

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: COMMERCIAL DIVISION

JEFFREY SIMPSON, individually and derivatively, as
Managing Member of JJ Arch LLC, suing derivatively
as Managing Member of ARCH REAL ESTATE
HOLDINGS LLC, and JJ ARCH LLC,

Index #158055/2023

Plaintiffs,

Mot. Seq. #26

v.

JARED CHASSEN and FIRST REPUBLIC BANK,

Defendants.

**STATEMENT OF THE CHARGES FOR THE EVIDENTIARY HEARING ON
THE MOTION TO HOLD JEFFREY SIMPSON AND BENJAMIN R. RAJOTTE IN
CIVIL AND CRIMINAL CONTEMPT**

WHEREAS, on May 30, 2025 Jared Chassen moved by order to show cause to hold Jeffrey Simpson and his counsel Benjamin Rajotte, Esq. (the “Respondents”) in civil and criminal contempt (the “Motion”) ([NYSCEF Nos. 1537-1548](#)), with Receiver Eric Huebscher of Huebscher & Co. (the “Receiver” and with Chassen, collectively, the “Movants”) filing a joinder to the motion on June 3, 2025 (the “Joinder”) ([NYSCEF No. 1549-1551](#)) and a supplemental joinder on June 16, 2025 (the “Supplemental Joinder”) ([NYSCEF Nos. 1567-1569](#)) (Motion Sequence No. 26); and

WHEREAS, the Court signed the Order to Show Cause on June 10, 2025 ([NYSCEF No. 1557](#)); and

WHEREAS, on June 19, 2025, Respondents filed opposition to the Motion ([NYSCEF No. 1586](#)), wherein Respondents objected to any contempt finding without the Court first holding an evidentiary hearing; and

WHEREAS, Movants filed further papers in support which, inter alia, argued that an evidentiary hearing should not be ordered, and the matter should be heard on the papers that were submitted (NYSCEF Nos. [1593-1597](#), [1600](#)); and

WHEREAS, Respondents filed a sur-reply ([NYSCEF No. 1603](#)); and

WHEREAS, the Court held a hearing on the record on June 27, 2025, where it directed an evidentiary hearing be held on July 21, 2025; and

WHEREAS, Respondents subsequently demanded a “statement of the charges” against Respondents for purposes of the evidentiary hearing and contempt motion, contending that it is required by law; and

WHEREAS, Movants do not agree that any additional statement beyond that contained in the Motion itself is required, and the inclusion of one herein is not an admission that such is required; and

WHEREAS, in order to avoid the need for any burdensome and wasteful judicial intervention on this issue and without the waiver of any rights by the Movants, Movants file this Statement of the Charges for the Evidentiary Hearing on the Motion to Hold Jeffrey Simpson and Benjamin R. Rajotte in Civil and Criminal Contempt (the “Statement of the Charges”).

The Statement of the Charges to be adjudicated at the evidentiary hearing is as follows: Movants charge that Simpson willfully defied the Court’s Order Appointing a Temporary Receiver dated March 11, 2025 ([NYSCEF No. 1360](#)) (the “Receiver Order”) and the Order Compelling Jeffrey Simpson to Comply with Receivership Order and Directing the

Sheriff to Enforce the Order (NYSCEF No. 1508 *corrected*) (the “Enforcement Order”) to Movant’s prejudice and committed a civil and criminal contempt by his conduct as alleged in the affirmation of Eric M. Huebscher dated April 29, 2025 (NYSCEF Nos. 1436-1445), the affirmation of Eric M. Huebscher dated April 30, 2025 (NYSCEF Nos. 1463-1468), the affirmation of Jared Chassen dated April 30, 2025 (NYSCEF No. 1458), the affirmation of Jared Chassen dated May 30, 2025 (NYSCEF No. 1548), the other papers filed in support of the Motion, and the Joinder and the Supplemental Joinder.

Movants charge that Simpson willfully disobeyed the Receiver Order as follows:

- (1) On March 17, 2025, Simpson refused to permit the Receiver to take possession of the real property located at 1640 Montauk Highway, Water Mill, NY (“1640 Montauk”);
- (2) On March 17, 2025, Simpson refused to permit the Receiver to take possession of the Rêver Motors business located at 1640 Montauk;
- (3) On April 22, 2025, Simpson telephoned the Receiver on his cell phone and told the Receiver that the Receiver is not permitted on “his properties”, then asked “Do you understand me?” and said he was going to have the Receiver arrested;
- (4) On April 22, 2025, Simpson sent an e-mail to the Pro Se Part of the federal district court, stating, “I just called him [the Receiver] on the phone and warned him one more time he is not to step foot on one of my properties without consent which he is not granted any [sic]”;
- (5) On April 22, 2025, Simpson sent a threatening text message to the Receiver;
- (6) Simpson continued to conduct the business of Rêver Motors and sold various assets of Rêver Motors after the entry of the Receiver Order;
- (7) On April 12, 2025 after the Receiver visited the residential property located at 225 Head of Pond Road, Water Mill (“225 HPR”) and changed the front door lock on the house, Simpson e-mailed the Receiver telling him that only Simpson had authority to deal with 225 HPR and engage a broker to sell it;

- (8) On April 14, 2025, Simpson, referring to 225 HPR, told the police that he is in full control of his assets and no one except him has rights or privileges to exercise control until the matter is resolved in the courts;
- (9) Shortly after the Receiver's April 12, 2025 visit to 225 HPR, Simpson entered 225 HPR and changed or damaged the front door lock to bar the Receiver from entering;
- (10) On April 22, 2025, after the Receiver changed the front door lock at 225 HPR a second time and installed an alarm system, Simpson removed and destroyed the alarm system in the presence of a police officer;
- (11) On March 29, 2025, Simpson interfered with the Receiver by directing the mortgage lender on one of the JJ Arch Controlled Properties located at 550 Metropolitan Avenue, Brooklyn, NY not to provide the Receiver with any information about the loan since the Receiver had no authority over that property;
- (12) In April 2025, Simpson continued to conduct the business of Rever Motors and sold various assets of the business;
- (13) After the entry of the Receiver Order, Simpson failed and refused to provide the Receiver with any of the following for JJ Arch and the JJ Arch Controlled Entities: (a) books and records and books of account, (b) the bank accounts, funds and records, (c) an inventory of all assets, including a list of the vehicles at Rêver Motors, (d) a list of all employees, (e) payroll records and payroll tax information for the employees, (f) copies of the filed tax returns, and (g) keys, codes or other items required for access;
- (14) In March and April 2025, Simpson filed on NYSCEF contemptuous correspondence to the Court and sent contemptuous emails to the Court with respect to the Receiver Order, and at a hearing held on May 12, 2025, would not state that he would agree to abide by it;
- (15) Simpson delayed, hindered and impeded the ability of the Receiver to perform his duties by filing a baseless and frivolous attempt to remove this action to the United States District Court for the Southern District of New York ("SDNY") on March 20, 2025 (effective March 25, 2025).

Movants further charge that Simpson willfully disobeyed the Receiver Order and the Enforcement Order as follows:

- (1) Simpson delayed, hindered and impeded the ability of the Receiver to perform his duties by filing another baseless and frivolous attempt to remove this action to the SDNY on May 9, 2025 (effective May 23, 2025).
- (2) On May 23, 2025, Simpson re-entered and re-took possession of 1640 Montauk and the Rêver Motors business premises, and changed and modified the locks, thereby preventing the Receiver from performing his duties as Receiver;
- (3) After he re-entered and re-took possession of 1640 Montauk and Rêver Motors on May 23, Simpson changed the locks to the doors and other entry ways to the Rêver Motors business premises;
- (4) On June 3, 2025, Simpson sent the Receiver an e-mail demanding that the Receiver Order and the Enforcement Order be ignored and he be restored to Rêver Motors;
- (5) In a June 3, 2025 e-mail to counsel to the Receiver, with a copy to the Receiver, Simpson called the Receiver a “thief”, a “horrible human being” and “a blood sucking pig”;
- (6) Despite repeated requests, Simpson has failed to provide, and continues to fail to provide, the Receiver with (a) any books and records and books of account of JJ Arch and the JJ Arch Controlled Entities, (b) the original certificates of title for each vehicle owned by any owned by any of the JJ Arch Controlled Entities, (c) any information on employees of the JJ Arch Controlled Entities or JJ Arch Controlled properties for the period August 2023 through March 2025, payroll records for such employees and evidence that payroll taxes were paid, (d) copies of all tax returns for JJ Arch and the JJ Arch Controlled Entities and correspondence from or to the Internal Revenue Service or any other governmental entity, (e) all banking records for JJ Arch and the JJ Arch Controlled Entities, (f) books, logs, spreadsheets and other documents detailing the transactions of the JJ Arch Controlled Entities and the funds and assets belonging to the JJ Arch Controlled Entities, (g) all appraisals, broker price opinions, or other valuations of the JJ Arch Controlled Entities and the JJ Arch Properties, (h) all contracts to which any of the JJ Arch Controlled Entities are a party, (i) the location of all assets belonging to each JJ Arch Controlled Entity and (j) the bank accounts and funds over which JJ Arch exercises control;

Movants charge that Rajotte willfully disobeyed the Receiver Order and the Enforcement Order as follows:

- (1) By aiding and abetting Simpson’s seizure of 1640 Montauk and the Rever Motors on May 23, 2025, and his defiance of the Receiver Order and Enforcement Order thereafter, and interfering with the Receiver’s exercise of

his duties, by declaring in emails in conjunction with Simpson's seizure of Rêver Motors on May 23, 2025 (NYSCEF Nos. 1544, 1550) and thereafter ^that the Receiver Order and Enforcement Order were ineffective based upon Simpson's removal of the proceeding to federal court and despite assuring the Court on the record (NYSCEF No. 1531), that he understood such removals did not void the Court's orders.

Date: New York, New York
July 14, 2025

SCHWARTZ LAW PLLC**FARRELL FRITZ, P.C.**

By: /s/ Allen Schwartz
Allen Schwartz, Esq.
150 Broadway, Suite 701
New York, New York 10038
Tel: (347) 460-5379

Attorneys for Jared Chassen

By: /s/ Martin G. Bunin
Martin G. Bunin, Esq.
622 Third Avenue, 37th Floor
New York, New York 10017
Tel: (212) 687-1230

Attorneys for Eric M. Huebscher, as Receiver