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**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEVADA**

In re:

CARTWHEEL ROBOTICS, INC.,

Debtor.

Case No.: 26-50278-HLB

Chapter 7

**OMNIBUS OPPOSITION TO MOTIONS
FOR RULE 2004 EXAMINATION AND
SUPPLEMENTS**

Hearing Date: October 6, 2026
Hearing Time: 9:30 a.m.

Engineered Arts Holding Company, Inc. ("Engineered Arts"), a nonparty that has not otherwise appeared in this case, by and through its counsel of record, the law firm of Garman Turner Gordon LLP, enters an appearance for a limited purpose,¹ and hereby files this Opposition (the "Opposition") to the sprawling discovery that Scott LaValley ("LaValley") and his sister Samantha Conway ("Conway," and together with LaValley, the "Movants") purport to seek from the Engineered Arts entities,² their officers (including but not limited to its Chief Executive

¹ Pursuant to Local Rule 9014.2, Engineered Arts consents to the entry of final orders and judgment by this Court on the Motions (as defined below) only, subject to and without waiver of the positions asserted or the reservation of rights set forth herein. Engineered Arts' appearance in opposition to the Motions is not, and shall not be construed as, consent to the entry of final orders or judgment on any other motions that parties may hereafter file, nor as a waiver of any objection to this Court's constitutional or statutory authority to adjudicate such a motion. Engineered Arts' limited appearance to oppose the Motions shall not be construed as a general appearance, or otherwise as consenting to the jurisdiction of this Court on any subject other than the Motions.

² The Motions reference only "Engineered Arts" and do not clarify whether the target is Engineered Arts Holding Company, Inc., or one of the two entities identified in various exhibits to the Motions, *i.e.*, Engineered Arts Ltd., a

Officer, Nicolas Desmarais (“Desmarais”)), legal counsel, representatives, and consultants (collectively, the “Engineered Arts Parties”) in the following pleadings:

- *Motion of Secured Creditor Scott LaValley for Production of Documents Pursuant to Federal Rule of Bankruptcy Procedure 2004* [ECF No. 63] (the “LaValley 2004 Motion”);
- *Supplement to Motion for Rule 2004 Examination Regarding Prepetition Value Loss, Gene Wong/RES, Failed Financing and Acquisition Paths, Prior Counsel Conduct, Noteholder Authority, and Third-Party Record* [ECF No. 88] (the “LaValley Supplement”);
- *Second Supplemental Memorandum and Request for Coordinated Rule 2004 Procedure Before Continued Section 341 Meeting* [ECF No. 97] (the “Second LaValley Supplement”);
- *Motion for Rule 2004 Examination and Document Production Regarding Governance, Investor Control, Counsel Conflicts, Strategic Transactions, and Potential Loss of Estate Value* [ECF No. 90] (the “Conway 2004 Motion”); and
- *Supplemental Memorandum in Further Support of Motion for Rule 2004 Examination and Document Production [ECF No. 90]* [ECF No. 99] (the “Conway Supplement,” and collectively with the other filings by LaValley and Conway referenced above, the “Motions”).

This Opposition is based upon the following Memorandum of Points and Authorities, the papers, pleadings, and other documents on file with the clerk of the Court, judicial notice of which is respectfully requested, and the argument of counsel entertained by the Court at the time of the hearing on the Motions.

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British company headquartered in Cornwall, United Kingdom, or Engineered Arts, LLC, a Delaware entity. Engineered Arts and its affiliates reserve the right to present additional arguments to the extent Movants clarify the entity for which they seek a 2004 exam.

MEMORANDUM OF POINTS AND AUTHORITIES**I.
INTRODUCTION**

The Movants are former officers and purported creditors of Cartwheel Robotics, Inc. (“Cartwheel” or the “Debtor”). In five separate filings spanning nearly 300 pages—a motion, two supplements, a second motion, and a further supplement—they ask the Court to authorize sweeping discovery from “Engineered Arts,” which is not the Debtor, a petitioning creditor, or a claimant in this case; from Engineered Arts’ executives, counsel, and other representatives; and from various other entities and individuals. These rambling filings, which bear hallmarks of being generated by artificial intelligence, are a meritless, wasteful distraction from the Movants’ own conduct that is under scrutiny from the Chapter 7 Trustee (the “Trustee”).

Engineered Arts is not alleged to have controlled Cartwheel, exercised governance authority over it, participated in the February 2026 acceleration of the promissory notes the Movants refer to as the “2024A Notes” (an acceleration the Movants themselves dispute), joined in the involuntary petition, filed a proof of claim in this case, or acquired property of the estate. Its connection to this case is that it invested in Cartwheel and explored a possible transaction with Cartwheel that never closed. Neither Movant alleges any misconduct by Engineered Arts, and LaValley expressly disclaims any contention that Engineered Arts caused that transaction not to proceed or had a prearranged asset-disposition strategy. ECF No. 63, at 15–16.

The Motions suffer from threshold procedural infirmities. The LaValley 2004 Motion asks the Court to order the production of documents—relief that Local Rule 2004(c) expressly forbids—without specifying the actual entity from which discovery is sought, and neither Movant has addressed how he or she would serve the FRCP 45 subpoena, applicable through FRBP 9016, that is the only mechanism for obtaining documents from nonparties. But setting those infirmities aside, the Motions should be denied as to the Engineered Arts Parties for a simple reason. Everything the Movants seek from them falls into one of two categories, and neither supports good cause. The first category is the Engineered Arts Parties’ external communications with Cartwheel and its stakeholders about the potential transaction. Those communications are, by definition,

1 already in the files of the persons on the other side of them: Cartwheel, whose books and records
2 belong to the estate administered by the Trustee, and the Movants themselves, who were
3 Cartwheel's officers when the communications occurred, who took part in them, and who attached
4 a selection of them to their own motion. ECF No. 63, at 5–7, 18–30. To the extent Cartwheel's
5 records are not presently in the Trustee's hands, that is—by LaValley's own account—because
6 Cartwheel's landlord, an entity owned by the Movants' father, foreclosed on and took possession
7 of the company's assets. *See, e.g.*, ECF No. 61, at 1. While the Trustee has questioned that account
8 [ECF Nos. 13, 18, 33], there still has been no explanation as to why the Movants have not sought
9 to obtain these documents from their very own father. It would be perverse to require a nonparty
10 to reconstruct, from its side of the correspondence, company records that the Movants' own family
11 allegedly carried off.

12 The second category is Engineered Arts' internal material: its uncommunicated diligence,
13 valuation analyses, technical assessments, personnel evaluations, and acquisition strategy. That
14 material never left Engineered Arts. It therefore cannot show what anyone at Cartwheel knew,
15 said, or did, which is the only thing the Movants claim to be investigating. It is, however,
16 confidential commercial information of precisely the kind that FRCP 45 protects from compelled
17 disclosure.

18 Every other consideration points the same way. The Movants' theories concern
19 Cartwheel's own governance, financing, and legal representation—matters in which Engineered
20 Arts had no role. The potential claims the Movants describe—claims against Cartwheel's former
21 management, former counsel, investors, and noteholders arising from alleged governance disputes,
22 financing decisions, and the acceleration of the 2024A Notes, see ECF No. 97, at 2–3, 10–13; ECF
23 No. 99, at 6–22—would belong to the estate, yet the Trustee has not sought this discovery. To the
24 contrary, the Trustee has raised concerns about the Movants' own conduct. *See, e.g.*, ECF Nos.
25 13, 18, 33, 34, 41, 62. Specifically, the Trustee contends that all of the Debtor's assets were
26 transferred to an insider-controlled entity about three months before the petition, that LaValley has
27 failed to turn over or account for the Debtor's records and property, and that the Trustee is
28 investigating whether those transfers can be avoided and recovered under §§ 544, 547, 548, and

550. The Court should deny the Motions as to the Engineered Arts Parties.

II.

RELEVANT FACTS AND PROCEDURAL BACKGROUND

A. Engineered Arts Is a Nonparty, Accused of No Wrongdoing, That Explored a Transaction That Never Closed.

To the extent discovery is being sought from Engineered Arts Ltd., it is a private limited company organized under the laws of England and Wales with its principal place of business in Falmouth, Cornwall, United Kingdom. The Movants' exhibits list a London, United Kingdom address for Engineered Arts' general counsel. ECF No. 63, at 20–21. To the extent the target is Engineered Arts Holding Company, Inc. or Engineered Arts, LLC, they are organized under the laws of Delaware. Desmarais is Engineered Arts' Chief Executive Officer and resides in Canada. The Motions also name other Engineered Arts personnel and representatives, including John Pharr (its CFO), Susan Court (its General Counsel), Joe Mardini (a consultant with Empower Industries), and Brendan Burke (its outside counsel), none of whom is alleged to reside or work in Nevada. ECF No. 63, at Exs. A-C.

The Movants' filings describe Engineered Arts as an investor in Cartwheel and a potential strategic counterparty that considered possible investment, acquisition, financing, employment, asset-purchase, or related arrangements with Cartwheel (the "Potential Transaction"). ECF No. 63, at 3–6; ECF No. 90, at 30–34; ECF No. 99, at 2–4. No such transaction closed. Engineered Arts is not one of the petitioning creditors; those are RSF Robotics I, the Wong Family Revocable Trust (the "Wong Trust"), and Nevada Battle Born Growth Escalator, Inc. ("BBG"). ECF No. 1, at 2, 4–5. Engineered Arts has not filed a proof of claim.

The Movants' theories concerning Engineered Arts are derivative of alleged conduct by others. LaValley alleges that Engineered Arts may have been a potential financing, acquisition, asset-transaction, lease, creditor-payment, or continued-business path for Cartwheel, and that its willingness to proceed may have been affected by governance disputes, litigation threats, or trust concerns involving Eugene Wong ("Wong") and RSF Robotics I and its related entities (collectively, "RSF"). ECF No. 88, at 10–11. But he does not contend that Engineered Arts, Desmarais, or any other identified person caused Engineered Arts not to proceed or had a

1 prearranged asset-disposition strategy. ECF No. 63, at 15–16.

2 Conway’s position is similar. She alleges that, in March and April 2025, investment
3 discussions developed into a possible acquisition, after which Wong asserted investor and board
4 authority, demanded access to communications with Engineered Arts, stated that Cartwheel would
5 not make a counteroffer, and threatened litigation if management proceeded contrary to his
6 position. ECF No. 90, at 30–32; ECF No. 99, at 3–6. Her supplemental filing frames the question
7 as whether the prospective transaction received an independent evaluation while Wong represented
8 investor interests and advanced a competing financing path. ECF No. 99, at 4–6. Those are
9 allegations about Wong and about Cartwheel’s internal decision-making. They allege no
10 misconduct by Engineered Arts.

11 In short, nothing in the record suggests that Engineered Arts controlled Cartwheel, directed
12 its governance, caused its insolvency, accelerated the 2024A Notes, commenced this bankruptcy
13 case, or acquired estate property. The record shows only that Engineered Arts sat across the table
14 in discussions that Cartwheel’s own officers, directors, and investors conducted.

15 **B. The Movants Seek Sweeping Discovery from the Engineered Arts Parties Concerning**
16 **Conduct by Others and Records That Cartwheel Itself Should Possess.**

17 The breadth of what the Movants seek from the Engineered Arts Parties is striking. The
18 LaValley 2004 Motion seeks, among other things, all of Engineered Arts’ internal evaluations of
19 Cartwheel’s assets, intellectual property, technology, employees, business prospects, and
20 acquisition value; all communications concerning any possible bidder for, or purchaser of,
21 Cartwheel or its assets; all communications concerning Cartwheel’s governance, secured claims,
22 insolvency, and bankruptcy risk; and communications concerning LaValley’s own prospective
23 employment and compensation. ECF No. 63, at 10–14. The LaValley Supplement adds Engineered
24 Arts’ diligence concerning Cartwheel’s source code, computer-aided-design materials, technical
25 continuity, and employee or founder continuity. ECF No. 88, at 19. The Second LaValley
26 Supplement purports to designate Engineered Arts and Desmarais as “core custodians” and
27 proposes that they be swept into a “first wave” of coordinated Rule 2004 discovery before the
28 continued section 341 meeting. ECF No. 97, at 3–4. The Conway 2004 Motion and Conway

Supplement seek Engineered Arts' communications and records concerning the March–April 2025 acquisition discussions and likewise place Engineered Arts in a proposed “first wave.” ECF No. 90, at 30–34; ECF No. 99, at 24.

The LaValley 2004 Motion's requests, for example, include:

(a) All communications concerning Cartwheel Robotics, Inc. between or among Gene Wong, Reno Seed Fund, RSF Robotics I, the Wong Family Revocable Trust, Nevada Battle Born Growth Escalator, Inc., Christine Guerci, Karsten Heise, Kyle Ferguson, Engineered Arts, Nicolas Desmarais, John Pharr, Susan Court, Brendan Burke, Empower Industries, Joe Mardini, ClickBio to the extent relevant, Jessica Gagliano to the extent relevant, AppDirect to the extent relevant, or their representatives.

(c) All communications concerning any proposed acquisition, investment, financing, asset purchase, licensing transaction, strategic transaction, auction, “hold co” structure, employment-related transaction, investor roll-forward, claim conversion, equity exchange, capitalization structure, or other transaction involving Cartwheel and Engineered Arts.

(m) All documents concerning any evaluation by Engineered Arts of Cartwheel's assets, intellectual property, technology, employees, business prospects, or acquisition value.

ECF No. 63, at 10, 12. The Conway 2004 Motion similarly seeks³ broad, undefined categories:

Section V.A.2: “What communications occurred among Engineered Arts, Gene Wong, Sam Tolkoﬀ, Craig Macy, Cartwheel management, directors, investors, and counsel concerning potential investment, partnership, or acquisition opportunities”

Section VI.E, first bullet: “Communications involving Engineered Arts, Cartwheel management, directors, investors, advisors, or counsel concerning investment opportunities, strategic partnerships, acquisition discussions, bridge financing proposals, or other strategic alternatives”

Section VI.E, third bullet: “Communications concerning governance rights, investor objections, approval rights, veto rights, litigation threats, restrictions upon, delays of, or termination of strategic alternatives”

ECF No. 90, at 30, 36.

Read together, the requests would require the Engineered Arts Parties to collect, review, and produce essentially every document in their files that mentions Cartwheel: every internal

³ Admittedly, it is unclear what precisely these requests seek, as they appear to be requests for the Trustee to conduct an investigation, which is not relief properly sought through the Motions. To the extent it seeks documents, Engineered Arts objects as set forth herein.

1 valuation, every technical assessment of Cartwheel's technology, every evaluation of Cartwheel's
 2 personnel, every communication with any third party about a possible transaction, and every
 3 internal deliberation about whether, and on what terms, to proceed—across multiple custodians in
 4 the United Kingdom, Canada, and elsewhere. That is the internal record of a private company's
 5 strategic decision-making. It is not evidence of the Debtor's acts, conduct, or property. And in any
 6 event, the subjects the Movants say they are investigating concern conduct by persons other than
 7 Engineered Arts.

8 To the extent the Movants seek Engineered Arts' communications with Cartwheel, those
 9 are communications in which Cartwheel's own management—the Movants—took part. LaValley
 10 served as Cartwheel's chief executive officer, and Conway as its chief operating officer, during
 11 the period at issue. ECF No. 97, at 15, 26. The LaValley 2004 Motion attaches emails reflecting
 12 employment discussions, a possible acquisition of assets, a proposed global resolution, and a
 13 possible bankruptcy or asset-auction process, ECF No. 63, at 5–7, 18–30, and seeks
 14 communications concerning LaValley's own prospective employment and compensation. *Id.* at
 15 10–11. Conway recounts the March–April 2025 acquisition discussions in detail, including what
 16 Wong said and demanded in response to them. ECF No. 90, at 30–32; ECF No. 99, at 3–6. Those
 17 communications are Cartwheel's own records.

18 **C. The Trustee Has Not Sought the Discovery That Movants Seek, and in Fact, Is**
 19 **Concerned About Movants' Conduct.**

20 The Movants acknowledge the Trustee's authority over estate claims and state that they do
 21 not seek to supplant his judgment. ECF No. 63, at 4–5; ECF No. 88, at 2; ECF No. 97, at 1–4. The
 22 Trustee has not joined the Motions, adopted their proposed scope, or sought the discovery the
 23 Movants seek from the Engineered Arts Parties.

24 The Trustee has, however, raised concerns about the Movants' own conduct and about the
 25 whereabouts of the Debtor's books and records. LaValley claims that he lost possession of
 26 Cartwheel's records when Cartwheel's landlord—an entity owned by the Movants' father—
 27 foreclosed on and took possession of the company's assets. *See, e.g.*, ECF No. 61, at 1. The Trustee
 28 has pushed back on that account and has identified multiple potential claims and areas of

1 investigation against the Movants. *See* ECF Nos. 13, 18, 33, 34, 41, 62, and 68. The Movants
 2 thus ask the Court to authorize third-party discovery against a nonparty to obtain company records
 3 that, by their own account, were taken by an entity controlled by their family.

4 **III.** 5 **ARGUMENT**

6 **A. Legal Standard.**

7 Federal Rule of Bankruptcy Procedure 2004 permits the Court, on motion of a party in
 8 interest, to order the examination of any entity concerning the debtor's acts, conduct, property,
 9 liabilities, and financial condition, and any matter that may affect the administration of the estate.
 10 Fed. R. Bankr. P. 2004(a), (b). An entity other than the debtor may be compelled to produce
 11 documents only as provided in FRBP 9016, which incorporates FRCP 45. Fed. R. Bankr. P.
 12 2004(c), 9016. In this District, "[p]roduction of documents may not be obtained via an order under
 13 Fed. R. Bankr. P. 2004," but only "via subpoena as provided by Fed. R. Civ. P. 45(a)(1)(C), as
 14 adopted by Fed. R. Bankr. P. 9016." LR 2004(c).

15 Rule 2004's scope is broad, but it is not unlimited. When the proposed examinee objects,
 16 the party seeking the examination bears the burden of establishing good cause. *In re Subpoena*
 17 *Duces Tecum*, 461 B.R. 823, 829 (Bankr. C.D. Cal. 2011). Good cause generally requires a
 18 showing that the examination is necessary to establish the claim of the party seeking it, or that
 19 denial would cause that party undue hardship or injustice. *In re Dinubilo*, 177 B.R. 932, 943 (E.D.
 20 Cal. 1993); *see also In re Wilcher*, 56 B.R. 428, 434 (Bankr. N.D. Ill. 1985) (Rule 2004
 21 examination "may not be used for purposes of abuse or harassment," and although third parties
 22 with knowledge of the debtor's affairs may be examined, the examination "cannot stray into
 23 matters which are not relevant to the basic inquiry"). Courts weigh the relevance of and need for
 24 the information against the burden on the examinee, *In re Drexel Burnham Lambert Grp., Inc.*,
 25 123 B.R. 702, 712 (Bankr. S.D.N.Y. 1991), and deny the request where the cost and disruption to
 26 the examinee outweigh the benefit to the examiner. *In re Eagle-Picher Indus., Inc.*, 169 B.R. 130,
 27 134 (Bankr. S.D. Ohio 1994).

1 **B. A Rule 2004 Order Cannot Compel a Nondebtor to Produce Documents Without**
 2 **Compliance with FRCP 45.**

3 To the extent the Motions seek an order compelling the Engineered Arts Parties to produce
 4 documents, the requested relief is procedurally unavailable. Local Rule 2004(c) expressly provides
 5 that “[p]roduction of documents may not be obtained via an order under Fed. R. Bankr. P. 2004.”
 6 Instead, production from a nondebtor must be sought through a subpoena under FRCP 45, as
 7 incorporated by FRBP 9016. Thus, even if the Court were to authorize a Rule 2004 examination
 8 of the Engineered Arts Parties, including the production of documents, that order would not itself
 9 compel anything. If the Movants want documents from the Engineered Arts Parties, they must
 10 serve a subpoena that complies with FRCP 45, and the Engineered Arts Parties would retain every
 11 objection that FRCP 45 affords a nonparty recipient.

12 FRCP 45, in turn, limits both where a subpoena may be served and where compliance may
 13 be required. A subpoena may be served within the United States. Fed. R. Civ. P. 45(b)(2). It may
 14 be served in a foreign country only on a national or resident of the United States, and then only as
 15 provided in 28 U.S.C. § 1783. Fed. R. Civ. P. 45(b)(3). A subpoena may command production
 16 only at a place within 100 miles of where the recipient resides, is employed, or regularly transacts
 17 business in person, Fed. R. Civ. P. 45(c)(2)(A), and a court must quash a subpoena that requires
 18 compliance beyond those limits. Fed. R. Civ. P. 45(d)(3)(A)(ii).

19 The Motions ignore all these requirements. They treat the Engineered Arts Parties as
 20 though they were local custodians whose files could be produced on court order. They do not
 21 address service, the place of compliance, or the location of the custodians and data, and they
 22 identify no basis on which a subpoena issued from this Court could even reach the files of a foreign
 23 company, to the extent directed to Engineered Arts Ltd., or any of Engineered Arts’ personnel
 24 abroad. Nor could they easily do so on this record: the Movants’ own exhibits reflect a London
 25 address for Engineered Arts’ general counsel, ECF No. 63, at 20–21; Engineered Arts Ltd. is
 26 headquartered in the United Kingdom; and Desmarais resides in Canada.

27 If the Court permits any discovery, it should expressly provide that no production is
 28 compelled by the Rule 2004 order itself and that the production may occur only through a subpoena

1 complying with FRBP 2004(c) and 9016, Local Rule 2004(c), and FRCP 45, and any such
2 subpoena would be subject to the Engineered Arts Parties' objections under those rules.

3 **C. The Movants Have Not Established Good Cause for the Sweeping Discovery They**
4 **Seek from the Engineered Arts Parties.**

5 Rule 2004 permits examination concerning the debtor's acts, conduct, property, liabilities,
6 financial condition, and matters that may affect administration of the estate. Engineered Arts does
7 not dispute that communications concerning the Potential Transaction may arguably fall within
8 that broad scope. The issue is not whether some inquiry is permissible; it is whether that potential
9 relevance supplies good cause for the discovery actually sought—every internal valuation,
10 technical assessment, personnel evaluation, acquisition analysis, third-party communication, and
11 hypothetical transaction structure in the Engineered Arts Parties' files, *see supra* Part II.B—and it
12 does not. Once Engineered Arts objects, the burden rests on the Movants to establish good cause.
13 *In re Subpoena Duces Tecum*, 461 B.R. at 829 (once the target moves to quash a Rule 2004
14 subpoena, examiner must demonstrate good cause). The Movants have not shown that the
15 Engineered Arts Parties' internal record concerning Cartwheel is necessary to establish any claim,
16 or that denial of such broad discovery would create undue hardship or injustice. They have not
17 made that showing because they cannot, for the reasons that follow.

18 **1. The External Communications the Movants Seek Are Cartwheel's Own**
19 **Records, in Which the Movants Themselves Participated.**

20 The first category of material the Movants seek—Engineered Arts' communications with
21 Cartwheel and its stakeholders about the Potential Transaction—consists of communications to
22 which the Movants were parties. LaValley's motion attaches a selection of them. ECF No. 63, at
23 18–30. Conway recounts others in detail. ECF No. 90, at 30–34; ECF No. 99, at 3–6. Those
24 communications are Cartwheel's records, and Cartwheel's directors, officers, and former counsel
25 should possess board communications, corporate records, and advice concerning strategic
26 alternatives. The Movants do not identify a single external communication with Engineered Arts
27 that is unavailable from their own files or from the Debtor's books and records.

28 The Movants may respond that the Debtor's records are not readily available. But the
reason they give for that is telling. LaValley has represented that he lost possession of Cartwheel's

1 records when the company's landlord—an entity owned by the Movants' father—foreclosed on
 2 and took possession of the company's assets. *See, e.g.*, ECF No. 61. In his Status Report, the
 3 Trustee states that LaValley's declaration revealed all of the Debtor's assets were assigned to 6127
 4 Reno Hwy, LLC in December 2025, about three months before the involuntary petition, and that
 5 he “plans to thoroughly investigate the transfer of the Debtor's assets to insiders” and evaluate
 6 whether they can be avoided and recovered under Sections 544, 547, 548, and 550. ECF No. 62,
 7 at 2:25–26. In his turnover motions and Omnibus Reply, the Trustee asserts that LaValley, as the
 8 Debtor's president, had “possession, custody, and/or control” of the Debtor's books and records,
 9 calls LaValley's response “troubling” because it admits the property existed while denying present
 10 possession or control, and argues that this position is not a defense but “triggers a duty to provide
 11 information sufficient to enable the Trustee to recover estate assets.” ECF Nos. 13, at 3; 18, at 2;
 12 33, at 3. Opposing LaValley's request for a continuance, the Trustee argues that LaValley's own
 13 response “suggests that estate property may have been transferred or is held by third parties,” that
 14 delay “will materially prejudice the estate,” and that “immediate Court intervention” is needed to
 15 require LaValley to identify the location of estate property and cooperate in its recovery. ECF No.
 16 34, at 3. Finally, the Trustee moved to designate LaValley as the responsible person under FRBP
 17 9001(b)(5) because the Debtor had “failed to file any schedules or statements,” leaving him
 18 “unable to identify assets, provide proper notice to creditors, or administer the estate,” including
 19 “evaluating potential avoidance actions.” ECF No. 41, at 3.

20 Whatever the truth of the matter, the remedy for missing company records is to recover
 21 them from the persons who have them, not to conscript a foreign nonparty into reconstructing
 22 Cartwheel's files from the other end of the correspondence. The Movants cannot establish good
 23 cause for third-party discovery by pointing to a gap in the Debtor's records that their own family
 24 allegedly created.

25 **2. The Internal Materials the Movants Seek Are Irrelevant to Their Theories and** 26 **Protected from Compelled Disclosure.**

27 The second category—Engineered Arts' internal evaluations of Cartwheel's assets,
 28 intellectual property, technology, employees, business prospects, and acquisition value; its

diligence concerning source code, computer-aided design materials, and technical and personnel continuity; and its communications with any possible bidder or purchaser, ECF No. 63, at 10–14; ECF No. 88, at 19—never left Engineered Arts. These materials cannot show what anyone at Cartwheel knew, said, or did. The supplements identify theories for possible future investigation, but they do not explain why any of those internal categories is necessary to test the alleged conduct of Wong, RSF, BBG, former counsel, or the petitioning creditors. Rule 2004’s breadth does not transform every internal valuation, technical assessment, personnel analysis, acquisition strategy, third-party communication, or hypothetical transaction structure in a nonparty’s files into an appropriate subject of examination. And that material constitutes confidential commercial information of precisely the kind for which FRCP 45(d)(3)(B)(i) expressly authorizes protection from compelled disclosure.

The Movants may respond that Rule 2004 permits a “fishing expedition.” But that characterization does not eliminate the good-cause inquiry. *In re Subpoena Duces Tecum* recognized Rule 2004’s broad prelitigation function, but it required the examiner to demonstrate good cause after an objection and found such cause where an independent governmental officer investigated specific, documented proof-of-claim practices. 461 B.R. at 829–32. Here, former officers of the Debtor seek a nonparty’s competitively sensitive internal files based principally on allegations that other persons impaired a possible transaction. The material difference is not the prelitigation purpose; it is the breadth, the identity of the examiner, the nonparty burden, and the availability of more direct sources.

3. None of the Individual Motions or Supplements Supplies Good Cause.

The LaValley 2004 Motion (ECF No. 63). The LaValley 2004 Motion seeks production by court order, which Local Rule 2004(c) forbids. Its categories, ECF No. 63, at 10–14, consist of external communications that LaValley already has or can obtain from the Debtor’s records, and internal evaluations that are irrelevant to his theories and protected under FRCP 45(d)(3)(B)(i). It should be denied as to the Engineered Arts Parties.

The LaValley Supplement (ECF No. 88). The LaValley Supplement’s theory is that Wong or RSF may have impaired a value-preserving path. ECF No. 88, at 10–11. That theory turns

principally on the communications and conduct of Wong, RSF, and Cartwheel—not Engineered Arts’ uncommunicated diligence materials. It supplies no cause to obtain Engineered Arts’ diligence concerning valuation, personnel, source code, computer-aided-design materials, or technical continuity. *Id.* at 19.

The Conway 2004 Motion (ECF No. 90). The Conway 2004 Motion concerns whether Wong possessed and exercised authority, whether governance provisions were validly adopted, whether counsel had conflicts, whether financing documents were authorized, and whether the petitioning creditors coordinated. ECF No. 90, at 26–36. Engineered Arts was not a participant in any of those matters. As to the March–April 2025 discussions, Conway herself recounts them in detail, *id.* at 30–34, and the underlying communications are available from other sources, including the Debtor’s records.

The Second LaValley Supplement (ECF No. 97). The Second LaValley Supplement’s request for a “coordinated” procedure does not displace FRBP 9016, FRCP 45, or Local Rule 2004(c), and its purported designation of Engineered Arts and Desmarais as “core custodians” neither establishes good cause nor waives any objection. ECF No. 97, at 3–4. Its own reasoning—that counterparty communications may be found in other custodians’ files, *id.* at 4—is a reason to exclude the Engineered Arts Parties, not to include them.

The Conway Supplement (ECF No. 99). The Conway Supplement expands the narrative concerning Wong’s roles, RSF financing, BBG diligence, former counsel, the Murata opportunity, the February 2026 acceleration, and petitioning-creditor independence. ECF No. 99, at 1–24. Almost none of it concerns Engineered Arts, and none of it alleges misconduct by Engineered Arts. It supplies no basis to include the Engineered Arts Parties in any “first wave.” *Id.* at 24.

D. The Trustee’s Control of Estate Claims Favors a Measured and Coordinated Investigation.

A chapter 7 trustee has the exclusive right to sue on behalf of the estate. *Estate of Spirtos v. One San Bernardino Cnty. Superior Ct. Case Numbered SPR 02211*, 443 F.3d 1172, 1175–76 (9th Cir. 2006). The potential claims described in ECF Nos. 88, 90, 97, and 99 are alleged to belong to the estate, and the Trustee has not sought the discovery the Movants seek here.

1 Rule 2004 should not be administered in a manner that permits individual creditors or
2 former insiders to construct an unrestricted nonparty discovery record for claims that only the
3 trustee may ultimately prosecute. That is particularly true where the former insiders—like the
4 Movants—may themselves have been involved in misconduct, ECF No. 62, at 2 (*Status Report*
5 *Prior to Status Hearing for May 12, 2026*), and are using Rule 2004 discovery to draw attention
6 away from themselves and to harass creditors and nonparties. The concern is heightened where the
7 Movants’ filings also preview claims against former management and nondebtors, defenses to
8 creditor claims, objections to the petitioning creditors’ claims, and personal-liability theories
9 against individuals. ECF No. 97, at 2–3, 10–13.

10 The Movants repeatedly acknowledge the Trustee’s authority and state that they do not
11 seek to supplant his judgment. ECF No. 63, at 4–5; ECF No. 88, at 2; ECF No. 97, at 1–4. That
12 concession supports a measured procedure. Before a nonparty is required to produce internal
13 commercial files, the Trustee should identify whether he supports the inquiry, intends to conduct
14 it, or believes a narrower record is sufficient. If the Trustee seeks transaction-specific
15 communications that are discoverable and not otherwise available to the parties, Engineered Arts
16 is prepared to confer and cooperate with the Trustee to facilitate an efficient response to any such
17 inquiry. The Motions, and the sprawling discovery they seek, are a different matter altogether.

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IV.
CONCLUSION

For the foregoing reasons, the Court should deny the Motions [ECF Nos. 63, 88, 90, 97, and 99] to the extent they seek any discovery from the Engineered Arts Parties. Any order entered on the Motions should further provide that it does not compel production by any person, makes no finding concerning service, personal jurisdiction, or place of compliance as to any of the Engineered Arts Parties, and preserves all of their objections under FRBP 2004 and 9016, FRCP 45, and applicable law.

DATED this 22nd day of September, 2026.

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