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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

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Caption in Compliance with D.N.J. LBR 9004-1(b)
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Conflicts Counsel to Karen E. Bezner, Chapter 7 Trustee of the Estate of Moshe Silber

In re: CBRM REALTY INC., *et. al*., Debtors.	Case No. 25-15343 (MBK) Chapter 11 (Jointly Administered) Honorable Michael B. Kaplan, U.S.B.J.

LIMITED OBJECTION OF KAREN E. BEZNER, CHAPTER 7 TRUSTEE OF THE ESTATE OF MOSHE SILBER, TO THE MOTION OF THE CREDITOR RECOVERY TRUSTEE FOR ENTRY OF AN ORDER (I) COMPELLING HINMAN, HOWARD & KATTELL, LLP TO PRODUCE ITS CLIENT AND MATTER LIST, (II) DIRECTING THE TURNOVER TO THE TRUSTEE, AS SUCCESSOR CLIENT, OF THE FILES OF MATTERS IN WHICH A DEBTOR OR A DEBTOR SUBSIDIARY WAS THE CLIENT, AND (III) GRANTING RELATED RELIEF

Karen E. Bezner, in her capacity as the chapter 7 trustee (the "Chapter 7 Trustee") of the estate of Moshe (a/k/a Mark) Silber (the "Silber Estate"), Case No. 25-21650 (MBK), by and through her undersigned conflicts counsel, submits this limited objection (the "Limited Objection") to the motion (Docket No. 885) (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 "CBRM Trustee"), directed to Hinman, Howard & Kattell, LLP ("HH&K"), and respectfully states as follows:

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PRELIMINARY STATEMENT

The Chapter 7 Trustee does not object to the CBRM Trustee obtaining the files of matters in which a confirmed Debtor was, in fact, HH&K's client of record. Nor does she object to production of HH&K's client and matter list, which the CBRM Trustee itself describes as non-privileged. The Chapter 7 Trustee objects only to the extent the Motion and the proposed order would permit files of entities whose ownership and control have not been established — including Rhodium BA Holdings, LLC n/k/a Vecta Partners LLC ("Rhodium/Vecta") and other entities owned or controlled by Mr. Silber — to be turned over to the CBRM Trustee before the Chapter 7 Trustee has had an opportunity to review those files for privilege.

1. The CBRM Trustee's claim to HH&K's files rests entirely on control. The Motion invokes *Commodity Futures Trading Comm'n v. Weintraub*, 471 U.S. 343 (1985), for the proposition that the power to assert or waive a corporation's privilege rests with those who control the corporation, and that the privilege passes when control passes. Control is therefore an element of the CBRM Trustee's claim, and the CBRM Trustee bears the burden of proving it as to each entity. As to Rhodium/Vecta, the CBRM Trustee concedes that it has not done so. Paragraph 8 of the Motion states only that the Debtors' records "reflect" Rhodium BA Holdings, LLC as owned by CBRM Realty Inc., that whether the entity was a Debtor subsidiary "is among the questions the Trustee is investigating," and that the CBRM Trustee "does not ask the Court to decide it on this Motion."

2. A discovery motion is not the vehicle to decide that question, directly or by treating disputed entities as "successor clients" of the CBRM Trustee. The Chapter 7 Trustee therefore asks that any order entered on the Motion (a) limit turnover to matters in which the CBRM Trustee has established that the client of record is a Debtor or an entity the Debtors actually controlled,

(b) require that files of disputed, Silber-related and non-Debtor entities be produced first to the Chapter 7 Trustee for privilege review, and (c) expressly preserve all parties' positions on ownership.

BACKGROUND

3. Mr. Silber filed a voluntary chapter 7 petition on September 19, 2025, and the Chapter 7 Trustee was thereafter appointed. The CBRM Plan became effective on November 12, 2025, and the Crown Capital Plan became effective on January 9, 2026.

4. On August 19, 2026, the Court entered a stipulated order appointing the undersigned as conflicts counsel to address all issues between the Silber Estate and the Creditor Recovery Trust, and the two trustees have entered into a confidentiality and common interest arrangement providing for cooperation in discovery without prejudging ownership rights.

5. On August 24, 2026, the CBRM Trustee served a Rule 2004 subpoena on HH&K (the "Subpoena"). Motion at ¶ 9. The Subpoena's cover letter identifies HH&K as counsel to Rhodium BA Holdings, LLC — the buyer under the Sunnyside merger agreement, the applicant before the Federal Reserve, and HH&K's client of record — and acknowledges that Rhodium BA Holdings and Vecta Partners ownership "may have been held by CBRM Realty during the relevant time period, but remains to be investigated." Corbi Decl., Ex. A at 3–4. The same letter acknowledges that "[a] file opened for Mr. Silber personally is not" a Debtor file. *Id.*

6. The cover letter further concedes that CBRM "was not the applicant before the Federal Reserve, not a party to the merger agreement, and not listed in the Schedule 13D," and that "[t]he Trustee does not yet know" whether CBRM holds an interest in the acquiring entity. *Id.* at 4. The Subpoena directs HH&K to produce the "Vecta Matters" (Group B) first. *Id.* at Instruction 2.

7. By letter dated October 16, 2026, HH&K advised that it had identified approximately 1,926 responsive files "concerning dozens and dozens of former clients," that "the vast majority are not debtors," that they do not "appear to be 100% owned subsidiaries of the debtors," and that "[t]he entities are significantly intermingled." Corbi Decl., Ex. C. The letter went on to say, "However, the vast majority are not debtors. Nor do they appear to be 100% owned subsidiaries of the debtors. Moreover, some information, even if not privileged, could be considered "confidential information" under the Rules of Professional Conduct."

8. The Motion followed on October 18, 2026. The proposed order would require HH&K to turn over the complete file of every matter whose client of record is a Debtor or any entity listed on Schedule 1 to the Subpoena (a "Schedule 1 Entity"), would bar the assertion of any privilege belonging to a Schedule 1 Entity against the CBRM Trustee, and would require HH&K to state the basis for any contention that a Schedule 1 Entity is not a Debtor subsidiary. Schedule 1 includes entities whose EINs are "not established" and entities identified only by property name because no return or Schedule K-1 has been produced. Footnote 4 of the Motion further asserts that the assets vested in the Creditor Recovery Trust include "the equity interests of Moshe (Mark) Silber."

LIMITED OBJECTION

The CBRM Trustee Bears the Burden of Proving Ownership and Control Before It May Claim Any Entity's Privilege

9. Under *Weintraub*, upon which the Motion relies, control of a corporation's privilege follows control of the corporation. 471 U.S. at 348–49, 358. A party that claims to have succeeded to a privilege must therefore establish the predicate facts — that the entity's equity was property of a Debtor and that control passed to the Creditor Recovery Trust on the applicable effective date. The proposed order inverts that burden by requiring the producing law firm to

prove that a listed entity is not a Debtor subsidiary. Listing an entity on a schedule attached to a subpoena does not establish ownership or control, particularly where the schedule itself reflects that the CBRM Trustee lacks basic ownership records for certain entities.

10. The CBRM Trustee has not carried that burden as to Rhodium/Vecta. By its own account, the Debtors' records merely "reflect" CBRM ownership; the question "is among the questions the Trustee is investigating"; and the CBRM Trustee "does not ask the Court to decide it." Motion at ¶ 8. A party that concedes it "does not yet know" whether it owns an entity cannot obtain an order treating that entity's privileged files as its own.

11. Nor does affiliation, partial ownership or the source of acquisition funds establish control. The record reflects that Rhodium BA Holdings, LLC was the buyer and HH&K's client of record, was renamed Vecta Partners LLC at closing, and that the resulting equity was titled outside the Debtors, with a 95% indirect interest later recorded in the name of Miriam Mizrachi. Whatever claims the CBRM Trustee may have to the funds CBRM applied to the transaction, the payment of funds is not title to equity, and it is not control of an entity's privilege.

The Silber Estate Holds Competing Privilege Interests That Must Be Protected

12. Applying the same *Weintraub* principle, where Mr. Silber's equity in an entity is property of the Silber Estate under 11 U.S.C. § 541, control of that entity — and of its privilege — rests with the Chapter 7 Trustee. Mr. Silber's petition date preceded the effective dates of both Plans. Footnote 4 of the Motion, to the extent it suggests that "the equity interests of Moshe (Mark) Silber" vested in the Creditor Recovery Trust, is unsupported, is contested, and may not be relied upon to determine control of any entity's privilege. Any attempt to exercise control over property of the Silber Estate is subject to the automatic stay of 11 U.S.C. § 362(a)(3).

13. The Chapter 7 Trustee also asserts, protectively and without waiver, any privilege of Mr. Silber that has passed to her as trustee. The CBRM Trustee itself acknowledges that files opened for Mr. Silber personally are not Debtor files.

14. Once privileged material is disclosed to an adverse party, the harm cannot be undone. The CBRM Trustee and the Chapter 7 Trustee are adverse on the ownership of the Vecta interests. Disclosure of Rhodium/Vecta or other Silber-related files to the CBRM Trustee before the Chapter 7 Trustee can review them would risk waiver of privileges that may belong to the Silber Estate and would give the CBRM Trustee access to privileged material on the very issue being litigated in the Adversary Proceeding.

The Motion Should Not Be Used to Decide, Directly or Indirectly, Ownership Issues Pending in the Adversary Proceeding

15. Whether a Debtor owned Rhodium/Vecta is the central question in that has not as of yet been decided by this Court. An order treating Rhodium/Vecta as a Schedule 1 Entity, or otherwise directing its files to the CBRM Trustee as "successor client," would effectively resolve that question in a discovery motion, without a record and without adjudication. The CBRM Trustee has expressly disclaimed seeking such a determination (Motion at ¶ 8), and any order should say so.

A Privilege-Review Procedure Is Consistent with the CBRM Trustee's Own Stated Approach

16. The relief requested here is consistent with the CBRM Trustee's own framing. The Subpoena directs that, for non-Debtor matters, the privilege be asserted, logged and attributed to the client whose privilege it is (Instruction 3), and the cover letter asks that Debtor and non-Debtor files "be told apart, matter by matter." The Motion represents that it does not seek the privileged information of any non-Debtor client. Motion at 3. The procedure proposed below gives effect to

those representations, protects the competing privilege holder, and imposes no meaningful delay on production of files that genuinely belong to the Debtors.

Requested Modifications to the Proposed Order

17. The Chapter 7 Trustee requests that any order granting the Motion include the following provisions:

A. Client and matter list. HH&K shall serve its client and matter list on counsel to the Chapter 7 Trustee contemporaneously with its production to the CBRM Trustee.

B. Debtor Matters. "Debtor Matter" shall be limited to matters whose client of record is a Debtor, or an entity as to which the CBRM Trustee has demonstrated, by documentary evidence served on the Chapter 7 Trustee (including operating agreements, membership ledgers, stock records and Schedules K-1), that a Debtor held the equity and controlled the entity as of the applicable Plan effective date. Inclusion on Schedule 1 to the Subpoena shall not, by itself, establish that an entity is a Debtor or a subsidiary of a Debtor.

C. Disputed Matters. Files of any matter whose client of record is (a) Moshe (Mark) Silber, (b) Rhodium BA Holdings, LLC, Vecta Partners LLC, Rhodium BA Merger Sub, Inc., or any related Sunnyside/Vecta entity, (c) any entity in which Mr. Silber held an equity interest as of September 19, 2025, or (d) any other entity whose status as a Debtor or Debtor subsidiary is disputed (collectively, "Disputed Matters"), shall be produced first to the Chapter 7 Trustee only.

D. Any dispute shall be presented to this Court before the disputed documents are produced to the CBRM Trustee.

E. Non-waiver. Pursuant to Fed. R. Evid. 502(d), production of any document to either trustee shall not waive any privilege or protection of any person, and Fed. R. Civ. P. 26(b)(5)(B),

made applicable by Fed. R. Bankr. P. 7026 and 9014, shall govern clawback of inadvertently produced material. All productions shall be subject to the Protective Order (Docket No. 788).

F. Reservation. Nothing in the order shall determine, or be cited as evidence of, the ownership or control of Rhodium BA Holdings, LLC, Vecta Partners LLC, Sunnyside Bancorp, Inc. (n/k/a Vecta, Inc.), or any interest asserted by the Silber Estate, all of which are reserved for the Adversary Proceeding; and footnote 4 of the Motion shall not be deemed a finding that any equity interest of Moshe (Mark) Silber vested in the Creditor Recovery Trust.

RESERVATION OF RIGHTS

18. The Chapter 7 Trustee reserves all rights, claims and defenses, including in the Adversary Proceeding, and the right to supplement this Limited Objection, to be heard at any hearing on the Motion, and to object to any written demand the CBRM Trustee may serve on HH&K for non-Debtor matters.

CONCLUSION

WHEREFORE, the Chapter 7 Trustee respectfully requests that the Court (i) sustain this Limited Objection; (ii) condition any relief granted on the Motion on the modifications set forth above; and (iii) grant such other and further relief as is just.

SHERMAN, SILVERSTEIN, KOHL, ROSE & PODOLSKY, P.A.

Dated: October 27, 2026

By: */s/ Arthur J. Abramowitz*

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