

Profusion Invs., Inc. v Lelantos Holdings, Inc.
2026 NY Slip Op 30571(U)
February 11, 2026
Supreme Court, New York County
Docket Number: Index No. 655139/2025
Judge: James G. Clynes
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SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: HON. JAMES G. CLYNES PART 39M

Justice

-----X

PROFUSION INVESTMENTS, INC.

Plaintiff,

- v -

LELANTOS HOLDINGS, INC.,

Defendant.

-----X

INDEX NO. 655139/2025

MOTION DATE 12/11/2025

MOTION SEQ. NO. 001

DECISION + ORDER ON MOTION

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

were read on this motion to/for JUDGMENT - SUMMARY IN LIEU OF COMPLAINT.

Upon the foregoing documents, the Plaintiff's motion pursuant to CPLR 3213 for an Order granting plaintiff summary judgment in lieu of complaint is granted without opposition.

Background

Plaintiff Profusion Investments, Inc. ("Profusion") is a Wyoming corporation with its principal place of business in Las Vegas, Nevada. Defendant Lelantos Holdings, Inc. ("Lelantos") is a Florida corporation with its principal place of business in Tucson, Arizona.

In March 2025, Profusion and Lelantos entered into a Term Sheet under which Profusion agreed to provide financing to Lelantos in the form of secured convertible loans with an aggregate principal of up to \$500,000. In connection with the first tranche of this loan, on March 21, 2025, Lelantos executed a Secured Convertible Promissory Note in favor of Profusion in the principal amount of \$100,000 (the "Note"; Ex. A).

Under the Note, Lelantos "promised" to pay Profusion the principal amount, together with interest thereon, from the date of the Note at the rate of 10% per annum (Id. at Preamble and §1). Unless earlier converted or accelerated in accordance with the terms of the Note, the entire principal amount, together with the accrued but unpaid interest, was due and payable in full in one (1) year from the Issue Date, i.e., from March 21, 2025 (Id. at §2). The Note incorporated by reference an Equity Participation Agreement, pursuant to which Profusion was granted certain equity participation rights, exclusivity, and other protections (Id at §5; Ex. C at pp. 12-19).

Further, the Note was secured by a contemporaneously executed Security Agreement granting Profusion a first-priority security interest in substantially all of Lelantos's assets (Ex. A at §6; Ex. B). The Note and Security Agreement permitted Profusion, upon the occurrence of an "Event of Default", to declare the entire unpaid principal and accrued interest "immediately due and payable" (Ex. A at §8.1; Ex. B at §5.1). Events of Default included if (a) Lelantos "fails to observe or perform any covenant, obligation, or agreement contained in this Note or the Security Agreement,"; (b) "[a]ny representation, warranty, certificate, or other statement or furnished by or on behalf of the Company in this Note or the Security Agreement; or (c) Lelantos "fails to pay" any "payment required under the terms of this Note." (*Id.* §7(a)-(c). The Note is governed by New York law and selects New York as "the exclusive jurisdiction" for any "legal suit, action or proceeding arising out of or related to this Note." (*Id.* §9.1.)

Similarly, the Security Agreement further provided that, "[u]pon the occurrence of an Event of Default, the Secured Party shall have the rights and remedies of a secured party under the Uniform Commercial Code and all other rights and remedies available at law or in equity, including, without limitation, the right to: (a) Declare all amounts secured hereby immediately due and payable ..." (Ex. B at §5.1.) The Security Agreement is governed by New York law and selects New York as "the exclusive jurisdiction" for any "legal suit, action or proceeding arising out of or related to this Agreement." (*Id.* §6.1.)

The parties also executed related agreements, including a Board Observer Appointment Letter and a Closing Statement and Funds Flow Memorandum governing the permitted use of loan proceeds (Ex. C), all of which were merged into the Security Agreement to constitute the entire agreement of the parties (*Id.* at §6.7.).

Profusion wired the \$100,000 loan proceeds to Lelantos on April 10, 2025 (Ex. E). Profusion alleged that shortly after execution of the agreements and funding of the loan, Lelantos committed multiple breaches of its contractual obligations. These included Lelantos's refusal to appoint Profusion's designated board observer, its failure to provide required financial information, the filing of a Regulation A offering with the Securities and Exchange Commission, the issuance of new equity interests without Profusion's consent, and the incurrence of additional indebtedness in violation of the Security Agreement. Profusion contends that these actions constituted Events of Default under the Note (Entler Aff. ¶¶26-39).

Between June and August 2025, Profusion sent multiple written notices to Lelantos identifying the alleged Events of Default and demanding that they be cured (Exhibits G, H and I). After Lelantos failed to cure the defaults within the applicable notice period, Profusion accelerated the debt pursuant to the Note. Lelantos has not repaid any portion of the \$100,000 principal or accrued interest.

Standard of Review

Pursuant to CPLR 3213, "a plaintiff is entitled to an accelerated procedure to commence and pursue an action to recover on an instrument for the payment of money only" (*DDS Partners, LLC v Celenza*, 6 AD3d 347, 348, 775 N.Y.S.2d 319 [1st Dept 2004]). "Accelerated judgment under CPLR 3213 is appropriate where plaintiff establishes a *prima facie* case by virtue of a note and a failure to make payments called for therein" (*Warburg, Pincus Equity Partners, L.P. v O'Neill*, 11 AD3d 327, 783 N.Y.S.2d 354 [1st Dept 2004]).

CPLR 3213 is not available if the instrument requires resort to outside proof, "other than simple proof of nonpayment or a similar *de minimis* deviation from the face of the document." *Weissman v. Sinorm Deli, Inc.*, 88 NY2d 437, 444, 669 N.E.2d 242, 646 N.Y.S.2d 308 (1996). However, in some cases, the necessity for reference to an external document may not "affect the availability of CPLR 3213, because it would not alter the purely monetary nature of the obligation set forth in the note" (*Boland v. Indah Kiat Finance (IV) Mauritius Ltd.*, 291 AD2d 342, 739 N.Y.S.2d 122 [1st Dept 2002]).

Discussion

In this case, the Note clearly obligates Lelantos to repay Profusion the principal amount of \$100,000, together with interest at the rate specified therein, on the stated maturity date, which was one year from the date of issuance. The Note further provided that, upon the occurrence of an "Event of Default", Profusion, as the Holder, could accelerate the debt by written notice to Lelantos and "declare the entire unpaid principal balance, together with accrued interest, immediately due and payable, without presentment, demand, protest, or any other notice, all of which were expressly waived" (Ex. A at §8.1; emphasis supplied).

The Note defines an "Event of Default" as: "(a) Failure to Pay: The Company fails to pay (i) any principal amount of this Note when due or (ii) any interest or other payment required under the terms of this Note within five (5) business days after the date due; (b) Breaches of Covenants: The Company fails to observe or perform any covenant, obligation, condition or agreement

contained in this Note or the Security Agreement, and such failure continues for fifteen (15) days after written notice to the Company; (c) Representations and Warranties: Any representation, warranty, certificate, or other statement made or furnished by or on behalf of the Company in this Note or the Security Agreement is false, incorrect, incomplete, or misleading in any material respect when made or furnished..." (Ex. A at §7; emphasis supplied).

The Security Agreement, in turn, contains covenants and obligations governing Lelantos's conduct and the collateral securing the Note (Ex. B), and provides that it, together with the Note and related agreements executed in connection therewith, constitutes the parties' entire agreement (Ex. B at §6.7.).

The record reflects that Events of Default occurred under the Note and Security Agreement and were duly noticed by Profusion to Lelantos. Between June and August 2025, Profusion sent three written demand letters to Lelantos identifying multiple Events of Default and demanding that they be cured within the contractual cure period (Exhibits G, H and I). The asserted defaults included, inter alia, Lelantos's failure to comply with covenants contained in the Note and the Security Agreement, its engagement in prohibited financing and equity issuance activity without Profusion's consent, its incurrence of additional indebtedness in violation of the Security Agreement, and its failure to adhere to restrictions governing the use of loan proceeds (Entler Aff. ¶¶26-39). Lelantos did not cure the aforesaid defaults within the time permitted under the agreement(s).

As such, the elements for the grant of summary judgment in lieu of a complaint under CPLR 3213 are satisfied in this case. The Note and the Security Agreement constitute instruments for the payment of money only. Lelantos executed these instruments. And, Lelantos defaulted on its payment obligations under these instruments after the debt was accelerated.

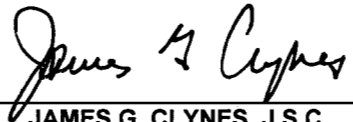
However, the Plaintiff has not established the amounts owed for its attorneys' fees. Accordingly, it is

ORDERED that the motion for summary judgment in lieu of complaint is granted, and the Clerk is directed to enter judgment in favor of Plaintiff and against the Defendant, in the amount of \$100,000, together with interest at the contractual rate of 0.0274% per day from March 21, 2025 until the date of this decision and order, and thereafter at the statutory rate, as calculated by the Clerk, together with costs and disbursements to be taxed by the Clerk upon submission of an appropriate bill of costs; and it is further

ORDERED that plaintiff's proposed judgment to the Clerk shall include an affidavit detailing the applicable default interest rate(s) for the period from March 21, 2025, until the date of this Decision and Order.

ORDERED that there shall be no further motion practice without a pre-motion conference. This constitutes the Decision and Order of the Court.

2/11/2026
DATE



JAMES G. CLYNES, J.S.C.

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