

third-party loan agreements with merchants referred by defendant, as is alleged (*see NGM Mgt. Group, LLC v Bareburger Group, LLC*, 224 AD3d 600, 603-604 [1st Dept 2024]). In any event, liquidated damages provisions have routinely been held to be enforceable against sophisticated parties like defendant (*see Elk 33 E. 33rd LLC v Sticky's Corporate LLC*, 228 AD3d 455, 455-456 [1st Dept 2024]).

However, the complaint fails to sufficiently state a cause of action for tortious interference with contract (*see Lama Holding Co. v Smith Barney Inc.*, 88 NY2d 413, 424 [1996]). Plaintiffs broadly speculate that defendant was “involved” in certain merchants defaulting on their respective loan agreements but fail to point to any specific conduct (*see Kaplan v Conway & Conway*, 173 AD3d 452, 453 [1st Dept 2019]). Moreover, plaintiffs’ tortious interference claim is duplicative of their breach of contract claim because it is based entirely on allegations that defendant induced merchants to obtain financing from additional sources and failed to disclose adverse information about the merchants it referred, all of which constitute violations of the ISO agreement (*see IKB Intl. S.A. v Wells Fargo Bank, N.A.*, 40 NY3d 277, 290 [2023]).

THIS CONSTITUTES THE DECISION AND ORDER
OF THE SUPREME COURT, APPELLATE DIVISION, FIRST DEPARTMENT.

ENTERED: March 13, 2025



Susanna Molina Rojas
Clerk of the Court