

<b>SLSJET Mgt. Corp. v Ichioka Ventures LLC</b>
2026 NY Slip Op 31387(U)
April 6, 2026
Supreme Court, New York County
Docket Number: Index No. 654502/2022
Judge: Lori S. Sattler
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**SUPREME COURT OF THE STATE OF NEW YORK  
NEW YORK COUNTY**

**PRESENT: HON. LORI S. SATTLER PART 02M**

*Justice*

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SLSJET MANAGEMENT CORP.,  
Plaintiff,

- v -

ICHIOKA VENTURES LLC, WILLIAM ICHIOKA  
Defendant.

INDEX NO. 654502/2022

MOTION DATE 08/21/2025

MOTION SEQ. NO. 002

**DECISION + ORDER ON  
MOTION**

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The following e-filed documents, listed by NYSCEF document number (Motion 002) 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58 were read on this motion to/for JUDGMENT - SUMMARY.

In this commercial action, Plaintiff SLSJET Management Corp. (“Plaintiff”) moves for summary judgment in its favor against Defendants Ichioka Ventures LLC (“Ventures”) and William Ichioka (“Ichioka”). Defendants oppose the motion and cross-move for summary judgment in their favor. Plaintiff opposes the cross-motion.

This action centers around a Promissory Note issued May 20, 2022 (NYSCEF Doc. No. 36, “Promissory Note”) to secure a loan made by Plaintiff to Ventures and an accompanying Surety (NYSCEF Doc. No. 37, “Surety”) in which Ichioka guaranteed payment under the Promissory Note. Plaintiff seeks to enforce the Promissory Note and Surety while Defendants allege the Promissory Note contains a criminally usurious interest rate rendering both unenforceable.

The Promissory Note secures a loan in the amount of \$2,456,558, payable on demand (Promissory Note, ¶ 4). The interest accruing on the outstanding principal balance is “ten percent (10%) per accounting [sic] period,” with “accounting period” defined as “the date beginning on May 20, 2022 and ending on the 30th Business Day after May 20, 2022, and every consecutive thirty (30) Business Day period occurring thereafter” (*id.* at ¶¶ 3, 7[a]). The Promissory Note further includes a

saving clause providing that Ventures' liability would not exceed the limits imposed by applicable usury law, and that the provisions of the Promissory Note would be automatically deemed to require payment at the legally permitted maximum rate (Promissory Note ¶ 17). In the Surety, Ichioka guarantees full and timely payment by Ventures under the Promissory Note of up to \$3,000,000 (Surety ¶¶ 1.2-1.4).

Plaintiff alleges that two years earlier, in 2020, the parties had agreed that Plaintiff would provide funding of up to \$5,000,000 to Ventures to be used for investment purposes (NYSCEF Doc. No. 34, Plaintiff's Affirmation ¶ 4). According to Plaintiff, funds totaling \$4,965,524 were incrementally advanced to Ventures between July 2020 and October 2021 pursuant to a series of earlier notes (Plaintiff's Affirmation ¶¶ 5-6). Plaintiff concedes that Defendants repaid a portion of these funds and contends that the Promissory Note at issue in this action consolidated all outstanding sums owed. Plaintiff does not submit any earlier notes or any agreement between the parties substantiating a larger arrangement. The only additional note annexed to the papers is one dated July 16, 2020, evidencing that non-party Symon Garber, who is Plaintiff's owner, loaned Ventures \$100,000 (NYSCEF Doc. No. 35, "Garber Note").

Plaintiff alleges that in August 2022 it demanded full payment under the Promissory Note, but Defendants declined to pay the outstanding amount (Plaintiff's Affirmation ¶¶ 21, 23-24). Plaintiff commenced this action in November 2022, interposing causes of action for breach of the Promissory Note against Ventures, breach of the Surety against Ichioka, account stated against both Defendants, and unjust enrichment against both Defendants, seeking payment of no less than \$3,154,493, the amount allegedly due as of the filing of the Complaint, plus additional interest.

Defendants filed their answer interposing counterclaims for a declaration that the Promissory Note and Surety are void and unenforceable as criminally usurious and for reimbursement of \$2,000,000 allegedly paid by Ventures to Plaintiff. Defendants maintain that the Promissory Note's

provision as to interest amounts to a rate of 86.9% per annum. Defendants further allege that around April 6, 2022, approximately six weeks before the Promissory Note was signed, Plaintiff's principal took two men's watches from Ichioka's apartment, claiming they were collateral for the Promissory Note (Defendant's Affirmation ¶¶27-28; NYSCEF Doc. No. 29, Verified Answer with Counterclaims ¶¶54-57). The answer asserts additional counterclaims for replevin based on the alleged unlawful taking of Ichioka's watches, and for attorney's fees.

Following the completion of discovery, the parties move and cross-move for summary judgment in their favor. On a motion for summary judgment, the moving party "must make a prima facie showing of entitlement to judgment as a matter of law, tendering sufficient evidence to eliminate any material issues of fact from the case" (*Winegrad v New York Univ. Med. Center*, 64 NY2d 851, 853 [1985], citing *Zuckerman v City of New York*, 49 NY2d 557, 562 [1980]). "Failure to make such showing requires denial of the motion, regardless of the sufficiency of the opposing papers" (*Winegrad*, 64 NY2d at 853). Should the movant make its prima facie showing, the burden shifts to the opposing party, who must then produce admissible evidentiary proof to establish that material issues of fact exist (*Alvarez v Prospect Hosp.*, 68 NY2d 320, 324 [1986]).

"It is well established that where a lender enters into a usurious transaction, the borrower is relieved of all further obligation to pay both principal and interest" (*Pemper v Reifer*, 264 AD2d 625 [1st Dept 1999], citing General Obligations Law § 5-511[2]; *Seidel v 18 E. 17th St. Owners*, 79 NY2d 235, 740 [1992]). "An instrument seeking a criminally usurious interest rate is void," and so is its guarantee (*27-21 27th St. Sponsors, LLC v Kanta*, \_\_\_ AD3d \_\_\_, 2026 NY Slip Op 01273, \*3 [1st Dept 2026] citing *Blue Wolf Capital Fund II, L.P. v American Stevedoring, Inc.*, 105 AD3d 178, 184 [1st Dept 2013]). "[L]oans between \$250,000 and \$2.5 million cannot exceed 25% [annually] (the criminal usury rate) and loans of \$2.5 million or more are not subject to the usury laws" (*Adar Bays, LLC v GeneSYS ID, Inc.*, 37 NY3d 320, 326 [2021]). Corporations and their guarantors may raise the

defense of criminal usury (*see* General Obligations Law § 5-521[1], [3]; *see* 27-21 27th St. Sponsors, LLC, 2026 NY Slip Op 01273, \*2).

Defendants maintain that the Promissory Note is unenforceable. They argue that the interest cannot exceed 25% annually because the Note's principal sum is \$2,456,558, i.e. between \$250,000 and \$2.5 million, but that it nevertheless contains an interest rate of 86.9%. In his Affirmation, Ichioka characterizes the interest rate as "10% every 30 business days" and states: "This calculates out to 10% for each period of approximately 42 calendar days, or 10% times 8.69 periods per year which equals 86.9% per annum" (Defendants' Affirmation, ¶ 17).

Plaintiff does not explicitly concede that the interest rate is usurious, but it does not challenge Defendants' calculations. Instead, Plaintiff argues that the usury rate is inapplicable because the parties' underlying funding agreement was for \$5,000,000. Plaintiff further argues that Defendants cannot challenge the interest rate because Defendants purportedly proposed and agreed to the terms of repayment as part of the overall agreement that Ventures would invest the funds provided.

Defendants deny the existence of any prior funding agreement (NYSCEF Doc. No. 44, Defendants' Affirmation ¶¶ 7-10). In his affirmation, Ichioka concedes that Ventures signed the Garber Note, and that "additional loans were made periodically" by Garber or Plaintiff but maintains they were not part of any "coordinated plan or agreement" (*id.* ¶¶ 5-6).

The Court finds that the Promissory Note on its face reflects a loan amount of \$2,456,558, and no proof is presented establishing that any additional amounts were to be included, therefore the interest rate must not exceed 25%. The Court further finds that Defendants' calculation of the interest contained in the Promissory Note is supported by the Note's plain language and is well above 25%. Plaintiff's allegations as to the existence of an underlying agreement are unsubstantiated, and it is irrelevant who proposed the interest rate in the Promissory Note as "even if defendant drafted the note, that 'does not relieve the lender from a defense of usury'" (*Kuriyan v Schreiber*, 209 AD3d 406,

407 [1st Dept 2022] [internal citation omitted]). Furthermore, the Promissory Note cannot be salvaged by its saving clause (*27-21 27th St. Sponsors, LLC*, 2026 NY Slip Op 01273, \*3 [“a usurious interest rate cannot be salvaged by language providing that the intent is to collect the highest legal maximum interest rate”]). Therefore, the Promissory Note and in turn the Surety issued to secure payment under the Promissory Note are unenforceable. Accordingly, Defendants’ motion for summary judgment declaring that the Promissory Note and Surety are void and unenforceable is granted, and Plaintiff’s causes of action for breach of the Promissory Note and Surety are dismissed.

The cause of action for account stated is a demand “essentially the same as if a promissory note had been given for the balance” (*see Morrison Cohen Singer & Weinstein, LLP v Ackerman*, 280 AD2d 355, 355-356 [1st Dept 2001]), therefore this cause of action cannot be used to resuscitate an agreement found to be void based on criminal usury, and is dismissed. Plaintiff’s unjust enrichment cause of action is also dismissed as “an equitable claim is not available to resuscitate an agreement found to be void based on criminal usury” (*27-21 27th St. Sponsors, LLC*, 2026 NY Slip Op 01273, \*4 citing *Blue Wolf Capital*, 105 AD3d at 184).

Defendants’ counterclaim for reimbursement of payments made to Plaintiff is also dismissed. Defendants fail to submit evidence demonstrating that they have made payments to Plaintiff pursuant to the Promissory Note. As for the replevin claim, Defendants present no evidence regarding the ownership of said watches or any details of the alleged taking. Therefore, this claim is dismissed (*cf. Stewart Family LLC v Stewart*, 184 AD3d 487, 490 [1st Dept 2020]).

Accordingly, it is hereby

ORDERED that Plaintiff’s motion for summary judgment is granted in part as to Defendant’s causes of action for replevin and reimbursement of \$2,000,000 and these causes of action are dismissed; and it is further

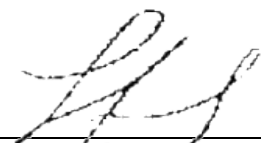
ORDERED that Defendants' cross-motion for summary judgment is granted in part as to Plaintiff's causes of action for breach of the Promissory Note, breach of the Surety, account stated and unjust enrichment and these causes of action are dismissed, and as to Defendant's cause of action for declaration that the Promissory Note and Surety are void and unenforceable; and it is further

ORDERED, ADJUDGED and DECLARED that the Promissory Note and Surety are void and unenforceable; and it is further

ORDERED that all other claims and counterclaims are dismissed.

This constitutes the Decision and Order of the Court.

4/6/2026  
DATE

  
LORI S. SATTLER, J.S.C.

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