticity"; and (3) its contents are "essentially undeniable". *VXI Lux Holdco S.A.R.L. v SIC Holdings, LLC*, 171 AD3d 189, 193 [1st Dept

2019]. "[T]he documentary evidence, i.e., the *affidavits* and *emails* of North Shore and Inter-

Reco personnel, do not qualify as 'documentary evidence' for purposes of CPLR 3211 (a) (1)."

*United States Fire Ins. Co. v. North Shore Risk Mgt.*, 114 AD3d 408, 409 [1st Dept 2014].

#### Discussion

Defendant contends that the complaint fails to properly state a fraud cause of action, and the loan documents contain a waiver that defeat plaintiff's allegations. Plaintiff contends that the complaint adequately states a fraud claim and the loan documents do not utterly refute the allegations. The Court will first address the adequacy of the complaint. Although the complaint entitles the cause of action as fraud, the allegations, liberally construed, are akin to a fraudulent inducement cause of action, therefore the Court will review the adequacy of the complaint under both standards.

"To establish fraud, a plaintiff must show a misrepresentation or a material omission of fact which was false and known to be false by [the] defendant, made for the purpose of inducing the other party to rely upon it, justifiable reliance of the other party on the misrepresentation or material omission, and injury." *Ambac Assur. Corp. v Countrywide Home Loans, Inc.*, 151 AD3d 83 at 85 [1st Dept 2017]. "The element of justifiable reliance is 'essential' to any fraud claim" [internal citations omitted]. *Id.* Further, CPLR § 3016(b) provides that when a cause of action is based upon fraud "the circumstances constituting the wrong shall be stated in detail."

Similarly, “[f]or a fraudulent inducement cause of action to be viable, it must be demonstrated that there was a false representation, made for the purpose of inducing another to act on it, and that the party to whom the representation was made *justifiably* relied on it and was damaged. *Perrotti v Becker, Glynn, Melamed & Muffly LLP*, 82 AD3d 495, 495 [1st Dept 2011].

Here, after a thorough and liberal review of the complaint the Court finds that the complaint lacks the requisite factual allegations to state a claim for fraud and fraudulent inducement as against the defendant. The complaint is devoid of any factual allegation that plaintiff was justifiable in his reliance on the alleged misrepresentations.

Notwithstanding that the Court finds the complaint fails to adequately allege a fraud cause of action, the Court will address the portion of defendant’s motion that relies on documentary evidence. In support of its motion, defendant cites to the language of the promissory notes, Section 7.6, that accompany each loan and specifically state as follows:

Entire Agreement. This Notice constitutes the entire agreement of the Borrower and the Lender with respect to the subject matter hereof and supersedes all other prior arrangements, understandings, statements, representations and warranties, expressed or implied, and no oral statements or prior written statements not contained in this Note shall have any force and effect.

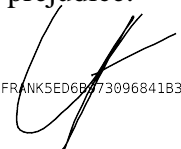
*See* NYSCEF Docs. 7,9, 11.

In opposition, plaintiff contends that the disclaimer does not refute the allegations in the complaint because the defendant was not a party or a signatory to those documents and the boilerplate language contained therein is insufficient, the Court disagrees and finds the disclaimer provision in the promissory note to be a complete defense to these claims, *see Danann Realty Corp. v Harris*, 5 NY2d 317 [1959].

The Court has reviewed plaintiff’s remaining contentions and finds them unavailing. Accordingly, it is hereby

ORDERED that the complaint is dismissed in its entirety with prejudice.

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1/22/2026  
DATE

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LYLE E. FRANK, J.S.C.

CHECK ONE:

CASE DISPOSED

GRANTED

SETTLE ORDER

INCLUDES TRANSFER/REASSIGN

DENIED

NON-FINAL DISPOSITION

GRANTED IN PART

SUBMIT ORDER

FIDUCIARY APPOINTMENT

OTHER

REFERENCE

APPLICATION:

CHECK IF APPROPRIATE: