Docket #0857 Date Filed: 09/16/2026

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re:	Chapter 11
CBRM REALTY INC., et al.,	Case No. 25-15343 (MBK)
Debtors.	(Jointly Administered)
	Hearing Date: October 15, 2026 at 10:00 a.m. (ET)
	Objection Deadline: October 8, 2026

NOTICE OF MOTION OF THE CREDITOR RECOVERY TRUSTEE FOR ENTRY OF AN ORDER (I) COMPELLING MIRIAM MIZRACHI TO COMPLY WITH THE RULE 2004 SUBPOENA ISSUED TO HER, (II) OVERRULING HER OBJECTIONS THERETO, AND (III) GRANTING RELATED RELIEF

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PLEASE TAKE NOTICE that on **October 15, 2026 at 10:00 a.m. (Eastern Time)**, or as soon thereafter as counsel may be heard, RLA Consulting LLC, in its capacity as Trustee of the Creditor Recovery Trust for CBRM Realty Inc. and Crown Capital Holdings, LLC (the "**Trustee**"), shall move before the Honorable Michael B. Kaplan, Chief United States Bankruptcy Judge, at the Clarkson S. Fisher Building & U.S. Courthouse, 402 East State Street, Trenton, New Jersey 08608, for entry of an order, substantially in the form annexed hereto, (i) compelling Miriam Mizrachi (a/k/a Miriam Silber, a/k/a Miriam Mizrahi) to comply with the Rule 2004 subpoena issued to her on August 20, 2026, (ii) overruling her objections thereto, including those asserted in the motion to quash she filed on September 3, 2026 in Case No. 25-21650 (MBK), and (iii) granting related relief (the "**Motion**").

PLEASE TAKE FURTHER NOTICE that in support of the Motion, the Trustee shall rely upon the accompanying Motion, which sets forth the relevant factual and legal bases upon which the relief should be granted, and the Declaration of Richard J. Corbi, Esq. filed herewith.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief requested in the Motion shall: (i) be in writing; (ii) state with particularity the basis of the objection; and (iii) be filed with the Clerk of the United States Bankruptcy Court in accordance with D.N.J. LBR 9013-2 so as to be received no later than seven (7) days before the hearing date set forth above.

PLEASE TAKE FURTHER NOTICE that unless objections are timely filed and served, the Motion shall be decided on the papers in accordance with D.N.J. LBR 9013-3(d) and the relief requested may be granted without further notice or hearing.

Dated: September 14, 2026

Respectfully submitted,

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Debtors.	(Jointly Administered)
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MOTION OF THE CREDITOR RECOVERY TRUSTEE FOR ENTRY OF AN ORDER (I) COMPELLING MIRIAM MIZRACHI TO COMPLY WITH THE RULE 2004 SUBPOENA ISSUED TO HER, (II) OVERRULING HER OBJECTIONS THERETO, AND (III) GRANTING RELATED RELIEF

RLA Consulting LLC, in its capacity as Trustee of the Creditor Recovery Trust for CBRM Realty Inc. and Crown Capital Holdings, LLC (the "**Trustee**"), by and through its undersigned counsel, respectfully submits this motion (the "**Motion**") for entry of an order compelling Miriam Mizrachi (a/k/a Miriam Silber, a/k/a Miriam Mizrahi) ("**Ms. Mizrachi**") to comply with the Rule 2004 subpoena issued to her on August 20, 2026 (the "**Subpoena**").

The Trustee also submits the *Declaration of Richard J. Corbi in Support of the Motion of the Creditor Recovery Trustee for Entry of an Order (I) Compelling Miriam Mizrachi to Comply with the Rule 2004 Subpoena Issued to Her, (II) Overruling her Objections thereto, and (III) Granted Related Relief* (the "**Corbi Declaration**"). The Trustee respectfully states as follows:[1]

PRELIMINARY STATEMENT

On the evening of September 3, 2026, a week before the extended deadline for the initial tranche of production, Ms. Mizrachi moved to quash (the "**Motion to Quash**") the Subpoena ***not*** in the CBRM Chapter 11 Cases out of which the Subpoena was issued, but rather in Mr. Mark Silber's individual Chapter 7 case, *In re Silber*, Case No. 25-21650 (Bankr. D.N.J.). Ms. Mizrachi presents a blinkered view in her Motion to Quash by ignoring, and notably excluding, the reasonable proposed timeline outlined by the Trustee, which would have afforded her additional time to produce readily available documents and comply with the Subpoena. Nevertheless, she has refused to comply notwithstanding the Trustee's entitlement to the requested information. Ms. Mizrachi has neither identified a single one of the twenty-three (23) requests as objectionable and

[1] Capitalized terms used but not defined herein have the meanings given to them in the Modified Joint Chapter 11 Plan of CBRM Realty Inc. and its affiliated Debtors [ECF No. 653] (the "**Plan**") and the Creditor Recovery Trust Agreement [ECF No. 502-2] (the "**Trust Agreement**"). Ms. Mizrachi's papers refer to the movant as the "Liquidation Trustee"; the office created by the Plan is that of the Creditor Recovery Trustee, and the movant is referred to by that title. Nothing turns on the label.

explained the basis for her objection, nor offered the Court a declaration describing the documents in her possession, or the burden or any attendant costs of searching for and producing them.

The Trustee's investigation began without the benefit of any books and records.[2] Nor did the Debtors' principal – Ms. Mizrachi's husband – furnish or turn over the Debtors books and records in any form as required of him in August 2024 when he resigned from the Debtors.[3] Then, on September 2, 2025, Mr. Silber sat for a Rule 2004 examination in these Chapter 11 Cases and asserted the Fifth Amendment three hundred and forty-one times declining to answer: (i) where the Debtors kept their books and records; (ii) what became of roughly $200 million of bond proceeds; (iii) whether he had received the $30,207,653 and $64,365,005 of distributions his own tax returns reveal; (iv) whether he had commingled the portfolio's cash with his personal accounts; (v) whether he had transferred assets to his wife from the Crown portfolio before control of it changed hands; and (vi) refused to look at any of the eleven (11) exhibits put to him, including this Court's order. The examination remained open and incomplete.

On March 30, 2026, a mere seven (7) months later, at his section 341 meeting, Mr. Silber described the enterprise in his own words. Asked whether he had kept his personal business records separately from Crown and CBRM, he answered that he had not, because "that was my personal business. So, it's –- my personal and company was the same thing."[4] He added that he "never looked at Crown and CBRM as, like, separate businesses… They were all my business."[5]

[2] The factual summary below is drawn from documents produced under Rule 2004 subpoenas, the Debtors' and their affiliates' bank records, their accountants' workpapers and tax returns, bondholder productions, and the public record. It is offered to show that the Trustee's inquiry is grounded and directed, not to plead a claim. The Trustee reserves the right to amend, supplement or correct any statement herein as the record develops.

[3] A true and correct copy of the Forbearance Agreement dated August 29, 2024 is attached to the Corbi Declaration as **Exhibit P**.

[4] Transcript of March 30, 2026 341 Meeting (the "**341 Transcript**"), attached to the Corbi Declaration as **Exhibit I**, at 9:2–3.

[5] *Id*. 9:9.

The Trustee, therefore, has diligently spent the last 10 months reconstructing the Debtors' financial affairs from third parties. It has issued Rule 2004 subpoenas to seventy-four (74) recipients, of which sixty-four (64) have been served, to banks, brokers, accountants, appraisers, attorneys, the placement agent, the rating agency, transaction counsel, the transfer agent, regulators, lenders, contractors, title agents and transferees. It has received in excess of 12,800 files, exceeding forty-five (45) gigabytes, from seven producing groups, and has built from scratch a consolidated transaction log of more than 207,875 transactions across 190 accounts and an index of 223 Debtor and affiliate accounts.

That work has identified a recurring pattern: Mr. Silber treated the Debtors' funds as his own. To date, the Trustee has identified more than $45 million in direct and indirect cash transfers from the Debtors to accounts held in Mr. Silber's name during 2022–2024, including transfers routed through Syms Construction.[6] The Debtors' own Forms 1120-S report a "Loans to shareholders" balance of $95,988,296 at December 31, 2022; the relationship between that reported balance and the cash transfers the Trustee has identified is among the matters under investigation.[7] Mr. Silber also used Debtor funds to acquire assets held in entities for his own personal benefit, while representing many of those assets to bondholders as belonging to the Debtors. These expenditures included the acquisition and capitalization of Vecta Bank, multiple real estate properties, private jets, and a luxury yacht. The Trustee has also identified approximately $13.8 million in payments to American Express by the Debtors and their affiliates during 2022–2024, including payments on American Express accounts belonging to Ms. Mizrachi,

[6] Syms Construction LLC, a construction affiliate, paid $18,820,000 in total to Mr. Silber during 2022 and 2023, most under captions describing the payments as owner distributions. Rapid Services LLC paid him $5,373,735.50 based on the Trustee's investigation to date.

[7] In addition, the Debtors' returns report $94,572,658 of distributions to Mr. Silber over two years. The Trustee has not reconciled the cash records to the distributions reported on the returns, and its investigation of that question is ongoing.

and is investigating the extent to which those payments funded personal rather than legitimate business expenses.

Mr. Silber financed this lavish lifestyle by engaging in a scheme to obtain inflated appraisals for portfolio properties to support unsustainable debt and to induce the bondholders to fund nearly $200 million to the Debtors. Some properties were carried at two and three times what had just been paid for them, days or weeks after the purchase, the same type of strategy that produced Mr. Silber's federal conviction.

Several of the most significant of those transfers lead directly to Ms. Mizrachi. The Debtors paid $21,196,044.50 of their *own* funds to acquire and capitalize a federally regulated savings and loan holding company. The stock was titled outside the Debtors, and ninety-five percent of the holding entity was recorded in Ms. Mizrachi's name under an instrument executed in August 2023 and made effective retroactively to February 2023. The residence Mr. Silber had listed as his own was conveyed to an entity in her name for $0. A million dollars was deposited into her checking account in August 2022, and $343,000 into an account of an entity she owns in January 2025, from sources Mr. Silber said he did not know. She holds a Schedule K-1 in an affiliate through which estate money moved. Finally, the Debtors' own organizational chart and financial records were produced by her, from a source Mr. Silber could not explain, at her 2025 deposition in a state court proceeding.[8]

Before Ms. Mizrachi commenced unnecessary motion practice, the Trustee proposed a practical course without the need for court intervention. Having identified a prior production made in response to subpoenas that materially overlap this one, the Trustee unilaterally extended the return date for that first tranche to September 11, asked that the documents already collected and

[8] *See* Transcript of the Deposition of Miriam Mizrachi, May 8, 2025, *Acquiom Agency Services LLC v. Silber*, Index No. 654386/2024 (Sup. Ct. N.Y. Cnty.), attached to the Corbi Declaration as **Exhibit Q**.

reviewed be produced first, and offered to negotiate a rolling schedule for everything else.[9] That proposal was made on August 21, repeated on August 24,[10] together with the one-week extension, but the Trustee received no communication other than the Motion to Quash.

None of Ms. Mizrachi's objections justifies quashing the Subpoena. There is no pending adversary proceeding. The Trustee was not a party to, and is not bound by, the orders on which she relies. In fact, Ms. Mizrachi and other parties objected to the Trustee's request to be a signatory to the *Stipulation and Order* (the "**Order**") in *Bezner v. Silber, et al.*, Adv. Pr. No. 26-01178 (MBK) [Adv. Pro. Doc. No. 35] (Bankr. D.N.J.). Judicial and equitable estoppel bars Ms. Mizrachi's attempts to bind the Trustee to the Order only when it conveniently benefits her. Likewise, her other objections are baseless and do not justify the relief sought in the Motion to Quash. First, a subpoena seeking documents from a non-debtor transferee does not violate the automatic stay. Second, any objection concerning the manner of service has caused no prejudice and is readily curable, especially since she has been represented by counsel who is actively participating in the CBRM Chapter 11 Cases and the Silber Chapter 7 Case. Third, Ms. Mizrachi fails to identify burdensome or overbroad specific requests.

Accordingly, the Trustee requests that this Court: (i) deny the Motion to Quash; (ii) fix a date for production; (iii) require a signed description of the search undertaken together with a certification of compliance filed with this Court; (iv) direct a request-specific privilege log; and (v) overrule the objections. The Trustee reserves his rights to fees, costs and other sanctions.

[9] *See* Letter dated August 21, 2026.
[10] *See* Letter dated August 24, 2026.

JURISDICTION AND STATUTORY PREDICATES

1. This Court has jurisdiction pursuant to 28 U.S.C. §§ 157 and 1334, the Standing Order of Reference of the United States District Court for the District of New Jersey dated September 18, 2012, and the retention-of-jurisdiction provisions of the Plan and the Confirmation Order. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A), (E) and (O), and venue is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory and rule predicates for the relief requested are Rules 2004, 9014 and 9016 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"), Rule 45 of the Federal Rules of Civil Procedure (the "**Federal Rule**"), D.N.J. LBR 2004-1 (the "**Local Rules**"), sections 105(a), 541, 542, 544, 548 and 550 of title 11 of the United States Code (the "**Bankruptcy Code**"), the Plan, the Confirmation Order and the Trust Agreement.

BACKGROUND

A. The Debtors, the Plan and the Trustee's Authority

3. On May 19, 2025, CBRM Realty Inc. and its affiliated debtors, including Crown Capital Holdings LLC, filed voluntary petitions under chapter 11 in this Court. On October 23, 2025, the Court entered an order confirming the Modified Joint Chapter 11 Plan [ECF No. 653]. The Creditor Recovery Trust was established as of the Effective Date and RLA Consulting LLC was appointed as Trustee. Section 1123(b)(3)(B) of the Bankruptcy Code permits a plan to provide for the retention and enforcement of estate claims by a representative appointed for that purpose, and the Plan, the Confirmation Order and the Trust Agreement do exactly that: they vest the Trustee with the estates' causes of action, including avoidance and recovery actions, and with the authority to investigate and prosecute them. This Court retained jurisdiction over the exercise of that authority.

4. On September 19, 2025, Mr. Silber, the sole shareholder of CBRM Realty Inc. and, through it, the ultimate owner of every Debtor, filed a voluntary petition under Chapter 7 of the Bankruptcy Code. That case was transferred to this Court and is pending as Case No. 25-21650 (MBK). Karen E. Bezner was appointed chapter 7 trustee on November 3, 2025 (the "**Chapter 7 Trustee**").

B. The Trustee Was Required to Reconstruct the Debtors' Affairs from Third Parties

5. The Trustee's investigation began without the benefit of any books and records. Nor did the Debtors' principal furnish or turn over the accounting records in any form.[11] On September 2, 2025, at the federal correctional institution at Otisville, New York, Mr. Silber sat for a Rule 2004 examination under oath in these Chapter 11 Cases, taken pursuant to a subpoena and order of this Court. Sept. 2, 2025 Tr. 1:14–15; 4:12–15 (the "**Silber Rule 2004 Transcript**") attached to the Corbi Declaration as **Exhibit H**. He asserted the Fifth Amendment three hundred and forty-one times. He also refused to look at any of the eleven exhibits placed before him, including Exhibit 1, the subpoena and this Court's order commanding his appearance. *Id*. 10:16–19 ("I'm not going to look at any legal documents without an attorney present."). Counsel observed on the record that "I don't think the Fifth Amendment allows you not even to look at documents." *Id*. 10:25–11:05.

6. Mr. Silber invoked the privilege in response to questions concerning: (i) the location of the Debtors' books and records; (ii) the disposition of approximately $200 million of bond proceeds; (iii) the distributions and shareholder loans reported on the Debtors' tax returns;

[11] In August 2024, Mark Silber agreed on behalf of Crown Capital and its subsidiaries to hand over sixteen (16) categories of information, including all financial information, bank statements, and asset-level detail, among other information, and provide access to the Debtors' computer systems. *See* Forbearance Agreement dated August 29, 2024 attached to the Corbi Declaration as **Exhibit P**. The Debtors' books and records were never turned over, the computer systems were shut down and Mr. Silber went dark.

(iv) the commingling of estate and personal funds; (v) the identity of the portfolio's bank accounts and of his own; (vi) his personal assets and where they are held; and (vii) the transfer of portfolio assets to members of his family. *Id*. 21:02–17; 33:12–34:24; 37:02–38:07; 38:17–39:23; 39:24–40:12; 55:16–57:03.

7. On the question that most directly concerns the Motion to Quash, the examination was as follows (id. 57:04–08):

> Q. Did you transfer assets to your wife from the Crown portfolio shortly before handing over ownership or handing control over the portfolio over to the independent fiduciary?
>
> A. I'd like to take the Fifth on that.

8. He then declined on the same ground to say whether his wife owns separate assets, has separate real estate, has separate bank accounts, holds any material or cash assets, or had any role in the Crown portfolio. *Id*. 57:09–22. The examination was never completed and remained open. Counsel closed it by stating that "we view this deposition … to remain open and not concluded." *Id*. 58:05–15. The Trustee has never obtained substantive testimony from Mr. Silber in these cases.

9. Seven months later, at his section 341 meeting of creditors on March 30, 2026, Mr. Silber described the enterprise in his own words. Asked whether he kept his personal business records "separate from Crown and CBRM and the business companies," he answered "No." Asked to explain, he said "But, just for you to understand, I'm not sure how well you understand CBRM or Crown. But, that was my personal business. So, it's –- my personal and company was the same thing." (341 Tr. 8:25–9:03).

10. Pressed on the point, and after acknowledging that certain assets sat outside the Crown structure, he added (id. 9:08–11):

> But, I never looked at Crown and CBRM as, like, separate businesses, right? They were all my business and one business, another business, it was all the same to me....

11. At a later Rule 2004 examination in the chapter 7 case on June 24, 2026, Mr. Silber was instructed by counsel — his own and Ms. Mizrachi's — not to answer further questions concerning Vecta or the bank transfer, on the stated theory that a voluntarily dismissed adversary proceeding still governed discovery on those transfers.[12] As to the remainder, he continued to profess a lack of knowledge concerning major transfers into and out of his personal accounts as well as the values on his own financial statement.

12. The Trustee therefore has reconstructed the record from third parties. It has issued Bankruptcy Rule 2004 subpoenas to seventy-four (74) recipients, of which sixty-four (64) have been served, spanning depository and brokerage institutions, the Debtors' successive accounting firms, appraisers, the placement agent, the rating agency, transaction counsel and other law firms, the transfer agent, federal banking regulators, lenders, contractors, title agents and transferees. It has received in excess of 12,800 files, exceeding forty-five gigabytes, from seven producing groups. From the bank productions, the Trustee constructed a consolidated transaction log of more than 207,875 transactions across 190 accounts, and an index of 223 accounts held by the Debtors and their affiliates.

C. The Investigation Has Identified a Recurring Diversion of Estate Value

13. The Trustee does not attempt to use this Motion to present the full results of an investigation spanning more than 207,000 transactions that remains ongoing, but rather to inform this Court and the Chapter 11 Debtors' creditors that: (i) the investigation is concrete and advanced

[12] June 24, 2026 Bankruptcy Rule 2004 Examination Transcript (the "**June Rule 2004 Transcript**"), attached to the Corbi Declaration as **Exhibit J**, at 41, 56.

rather than speculative; (ii) illuminate a recurring relationship among three things: (a) the funding of an acquisition or a payment with the Debtors' cash; (b) the placing of the resulting asset or interest in the name of Mr. Silber, a family member or an affiliate outside the Debtors; and (c) the simultaneous representation of that same asset to the noteholders as belonging to the Debtors; and (iii) the interrelatedness of the parties to these transactions. Furthermore, they explain why the records sought from Ms. Mizrachi are directly relevant. That relationship is what defines the breadth of the investigation, and the instruments, account records and tax filings that would confirm or refute it at the third step are held ***not*** by the Debtors, whose records were never turned over, but by the persons in whose names the assets were purportedly placed.

(i) Bond proceeds, distributions and shareholder loans

14. Crown Capital Holdings LLC issued senior unsecured notes in a series of private placements beginning in 2022, guaranteed by CBRM Realty Inc. as Parent Guarantor, and certain subsidiary guarantors, comprised of various operating companies owning real estate projects. The purchasers were insurance companies, community banks and charitable investors. By December 2022, the aggregate principal outstanding was $191,825,000.

15. On March 2, 2022, the day after the **first** series closed, Crown Capital wired $82,247,227.57 to retire an existing debt facility, called the Clover credit facility. On May 8, 2022 the Debtors' accountant wrote to Mr. Silber: "You got from $100,000,000 the bonds And paid back clover (with all fees) which totaled $82,247,227.57. Where did the rest of the funds get deposited to ($17,752,772.43)?"[13] The balance sheet produced in response showed $7,300,000 at the Debtors' bank account and, under the heading "Short Term Loans," an account captioned

[13] A true and correct copy of the May 8, 2022 e-mail is attached to the Corbi Declaration as **Exhibit R**.

"Moshe Silber Loan" in the amount of $16,703,036.24.[14] What the exchange establishes for present purposes is that approximately two months after the first bond closing the Debtors' own accountant could not account for $17,752,772.43 of the proceeds, and the answer he was given directed him to an account bearing Mr. Silber's name.

16. On CBRM Realty Inc.'s Forms 1120-S, Schedule L line 7, "Loans to shareholders," stood at $95,988,296 at December 31, 2022. To date, the Trustee has identified direct and indirect cash transfers by the Debtors to accounts held in the name of Mr. Silber of over $45.0 million over 2022, 2023 and 2024. Those transfers included over $24.0 million of estate funds routed through construction affiliates and distributed onward to Mr. Silber. Funds that the noteholders were told would maintain and preserve the value of the properties were instead paid to the Debtors' principal.

(ii) Vecta and Sunnyside — $21,196,044.50 of the Debtors' money

17. The Debtors paid $21,196,044.50 in connection with the acquisition and capitalization of Sunnyside Bancorp, Inc. and its subsidiary savings association. Three components account for $21,195,000 of that sum, and each is recorded in a separate account on CBRM Realty Inc.'s general ledger. On May 27, 2022, CBRM Realty Inc. wired $14,100,000 from its Signature Bank account to Computershare Inc., referenced "SNNY/Peter Jacobs Sunnyside Bancorp Inc" and described in the ledger as "Purchase of sunnyside bankcorp stock." On June 29, 2022 it wired $4,500,000 to Sunnyside Federal Savings and Loan Association of Irvington, referenced "Capital Injection." Between May 2022 and December 2023 it paid a further $2,595,000 charged to a general ledger account its own accountants captioned "Vecta Capital

[14] A true and correct copy of the balance sheet is attached to the Corbi Declaration as **Exhibit AD**. It is a Balance Sheet Comparison for Crown Capital Holdings LLC at March 31, 2022 against December 31, 2021, generated May 8, 2022, produced by the Debtors' accountants at S Neuburger 968–969. The $16,703,036.24 appears at account 2129, captioned "Moshe Silber Loan," under Short Term Loans, at the same figure on both dates; the $7,300,000 appears on the bank line captioned "Crown Capital Partners – Signature – 10019."

LLC," of which $2,500,000 was a single check drawn on its KeyBank account in June 2023.[15] Those three balances, $14,100,000, $4,500,000 and $2,595,000, are carried on the Debtor's own balance sheet at December 31, 2023. The remaining $1,044.50 is a wire of May 26, 2022 to Computershare Inc. bearing the same reference, which the accountants expensed rather than capitalized; it is included here because it was paid on the same transaction, and it is the reason the total exceeds the three balance-sheet accounts by that amount.

18. The Chapter 7 Trustee has described two of these payments in her own pleading. In the Adversary Complaint for Avoidance, Recovery, Declaratory and Injunctive Relief filed on her behalf in Adv. Pro. No. 26-01178, she alleges that Vecta Partners LLC contributed approximately $4.5 million to Vecta, Inc. on June 29, 2022 (¶ 17) and made a further capital contribution of $2.5 million to Vecta, Inc. on June 30, 2023 (¶ 20). Each pleaded contribution corresponds to a transaction the Debtors funded. The payor does not, neither payment came from Vecta Partners LLC.[16]

19. CBRM Realty Inc.'s own accountants recorded the $21,195,000 described above as an asset of CBRM Realty Inc., in three accounts opened for the purpose, captioned as a purchase of stock and as a capital injection into a bank. Those accounts were never credited: they carry no disposal, no write-down and no transfer out on any ledger produced to date. The Trustee does not contend on this Motion that the accounting determines ownership. Rather, the Trustee contends that the Debtors paid, that the Debtors' books recorded what they paid for as theirs, and that no instrument transferring it away has been produced as of the filing of this Motion.

[15] A true and correct copy of CBRM Realty, Inc's general ledger is attached to the Corbi Declaration as **Exhibit S**.
[16] The $4,500,000 of June 29, 2022 was wired by CBRM Realty Inc. from its own account on that date, under a caption its own accountants wrote. The $2,500,000 attributed to June 30, 2023 corresponds to a CBRM Realty Inc. check drawn on its KeyBank account, recorded in the Debtor's ledger on June 28, 2023 and paid on July 3, 2023 — the single largest of the payments that make up the $2,595,000 described in the preceding paragraph, and the reason the two figures differ.

20. The entities must be kept distinct, because the Debtors' accounting, the ownership of the acquisition vehicle and the bank's own corporate chain are three different things. The target was Sunnyside Bancorp, Inc., a Maryland savings and loan holding company, renamed Vecta, Inc. on or about June 27, 2022; its wholly owned subsidiary is Sunnyside Federal Savings and Loan Association of Irvington, the federally chartered savings association. The acquisition vehicle was Rhodium BA Holdings LLC, a Delaware limited liability company whose sole member was Mr. Silber, renamed Vecta Partners LLC on the closing date of June 1, 2022 by a certificate of amendment he signed as "Managing Mbr."[17] The Debtors' ledger accounts bear a third set of names again — "Rhodium Bank Holdings LLC," "Sunnyside Federal" and "Vecta Capital LLC." The Trustee has obtained the operating agreement of the acquisition vehicle and its three amendments. CBRM Realty Inc. appears in none of them. At every stage the members are Mr. Silber, and later Mr. Silber and Ms. Mizrachi.

21. On January 2, 2023, a Second Amendment and Reinstatement recorded the membership as Mr. Silber 51% and Ms. Mizrachi 49%. On August 1, 2023, a Third Amendment and Reinstatement was executed and made effective retroactively to February 1, 2023, recording Mr. Silber at 5% Class A voting and Ms. Mizrachi at 95% Class B non-voting.

22. Twelve days after he pleaded guilty, on July 21, 2024, Mr. Silber e-mailed his accountants a list of "entities that shouldn't be in Cbrm," naming "rhodium bank holdings" and "vector capital," and answered the accountants' question "What is Sunnyside Federal" with "Not owned by Cbrm" and their question about "Station Aviation LLC" with "Not in Cbrm."[18] Those two accounts, together with "Sunnyside Federal," carry the $21,195,000 described above. There

[17] A true and correct copy of the operating agreement of Vecta Partners LLC (f/k/a Rhodium BA Holdings LLC), together with its amendments, is attached to the Corbi Declaration as **Exhibit T**.
[18] A true and correct copy of the email dated July 21, 2024 is attached to the Corbi Declaration as **Exhibit U**.

is no bill of sale, no assignment, no valuation, no board resolution and no payment anywhere in the production.

23. The investor presentations provided by Piper Sandler & Co. as Placement Agent states that CBRM's equity value of $206,285,654 "includes CBRM's ownership in Vecta stock," and the accompanying portfolio schedule carries "Vecta Stock" as a 100%-owned, debt-free CBRM asset at $71,685,000.[19] Ms. Mizrachi is among the very small number of people who would have any information about the ownership of Vecta.

(iii) Estate funds used to acquire real property titled outside the Debtors

24. On March 27, 2023, Crown Capital Holdings LLC wired $5,376,202.08 to the closing agent for the Cloverleaf property in Kansas City, Missouri. The noteholders were told that Cloverleaf was one hundred percent owned by Crown but title went to Cloverleaf Apts Owner LLC, a Delaware entity, beneficially owned by Fred Schulman (1%) and Mark Silber (99%) with no bank account through which any part of the purchase price passed. The property was appraised at $12,500,000 on January 24, 2023 in materials provided to bondholders, nineteen days after the earnest money went out, against a $5,500,000 purchase price.[20]

25. Redstone Townhomes in Flint, Michigan followed the same structure approximately nine months before the Cloverleaf closing described above. On June 8, 2022,

[19] True and correct copies of the cover and the slide referring to the Vecta stock from the December 2022 investor presentation, and the same pages from the December 2023 investor presentation, are attached to the Corbi Declaration as **Exhibits V-1** and **V-2**. A true and correct copy of the Project MONARCH Portfolio Summary dated December 15, 2022, which carries "Vecta Stock" as a one hundred percent owned, debt-free asset valued at $71,685,000 as at September 30, 2022, is attached as **Exhibit V-3**.

[20] True and correct copies of the documents concerning the Cloverleaf property are attached to the Corbi Declaration as **Exhibit W**: the statement page of the Flagstar Bank, N.A. account of Crown Capital Holdings LLC ending 1504753820 recording the outgoing wire of $5,376,202.08 of March 27, 2023 (W-1); the appraisal of Cloverleaf Apartments dated January 24, 2023 at $12,500,000 (W-2); and the Crown Portfolio roster of the covenant compliance package for the quarter ended March 31, 2023, which carries Cloverleaf Apartments as one hundred percent Crown-owned, purchased March 27, 2023 for $5,500,000, appraised January 24, 2023 at $12,500,000, with a debt balance of zero (W-3).

Crown Capital Holdings LLC wired $2,318,101.81 to a title agency's trust account referenced "MTAMI-174892 Redstone townhomes," and Redstone Apts LLC took title that day. One week after that closing, and against a stated purchase price of $2,500,000, Redstone was appraised at $5,300,000. Title stands in an entity whose ownership matches Cloverleaf. Redstone too was presented to noteholders as Crown's. [21]

26. For the fourth quarter ended December 31, 2021, the financial statements for CBRM Realty Inc. and its subsidiaries, prepared by the Debtors' accountants and furnished to the noteholders, disclosed that CBRM assumed ownership of RH Dearborn Redevelopment LLC during the quarter. That entity owned Dearborn City Center, carried at $51,000,000 in the Q3 2023 materials furnished to the noteholders and used in their covenant calculations. [22] At the time, Dearborn City Center was a vacant hotel intended for conversion to multifamily use, with no occupied units, no leased units, net operating income of $(673,569) and no financing in place for the planned conversion. While the asset was being reported to the noteholders as the Debtors', Mr. Silber listed it as a personal asset on his own personal financial statement and pledged the equity in RH Dearborn Redevelopment LLC as collateral for a personal loan facility extended to him — a facility guaranteed by Crown Capital Holdings LLC.

[21] The $5,300,000 appraisal of June 15, 2022 appears on the Project MONARCH Portfolio Summary dated December 15, 2022, attached as **Exhibit V-3**, against a stated purchase price of $2,500,000 and a purchase date of June 8, 2022. A true and correct copy of the statement page of the Flagstar Bank, N.A. account of Crown Capital Holdings LLC ending 1504753820 recording the outgoing wire of $2,318,101.81 of June 8, 2022 to Madison Title Agency, LLC under the escrow caption "MTAMI-174892 Redstone townhomes" is attached to the Corbi Declaration as **Exhibit X**.

[22] True and correct copies of the documents concerning Dearborn City Center are attached to the Corbi Declaration as **Exhibit Y**: the consolidated financial statements for the fourth quarter ended December 31, 2021 furnished to the noteholders (Y-1); and the Crown Portfolio roster of the covenant compliance package for the quarter ended September 30, 2023, which carries Dearborn City Center, 600 Town Center Drive, Dearborn, Michigan, as one hundred percent owned, purchased October 26, 2021 for $18,250,000, appraised November 27, 2023 at $51,000,000, against a debt balance of $11,490,000 and trailing twelve-month net operating income of $(673,569) (Y-2).

(iv) Aircraft and a vessel

27. The Debtors' books and records and their bank statements record $43,137,584.47 of disbursements by CBRM Realty Inc. between December 1, 2021 and April 11, 2024 in connection with the acquisition, delivery and maintenance of aircraft, across eleven payments, every one of them drawn on a single account of CBRM Realty Inc. at Flagstar Bank, N.A. (f/k/a Signature Bank) ending 1504013444. The payees were Insured Aircraft Title Service, Gulfstream Aerospace Corporation, Western Jet Aviation, Omega Aviation Solutions and related payees, and the wire instructions on one of them identify the aircraft as a 2011 Gulfstream G550, serial number 5298, tail number N909JC, held by Stallion Aviation III LLC, an entity outside the Debtors. At the same time, the portfolio summary furnished to the noteholders carried an aircraft by serial number, "SN5399," as a one hundred percent owned, debt-free asset of the Debtors valued at $28,000,000 as at September 30, 2022, on the same schedule and the same terms as the Vecta stock.[23] Twelve days after he pleaded guilty, in the same July 21, 2024 e-mail to the Debtors' accountants described above, Mr. Silber told them that "Station Aviation LLC" was "[n]ot in Cbrm" — while the Debtors' own general ledger carried that account at $1,927,141.69 and their accountants' balance sheet comparison still carried it at the same figure at December 31, 2023.[24] A further $2,200,000 was paid in 2022 toward the purchase of a vessel.

(v) Construction affiliates and the Hurricane Ida insurance proceeds

28. Following Hurricane Ida, the Debtors' insurance carriers paid out $34,897,640.72 of insurance proceeds to rebuild the New Orleans properties to prepare them for resale according

[23] Project MONARCH Portfolio Summary dated December 15, 2022, attached to the Corbi Declaration as **Exhibit V-3**. "SN5399" appears on the CBRM schedule immediately below "Vecta Stock," each at one hundred percent ownership, each with a debt balance of $0, and each valued as at September 30, 2022.

[24] A true and correct copy of the e-mail of July 21, 2024 is attached to the Corbi Declaration as **Exhibit U**. The Debtors' general ledger carries account 1849, captioned "Stallion Aviation LLC," at $1,927,141.69, and the balance sheet comparison prepared by the Debtors' accountants for the years ended December 31, 2022 and December 31, 2023, attached to the Corbi Declaration as **Exhibit AC**, carries that account at $1,927,141.69 at both dates.

to the strategy outlined by Mark Silber to bondholders. The Trustee has located every 2022 and 2023 receipt in the bank record, and has established that the insurance recoveries totaled $34,897,640.72 during that time period. Out of those proceeds, $15,587,800 was paid in 109 transfers to Syms Construction LLC, an affiliate that in 2022 reported revenue of $16,370,082.64 and net income of $12,695,335.16, while distributing $12,770,000.00 in cash, across 48 transfers, from Syms Construction LLC's Valley National account directly into Mr. Silber's personal bank account. A further $10,416,000 was paid to a second affiliate under roofing captions against a roofing contract recorded in the Debtors' own management workpapers at $7,951,300, of which $4,022,647 net reached the company that performed the roofing work, while millions of dollars were distributed directly into Mr. Silber's personal bank account. [25]

(vi) Appraisals — the conduct underlying the conviction, and its signature in the portfolio

29. On July 9, 2024, Mr. Silber pleaded guilty to a violation of 18 U.S.C. § 371, conspiracy to commit wire fraud affecting a financial institution. *United States v. Silber*, No. 3:24-cr-00446-RK (D.N.J.). The conduct, as charged and admitted, was the use of false or misleading property-level information to obtain inflated appraisals, the inducement of financial institutions to lend against them, and the extraction of the surplus. He was sentenced on March 24, 2025 to thirty months' imprisonment, and on December 23, 2025 he and his co-defendant were ordered jointly and severally to pay restitution of $21,733,158.50.

[25] True and correct copies of the records concerning the Hurricane Ida insurance proceeds are attached to the Corbi Declaration as **Exhibit Z**: the statement pages of the Valley National Bank account of RH New Orleans Holdings MM LLC ending 32067407 recording the one hundred nine transfers totalling $15,587,800 (Z-1); the statement pages of the Valley National Bank account of Syms Construction LLC ending 32085250 recording those receipts and the $12,770,000 paid out in forty-eight distribution-captioned transfers (Z-2); and the statement of profit and loss of Syms Construction LLC for 2022 and its comparative balance sheet at December 31, 2022, as produced by the Debtors' accountants (Z-3).

30. The same type of strategy appears across the Debtors' portfolio. Redstone was appraised at $5,300,000 seven days after a $2,500,000 purchase. 100 Phillips Parkway was appraised at $25,300,000 thirty-six days after it was purchased for $9,250,000. And the AHRCO portfolio, acquired on February 23, 2023 for $53,605,095, was reported to the noteholders at $133,490,000 in the first covenant compliance package after the closing, five weeks later — on an appraisal dated May 27, 2022, nine months *before* the Debtors bought it. At least ten properties were carried at more than double what had just been paid for them based on the investigation to date. Those appraised values are the inputs to the equity, net-worth and loan-to-value figures on which the notes were sold and against which the covenants were reported.[26]

D. The Investigation Leads Directly to Ms. Mizrachi

31. Mr. Silber testified at his section 341 meeting that he transferred ninety-five percent of his indirect interest in the bank to his wife in exchange for her agreement to pay his criminal-defense costs, that no other payment was made to him, and that *he* had paid "about twenty million" for the interest.

[26] See the Project MONARCH Portfolio Summary dated December 15, 2022, attached to the Corbi Declaration as **Exhibit V-3** for the Redstone Townhomes and 100 Phillips Parkway figures. **Exhibit V-3** lists the AHRCO portfolio among deals then under contract, at an expected price of $55,950,000 and an appraisal of May 26, 2022 at $126,790,000. **Exhibits W-2 and W-3** of the Corbi Declaration reports the portfolio as purchased February 23, 2023 for $53,605,095 and appraised May 27, 2022 at $133,490,000, against $43,702,000 of acquisition debt originated February 23, 2023. As to the properties carried at more than double the price paid, **Exhibit V-3** reports ten properties whose appraised value exceeds twice the purchase price on an appraisal dated on or after the purchase: Evergreen Regency (purchased July 2, 2020 for $12,000,000, appraised June 6, 2022 at $39,700,000); New Horizon (purchased August 13, 2020 for $17,600,000, appraised November 5, 2021 at $52,000,000); Country Club Manor (purchased December 18, 2020 for $3,400,000, appraised March 23, 2021 at $10,000,000); Alcazar Apartments (purchased February 12, 2021 for $7,700,000, appraised September 21, 2022 at $21,500,000); 100 Phillips Parkway (purchased August 16, 2022 for $9,250,000, appraised September 21, 2022 at $25,300,000); Rosehaven Manor (purchased January 12, 2021 for $6,100,000, appraised September 23, 2022 at $16,400,000); Sycamore Meadows (purchased April 8, 2021 for $20,750,000, appraised August 11, 2022 at $49,200,000); Alta Sita Apartments (purchased February 3, 2021 for $2,000,000, appraised October 19, 2022 at $4,660,000); Redstone Townhomes (purchased June 8, 2022 for $2,500,000, appraised June 15, 2022 at $5,300,000); Highland Park (purchased October 19, 2021 for $5,740,000, appraised August 22, 2022 at $11,900,000).

32. The transfers are not confined to the bank. The residence at 41 Powder Horn Drive, Suffern, New York, which Mr. Silber's December 31, 2022 financial statement listed as his at $3.35 million, was conveyed on September 15, 2023 to an entity in her name for $0. He testified that 1070 Haverstraw Road, purchased in September 2022 for $3,500,000 against a $2,250,000 mortgage, was "transferred to my wife right after purchasing," and could not say where the roughly $1,250,000 of cash to close had come from. Bank records show $1,000,000 deposited into Ms. Mizrachi's checking account in August 2022 and $343,000 into an account of an entity she owns in January 2025; as to each, Mr. Silber said he had no knowledge of the source.[27] Counsel for the Chapter 7 Trustee noted on the record that he held further statements showing significant deposits into her account which he did not reach.

33. Ms. Mizrachi also holds a Schedule K-1 interest in Rapid Services LLC,[28] one of the affiliates through which the insurance proceeds moved. And although Mr. Silber testified that his wife was never involved in the business, never maintained records and never dealt with the accountants, lawyers or lenders, he confirmed that it was she who produced his organizational chart and financial records at her May 8, 2025 deposition, and that he did not know where she had obtained them.

34. Contrary to the assertions in the Motion to Quash, Ms. Mizrachi is not being examined merely because she is Mr. Silber's wife. The documentary record identifies her as the holder or recipient of specific interests, properties, funds and records connected to the Debtors' assets. The Trustee makes no allegation in this Motion that she is liable for any wrongdoing. It

[27] A true and correct copy of the bank records for the accounts of Ms. Mizrachi and of the entity she owns, marked as **Exhibit T-7** at the June 24, 2026 examination of Mr. Silber and produced here in redacted form, is attached to the Corbi Declaration as **Exhibit AB**.

[28] A true and correct copy of the Schedule K-1 issued to Ms. Mizrachi by Rapid Services LLC is attached to the Corbi Declaration as **Exhibit AA**.

says that she is a transferee of interests the Trustee has reason to believe were acquired with estate money, that the instruments and records which would establish or refute that are in her hands and her counsel's, and that Bankruptcy Rule 2004 exists so that an estate representative can find out. To the extent the initial transfers are avoided, the Trustee may be entitled under section 550(a)(2) to recover the property or its value from a subsequent transferee, including Ms. Mizrachi; in the alternative, the interests are property of the Debtors' estates and subject to turnover under section 542 of the Bankruptcy Code.

35. The categories the Subpoena requests follow directly from the pattern described above, and each answers a specific question the Trustee cannot answer from the Debtors' own records because those records were never produced.

36. Ownership and transfer instruments, the operating agreements, amendments, assignments, stock powers, deeds and consideration records for the interests and properties described in Section C (Requests 1–4, 9 and 16). These address the competing claims to the Vecta interests directly. Two estates and Ms. Mizrachi each assert or may assert a claim to the same interests; the instruments that created and moved them are central evidence of which is right, and no instrument transferring the interest the Debtors paid for to Mr. Silber or to his acquisition vehicle has been produced by anyone. The August 2023 amendment described above records a transfer of membership interests from Mr. Silber to Ms. Mizrachi; it does not address ***how*** the interest the Debtors paid for came to be his.

37. Bank and brokerage records, statements, signature cards and transaction detail for the accounts held by Ms. Mizrachi and by entities in her name (Requests 7, 8, 11 and 12). The Trustee has traced transfers out of the Debtors' accounts to their first destination. Where that

destination is an account of hers, the receiving statements are the principal record of what became of the money afterwards, and they are records the paying bank cannot supply.

38. Tax and affiliate records, federal and state returns, Schedules K-1 and the partnership and entity records for the affiliates in which she holds an interest (Requests 5 and 14). These bear directly on beneficial ownership and on the distributions actually allocated, which is what distinguishes a nominal titleholder from a beneficial owner and what the Debtors' own returns cannot show because the entities in question sit outside them.

39. Household and personal expense records (Requests 6 and 13). The Trustee has identified approximately $13.8 million of American Express payments made by the Debtors and their affiliates during 2022–2024, including payments on card accounts carried in Ms. Mizrachi's name on an affiliate's books. Whether those payments discharged personal obligations or legitimate business expenses cannot be determined from the payment records, which identify the card issuer and not the charges; it can be determined from the statements and household records in her possession.

40. The organizational and financial records she has previously produced (Requests 15 and 16). Ms. Mizrachi produced the organizational chart of Mr. Silber's entities and financial records of the Debtors under her own production numbers in the Acquiom proceedings, from a source Mr. Silber could not explain. The chart bears her production numbers MM000136A and MM000136B. Those documents are part of the corporate record the Debtors never turned over and that Mr. Silber cannot locate. She produced them once, and they should be available from her or from her prior counsel.

41. That is the answer to the objection that the Subpoena is overbroad. It is not that Ms. Mizrachi has failed to submit a burden affidavit, though she has. It is that each category of documents sought addresses a specific question that the evidence itself has raised.

E. The Subpoena and the Trustee's Attempt to Resolve the Dispute

42. On August 20, 2026, the Trustee issued and served the Subpoena.[29] It is documents-only, contains twenty-three requests, defines the relevant period as January 1, 2018 to the present, and was returnable September 4, 2026 at 11:00 a.m. (Eastern Time). It was served by electronic mail and overnight mail on Paul S. Hollander, Esq. and Rosanne Singer, Esq. of Okin Hollander LLC, who had appeared for Ms. Mizrachi in the related chapter 7 proceedings,[30] with copies to the Chapter 7 Trustee and to conflicts counsel. The Trustee also served Ms. Mizrachi's counsel with a copy of the subpoena issued the same day to JPMorgan Chase Bank, N.A., although not required to do so, in order to meet the objection her counsel had raised in the chapter 7 case that earlier third-party subpoenas touching her records had not been served on her.[31]

43. On August 21, 2026, Ms. Mizrachi's counsel requested a two-week adjournment. The Trustee asked whether Ms. Mizrachi had previously produced documents to any third party, the object being to identify materials already collected and reviewed that could be produced without new burden. The Trustee then identified the judgment-enforcement proceedings described below and proposed that it would furnish the docket as a courtesy; that counsel would confirm with his client whether she had produced there; and that if she had, those materials, to the extent

[29] A true and correct Rule 2004 Subpoena to Miriam Mizrachi, issued and served August 20, 2026, with Exhibit A thereto is attached to the Corbi Declaration as **Exhibit A**.

[30] A true and correct copy of the electronic mail effecting service of the Subpoena on Paul S. Hollander, Esq. and Rosanne Singer, Esq. of Okin Hollander LLC, August 20, 2026, with attachments and overnight delivery confirmation is attached to the Corbi Declaration as **Exhibit B**.

[31] A true and correct copy of the Rule 2004 Subpoena to JPMorgan Chase Bank, N.A., issued August 20, 2026 is attached to the Corbi Declaration as **Exhibit C**.

responsive, would come first, with the balance on a rolling schedule to be agreed. The Trustee memorialized the conference in a letter that same day and enclosed the docket and four of its filings.

44. Counsel replied on August 24 rejecting the letter "in its entirety."[32] The Trustee answered the same day. It noted that the reply did not say whether Ms. Mizrachi had produced in the earlier proceedings, did not say whether her former counsel retained the file, and offered no date for anything; and it extended the production date for the first tranche only — the materials collected and reviewed in the Acquiom proceedings, from September 4 to September 11, 2026, with the balance to follow on a schedule the Trustee was prepared to negotiate.[33] That letter closed: "If your client does not intend to proceed on these terms, please advise and we will address the matter with the Court." No answer came. On September 3, 2026 Ms. Mizrachi moved to quash.[34]

F. The Prior Production in the Acquiom Proceedings

45. In *Acquiom Agency Services LLC v. Silber*, Index No. 654386/2024 (Sup. Ct. N.Y. Cnty.), Spano Investor LLC, as assignee of the judgment entered against Mr. Silber, served Ms. Mizrachi with a subpoena duces tecum and restraining notice dated December 26, 2024, commanding production of twenty-eight categories of documents concerning Mr. Silber's assets, accounts, entity interests, real property conveyances and transfers to family members. NYSCEF

[32] A true and correct copy of the Letter from P. Hollander to R. Corbi dated August 24, 2026 is attached to the Corbi Declaration as **Exhibit E**.
[33] A true and correct copy of the Letter from R. Corbi to P. Hollander and R. Singer dated August 24, 2026, extending the first tranche to September 11, 2026 is attached to the Corbi Declaration as **Exhibit F**.
[34] Ms. Mizrachi annexed her counsel's August 24, 2026 letter (Hollander Cert. Ex. F). The Trustee's letters of August 21 and August 24, 2026 are annexed to the Declaration filed herewith as **Exhibits D** and **F**.

Doc. No. 55. She did not produce and did not object.[35] On March 21, 2025, Spano moved by order to show cause to hold her in contempt. NYSCEF Doc. Nos. 53–58.

46. Ms. Mizrachi did not appear for the deposition noticed for January 29, 2025. Spano's counsel wrote to her directly on February 4, 2025. NYSCEF Doc. No. 57. She did not respond to that letter either, and approximately three months of silence passed before the contempt application was filed. At the hearing before Justice Patel on April 3, 2025, newly retained counsel for Ms. Mizrachi advised the Court that his client did have responsive documents and that he was determining their scope. NYSCEF Doc. No. 64 at 3:9–12.[36] The Court addressed her late retention of counsel directly, stating that engaging counsel at the last minute after an application for contempt had been filed did not relieve her of complying with the subpoena served upon her in December 2024, and finding that from the Court's perspective she was in contempt. *Id*. at 4:8–13. The only substantive objection then advanced on her behalf was that the documents might be obtainable from the judgment debtor instead. Spano's counsel responded that this was not a valid objection and that there was no claim of abuse or harassment, and the Court agreed that it was not a basis. Id. at 4:23–5:9. The Court then fixed a schedule: a stipulation setting dates for production, a deposition and the handling of objections by April 8, failing which a contempt hearing would proceed on April 9. Id. at 5:13–19. A stipulation was filed on April 8 (NYSCEF Doc. No. 62)[37] and an order entered on April 9 (NYSCEF Doc. No. 63).[38] Ms. Mizrachi produced documents and was deposed on May 8, 2025.

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[35] A true and correct copy of the Subpoena Duces Tecum and Restraining Notice to Miriam Mizrachi dated December 26, 2024, NYSCEF Doc. No. 55, Acquiom Agency Services LLC v. Silber, Index No. 654386/2024 (Sup. Ct. N.Y. Cnty.) is attached to the Corbi Declaration as **Exhibit K**.

[36] A true and correct copy of the transcript of the April 3, 2025 hearing before the Hon. Nervana Patel, J.S.C., NYSCEF Doc. No. 64 is attached to the Corbi Declaration as **Exhibit L**.

[37] A true and correct copy of the Stipulation filed April 8, 2025, NYSCEF Doc. No. 62 is attached to the Corbi Declaration as **Exhibit M-1**.

[38] A true and correct copy of the Order entered April 9, 2025, NYSCEF Doc. No. 63 is attached to the Corbi Declaration as **Exhibit M-2**.

47. Spano served a second subpoena duces tecum on July 12, 2025, directed to Ms. Mizrachi's own records. NYSCEF Doc. No. 70.[39] A further contempt application followed and was denied without prejudice when the New York action was stayed under 11 U.S.C. § 362 upon Mr. Silber's chapter 7 filing. NYSCEF Doc. No. 107.[40] The Trustee has since obtained, from a third party rather than from Ms. Mizrachi, a copy of what she produced in those proceedings.[41] The collection has therefore already been done. That material was gathered, reviewed and produced once by her counsel in the spring of 2025, and producing it to the Trustee requires no new search; retrieval from counsel and a responsiveness review against the Subpoena may remain, and the Trustee does not suggest otherwise. What the Trustee still does not know, and what only Ms. Mizrachi and her counsel can say, is whether that set was complete when it was made, whether it was ever supplemented, and what her former counsel retains today. That is why the Trustee asked for this material first, asked her to describe the search she undertook, and offered to negotiate a schedule for everything else.

[39] A true and correct copy of the Second Subpoena Duces Tecum to Miriam Mizrachi dated July 12, 2025, returnable August 3, 2025, with Schedule of Documents to be Produced, NYSCEF Doc. No. 70 is attached to the Corbi Declaration as **Exhibit N**.

[40] A true and correct copy of the Order denying the further contempt application without prejudice, NYSCEF Doc. No. 107 is attached to the Corbi Declaration as **Exhibit O**.

[41] The compilation was produced to the Trustee by Spano Investor LLC on August 20, 2026. That production was delivered as more than one thousand seven hundred (1,700) single-page TIFF images, one file for every page, with no document-level file of any kind. The Trustee raised the resulting burden with Spano promptly: in that format every document must first be reassembled from its constituent page images before anyone can read a single one of them. On August 25, 2026 the Trustee furnished a production protocol asking that documents which are inherently paper or image — loan agreements, appraisals, environmental and title work, and bank statements — be produced as one consolidated PDF per document rather than as one file per page. Because the August 20, 2026 production was not delivered in accordance with that protocol, the Trustee did not identify the Mizrachi deposition transcript, or her production within that volume, until September 2026. None of this bears on the reasonableness of what the Trustee proposed to Ms. Mizrachi, which was a first tranche of material already collected and reviewed and a negotiated rolling schedule for the balance.

ARGUMENT

A. The Subpoena Falls Squarely Within Bankruptcy Rule 2004

48. Bankruptcy Rule 2004(b) permits examination into "the acts, conduct, or property or to the liabilities and financial condition of the debtor, or to any matter which may affect the administration of the debtor's estate." The scope is deliberately broad. Courts have described a Rule 2004 examination as "unfettered and broad," *In re Drexel Burnham Lambert Grp., Inc.*, 123 B.R. 702, 711 (Bankr. S.D.N.Y. 1991), and have recognized that it "may be in the nature of a fishing expedition," *In re Wilcher*, 56 B.R. 428, 434 (Bankr. N.D. Ill. 1985); *accord In re Bennett Funding Grp., Inc.*, 203 B.R. 24, 28 (Bankr. N.D.N.Y. 1996). Its purpose is "to show the condition of the estate and to enable the [trustee] to discover its extent and whereabouts, and to come into possession of it, that the rights of the creditor may be preserved." *Cameron v. United States*, 231 U.S. 710, 717 (1914).

49. The Bankruptcy Rule 2004 reaches non-debtors who hold information bearing on estate property and potential estate claims. *See Drexel Burnham*, 123 B.R. at 711; *Bennett Funding*, 203 B.R. at 28. That is this examination. The Trustee has identified specific transfers of estate funds, assets acquired with them and titled outside the Debtors, and specific interests and payments recorded in Ms. Mizrachi's name. The Plan and the Confirmation Order vest the Trustee with the estates' causes of action and the authority to investigate them. The foregoing is more than sufficient cause for the examination.

50. The need for third-party discovery is particularly acute where the Debtors produced no usable records and their principal declined to answer questions concerning the disposition of estate funds and transfers to Ms. Mizrachi. The estates cannot be told both that the Debtors' principal need not answer and that the transferee he would not discuss need not produce.

B. Neither the Dismissed Adversary Proceeding Nor the Consent Orders Restricts the Trustee

51. Ms. Mizrachi's principal argument is that the Subpoena violates the "pending proceeding" rule. The premise fails on the face of her own papers: Adversary Proceeding No. 26-01178 (MBK) was voluntarily dismissed on June 12, 2026 under Bankruptcy Rule 7041 and Rule 41(a)(1)(A)(i), and her brief states that the Chapter 7 Trustee's counsel "has confirmed that a new version has been prepared and is about to be filed." Contemplated litigation is not a pending proceeding. *In re Coffee Cupboard, Inc.*, 128 B.R. 509, 516-517 (Bankr. E.D.N.Y. 1991); *In re Great Lakes Comnet, Inc.*, 558 B.R. 194, 197 (Bankr. E.D. Mich. 2016). Were it otherwise, a witness could defeat any Rule 2004 examination by announcing that a lawsuit is coming.

52. The rule would not do the work she asks of it even if a proceeding were pending. Its purpose is to prevent a party to litigation from using Bankruptcy Rule 2004 to circumvent the discovery safeguards of Part VII in the proceeding in which it is a litigant. *See Bennett Funding*, 203 B.R. at 28; *In re Enron Corp.*, 281 B.R. 836, 840–42 (Bankr. S.D.N.Y. 2002). The Trustee has never been a party to Adversary Proceeding No. 26-01178 and has no Part VII discovery rights in it to circumvent.

53. Nor does the asserted overlap extend far. Four of the twenty-three requests are said to reach the same instruments, and Bankruptcy Rule 2004 examinations are in any event permitted as to subject matter touching pending litigation where the examining party is investigating estate assets rather than litigating that case. *Enron*, 281 B.R. at 842. The remaining requests, bank and brokerage accounts, tax returns, transfers exceeding $10,000, the sources of household expenses, real property and the assets in her name, are the subject matter of the solvency and tracing investigation these estates are conducting.

54. Ms. Mizrachi also invokes the Order in the dismissed adversary proceeding. The Trustee was not a party to it and did not consent to it. On June 8, 2026 the Trustee filed a limited objection and submitted a competing form of order that would have added the Creditor Recovery Trustee at six separate paragraphs, including the paragraph defining the parties whose agreement governs the escrow and the paragraph governing the determination of rights in the escrowed proceeds. The order was entered in the form the movants filed, and none of the Trustee's insertions was adopted.

55. A person is not bound by an order in a proceeding to which he was not a party. *Taylor v. Sturgell*, 553 U.S. 880, 892–93 (2008); *Martin v. Wilks*, 490 U.S. 755, 761–62 (1989) ("A judgment or decree among parties to a lawsuit resolves issues as among them, but it does not conclude the rights of strangers to those proceedings."). That principle decides this point on the operative language of the orders themselves. The Order defines the parties whose agreement governs the escrow and the parties whose rights in the escrowed proceeds it determines, and the Trustee is named in neither definition, which is precisely the insertion the Trustee proposed on June 8, 2026 and which the movants did not adopt. An order that by its own terms resolves rights among identified parties cannot restrict the discovery rights of a nonparty estate representative that asked to be included in those terms and was excluded. Nothing in this Motion acknowledges that the Order binds the Trust, and the Trustee reserves all rights concerning those orders and the property they address.

C. The Subpoena Does Not Violate the Automatic Stay

56. Ms. Mizrachi argues that because the Chapter 7 Trustee asserts a claim to the Vecta interests, the Subpoena violates the automatic stay in Mr. Silber's case. A subpoena seeking documents is not an act "to obtain possession of property of the estate or of property from the

estate or to exercise control over property of the estate" within section 362(a)(3). It obtains documents. It transfers nothing, encumbers nothing and forecloses nothing. To the extent Ms. Mizrachi, a non-debtor, believes the Subpoena impacts Mr. Silber's Chapter 7 Case, then she must commence the proper motion practice and present an evidentiary record that potential judicial actions against her would have a conceivable effect on Mr. Silber's Chapter 7 Case. *See In re LTL Mgmt., LLC*, 638 B.R. 291, 307 (Bankr. D. N.J. 2022) (J. Kaplan).

57. The stay in Mr. Silber's case protects ***Mr. Silber and his estate***; it does not ordinarily extend to non-debtor third parties. *Mar. Elec. Co. v. United Jersey Bank*, 959 F.2d 1194, 1204–05 (3d Cir. 1992); *McCartney v. Integra Nat'l Bank N.*, 106 F.3d 506, 509–10 (3d Cir. 1997); *Harrington v. Purdue Pharma L.P.*, 603 U.S. 204, 214-215 (2024). Ms. Mizrachi is not the debtor in that case; she is a transferee, and discovery directed to her is not stayed.

58. The premise is also contested. Whether the Vecta interests are property of Mr. Silber's chapter 7 estate or of these estates is among the questions the investigation is directed at, and it is unresolved in part because Mr. Silber told his own accountants that the assets were "[n]ot owned by Cbrm"[42] without a document to support it. The Trustee pleads in the alternative, as it may. The competing ownership claims cannot be assumed to have been resolved against the Trustee as a basis for preventing discovery into them. Moreover, to the extent the Trustee seeks to avoid the initial transfer of cash, Mr. Silber would have no property interest in the proceeds purchased with that cash, which could be recovered as property of the Chapter 11 estate.

D. The Procedural Objections Do Not Warrant Quashing the Subpoena

59. Ms. Mizrachi objects to the manner of service. Rule 45(b)(1) requires "delivering a copy to the named person"; it does not in terms require personal service, and courts have held

[42] *See* **Exhibit U** (e-mail of July 21, 2024).

that delivery by other means suffices where it is reasonably calculated to give actual notice and does so. *See Green v. Cosby*, 314 F.R.D. 164, 170 (E.D. Pa. 2016); *King v. Crown Plastering Corp.*, 170 F.R.D. 355, 356 (E.D.N.Y. 1997); *Cordius Trust v. Kummerfeld*, No. 99 Civ. 3200, 2000 WL 10268, at *2 (S.D.N.Y. Jan. 3, 2000).

60. The Subpoena was delivered by electronic mail and overnight mail to counsel who had appeared for Ms. Mizrachi in the precise dispute the Subpoena concerns, who had served their own Bankruptcy Rule 2004 subpoenas on her behalf a month earlier, and who had instructed a witness not to answer on her behalf. *Friedberg v. Madison Realty, Inv., Inc.*, Case No. 1:16-mc-0003, 2016 U.S. Dist. LEXIS 51826, at *4-5 (S.D. Ohio April 18, 2016). Within twenty-four hours counsel telephoned to negotiate the return date; counsel then corresponded about the Subpoena twice and moved to quash it. Ms. Mizrachi has had actual notice and a full opportunity to object, which is what the delivery requirement exists to secure. Actual notice and the absence of prejudice do not themselves establish that service was valid, and the Trustee does not contend otherwise; they bear on the relief that is appropriate if the Court concludes it was not. If the Court nonetheless concludes that the manner of delivery was deficient, the defect is curable, by directing that service be accepted, or by fixing a compliance date now that she indisputably holds the document, and does not warrant quashing. *Cf.* Fed. R. Civ. P. 45(d)(3) (modification as an alternative to quashing).

61. The objection under Rule 45(a)(4) fares no better. That Rule requires that, before a production subpoena is served on the person to whom it is directed, notice and a copy be served on each party. It is a protection for parties to the proceeding, and its purpose is to give a party the opportunity to object before documents are disclosed by someone else. Ms. Mizrachi is not a party to these Chapter 11 Cases. Rather she is the recipient of the Subpoena, and she received it.

62. As to the subpoena issued to JPMorgan Chase Bank, N.A. on August 20, 2026, the Trustee transmitted notice and a copy to Ms. Mizrachi's counsel although she is not a party, precisely to answer the complaint she had raised in the chapter 7 case, and the Trustee repeats that undertaking here. The earlier third-party subpoenas of which she complains at length, the May 4, 2026 subpoena to JPMorgan Chase, and those to Flagstar, the accountants and Google, were issued on behalf of the Chapter 7 Trustee of Mr. Silber's estate, not by this Trustee. This Trustee holds no production from any of them and has never been given any document obtained through them. The disclosure obligation she seeks to enforce arises under an order in a case to which this Trustee is not a party and to which it is not a signatory.[43]

E. The Time Allowed and the Scope of the Requests Were Reasonable

63. Rule 45(d)(3)(A)(i) requires quashing a subpoena that "fails to allow a reasonable time to comply." The Subpoena is documents-only and commands no appearance with an original due date of September 4, 2026, exactly fourteen (14) days from the day the Trustee issued it as permitted by Local Rule 2004-1(c). Before commencing motion practice, the Trustee offered to extend the initial date to September 11 and negotiate a rolling schedule for everything beyond the first tranche. And the first tranche was not a new collection at all: it was the body of documents Ms. Mizrachi's counsel gathered, reviewed and produced in the Acquiom proceedings in spring 2025 in response to subpoenas covering substantially the same categories. She never stated whether that material exists, whether her former counsel holds it, or what producing it would require.

[43] Mr. Stolz and his former firm served as counsel to the Trust until May 29, 2026, and he thereafter became special litigation counsel to the Chapter 7 Trustee. The Trust has raised that firm's continuing obligations to its former client in separate correspondence, and reserves all rights in that regard. Nothing in this Motion is intended to resolve those issues.

64. The relevant period of January 1, 2018 is not arbitrary. The conduct underlying Mr. Silber's conviction includes closings in March 2019. The facility whose payoff consumed $82,247,227.57 of the first bond issuance was originated in December 2020. The shareholder-loan account the Trustee is tracing already stood at $4,029,575 at December 31, 2020, and the Trustee needs the opening balance and the transactions that built it in order to say anything about what came after. Under Section 544(b) of the Bankruptcy Code, the Trustee stands in the shoes of an actual unsecured creditor and may reach transfers under the New Jersey Uniform Voidable Transactions Act, whose actual-intent provision permits an action to be brought within four years after the transfer was made or, if later, within one year after the transfer was discovered by the claimant. N.J.S.A. 25:2-31(a).

65. Ms. Mizrachi has not told the Trustee, or the Court, what she holds, what production would cost, or which of the twenty-three requests she says is objectionable and why. On this record there is nothing to weigh against the estates' interest. *See Bennett Funding*, 203 B.R. at 28 (party resisting a Rule 2004 examination bears the burden of showing good cause for protection). The Trustee remains willing to consider a reasoned request to narrow a particular request, but a global objection unsupported by evidence is not a basis to quash the Subpoena.

RELIEF REQUESTED

66. The Subpoena issued in these cases, under authority conferred by the Plan and this Court's Confirmation Order, and was returnable in these Chapter 11 Cases. However, Ms. Mizrachi moved to quash it in Mr. Silber's separate chapter 7 case, most likely to strengthen an insufficient pending proceeding rule defense to the Subpoena. Because both matters are before

the same Judge, the Trustee does not press a venue objection and respectfully requests that the two be heard together and that relief be entered in these cases.[44]

67. The Trustee respectfully requests entry of an order: (a) compelling Ms. Mizrachi to produce all responsive, non-privileged documents sought in the Subpoena by a date certain fixed by the Court; (b) directing that the materials collected, reviewed or produced in the Acquiom proceedings be produced within seven (7) days of entry of the order, to the extent responsive; (c) directing her to serve, with her production, a written statement signed by her describing the search and inquiry undertaken and identifying the accounts, devices, locations, custodians and date ranges searched and the person who conducted the search; (d) directing her counsel to state whether her former counsel in the Acquiom proceedings continues to hold her file from those proceedings; (e) directing that any claim of privilege be asserted request-by-request on a log served with the production; (f) overruling her objections to the Subpoena, including those asserted in the Motion to Quash; (g) file a certificate of compliance with this Court; and (h) granting such other and further relief as is just.

68. The Trustee does not at this juncture seek sanctions or an award of fees, and reserves all rights in the event compliance with an order of this Court is not forthcoming.

NOTICE

69. Notice of this Motion has been given to: (a) the Office of the United States Trustee; (b) Ms. Mizrachi and her counsel, Okin Hollander LLC; (c) the Chapter 7 Trustee of the estate of Moshe Silber and her counsel; (d) counsel to the Debtors; and (e) all parties that have requested

[44] The Motion to Quash was incorrectly filed in Case No. 25-21650 (MBK). Because both cases are before the same Judge, the Trustee does not press a venue objection and requests only that the matters be heard together and that relief be entered in these Chapter 11 Cases.

notice pursuant to Bankruptcy Rule 2002. The Trustee submits that no other or further notice is required.

CONCLUSION

For the foregoing reasons, the Trustee respectfully requests that the Court enter an order, substantially in the form annexed hereto, compelling Ms. Mizrachi to comply with the Subpoena, overruling her objections thereto, and granting such other and further relief as this Court deems just, proper and equitable.

Dated: September 14, 2026

Respectfully submitted,

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re:	Chapter 11
CBRM REALTY INC., et al.,	Case No. 25-15343 (MBK)
Debtors.	(Jointly Administered)

ORDER (I) COMPELLING MIRIAM MIZRACHI TO COMPLY WITH THE RULE 2004 SUBPOENA ISSUED TO HER, (II) OVERRULING HER OBJECTIONS THERETO, AND (III) GRANTING RELATED RELIEF

The relief set forth on the following pages, numbered two (2) through (3), is hereby ORDERED.

Upon the motion (the "**Motion**") of RLA Consulting LLC, in its capacity as Trustee of the Creditor Recovery Trust for CBRM Realty Inc. and Crown Capital Holdings, LLC (the "**Trustee**"), for entry of an order compelling Miriam Mizrachi to comply with the Rule 2004 subpoena issued to her on August 20, 2026 (the "**Subpoena**"); and the Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and due and sufficient notice of the Motion having been given; and the Court having considered the Motion, any responses thereto, and the record of the hearing; and good and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** as set forth herein.

2. **Acquiom materials — seven days.** On or before the date that is seven (7) days after entry of this Order, Ms. Mizrachi shall produce all responsive, nonprivileged documents that she collected, reviewed or produced in *Acquiom Agency Services LLC v. Silber*, Index No. 654386/2024 (Sup. Ct. N.Y. Cnty.), to the extent responsive to the Subpoena.

3. **All remaining materials.** On or before [•], 2026, Ms. Mizrachi shall comply with the Subpoena in all other respects and shall produce all remaining responsive, non-privileged documents.

4. Together with each production, Ms. Mizrachi shall serve a written statement, signed by her, describing the search and inquiry undertaken to identify responsive documents, and identifying the accounts, devices, locations, custodians and date ranges searched and the person or persons who conducted the search.

5. On or before the date that is seven (7) days after entry of this Order, counsel to Ms. Mizrachi shall advise the Trustee in writing whether Berkovitch & Bouskila, PLLC, or any

other counsel, continues to hold Ms. Mizrachi's file from the proceedings referenced in paragraph 2 above.

6. Any claim of privilege or work-product protection shall be asserted on a log served with the production to which it relates, identifying each withheld document by date, author, recipients, general subject matter and the basis for the claim.

7. Ms. Mizrachi shall file a certificate of compliance with this Court not later than two (2) business days after such production.

8. The objections of Ms. Mizrachi to the Subpoena, including those asserted in the motion filed at Docket No. 198 in Case No. 25-21650 (MBK), are overruled to the extent they seek to quash or limit the Subpoena; *provided, however*, that nothing in this Order shall be construed to overrule or waive any claim of attorney-client privilege or work-product protection, which shall be asserted in accordance with paragraph 6 above.

9. The Trustee's rights under Rule 45(g) of the Federal Rules of Civil Procedure, Bankruptcy Rules 2004 and 9016, and section 105(a) of the Bankruptcy Code, including the right to seek fees, costs and further relief in the event of non-compliance with this Order, are expressly reserved.

10. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation and enforcement of this Order.