

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF NEW YORK

Heriberto Guadalupe v. Chase Auto Finance Corp. and DEZBA Asset Recovery

Guadalupe · No. 25-CV-00718 (HG) (JMW) · Decided February 19, 2026

SUMMARY

The Eastern District of New York addresses sanctions for a nonparty's civil contempt arising from failure to comply with a subpoena for employment and payroll records. The court grants Chase's application, provides SET a final opportunity to comply, imposes a \$500-per-day coercive sanction upon continued noncompliance, and awards reasonable attorneys' fees and costs subject to further submission. The court declines to address possible preclusion of lost-wage evidence as premature and beyond the scope of the application.

CASE DETAILS

COURT	United States District Court for the Eastern District of New York
WRITING FOR THE COURT	James M. Wicks
JURISDICTION	United States District Court for the Eastern District of New York
DECIDED	February 19, 2026
DOCKET	25-CV-00718 (HG) (JMW)
DISPOSITION	other
PROCEDURAL POSTURE	Chase sought sanctions after the court previously found nonparty Sol Enterprise Transport in civil contempt for failing to comply with Chase's subpoena duces tecum. Following a sanctions hearing at which SET did not appear, the magistrate judge granted Chase's application.
STANDARD OF REVIEW	The court exercised its discretion to select the least power adequate to secure compliance with its orders and to compensate the victim of contempt.
PRECEDENTIAL VALUE	unpublished

TOPICS

- contempt
- sanctions
- discovery dispute
- attorney fees
- civil procedure

PRACTICE AREAS

civil procedure

discovery

contempt

attorney fees

QUESTIONS PRESENTED

1. What coercive sanction was appropriate for SET's continued civil contempt and failure to comply with the subpoena and court orders?
2. Whether Chase was entitled to compensatory reasonable attorneys' fees and costs incurred in prosecuting the contempt motions.
3. Whether the court should preclude Plaintiff from introducing lost-wages evidence because of SET's noncompliance.

HOLDINGS

1. A coercive monetary sanction of \$500 per day was appropriate to secure SET's compliance with the subpoena and the court's orders, beginning after a final opportunity to purge the contempt and continuing until full compliance.
2. Chase was entitled to reasonable attorneys' fees and costs incurred in connection with prosecuting SET's contempt because SET's disobedience was willful.
3. The court declined to preclude Plaintiff from introducing lost-wages evidence because that request was premature and was not properly before the court in the sanctions application against SET.

KEY QUOTATIONS

“Importantly, in selecting contempt sanctions, a court is obliged to use the ‘least possible power adequate to the end proposed.’” (Legal Context)

“Monetary sanctions imposed on SET in the amount of \$500 per day which shall begin to accrue on March 2, 2026, unless SET fully produces all responsive documents pursuant to Chase’s subpoena served July 23, 2025, on or before March 1, 2026.” (Conclusion)

FACTUAL BACKGROUND

Chase personally served SET's principal, Christofer Solano, with a subpoena duces tecum on July 23, 2025 requiring employment and payroll records concerning Plaintiff, a SET independent contractor. Solano acknowledged receiving the subpoena and sought clarification, but SET never produced the records despite repeated communications, a contempt motion, and the court's December 30, 2025 order directing production. The records were material to Plaintiff's \$39,600 lost-wages claim and SET's noncompliance hindered discovery and contributed to an extension of the fact-discovery deadline. SET and Solano neither opposed the sanctions request nor appeared at the sanctions hearing.

PROCEDURAL HISTORY

Plaintiff commenced this action on February 7, 2025 concerning the repossession of his vehicle. Chase subpoenaed SET for employment and payroll records relevant to Plaintiff's lost-wages claim. After SET failed to

respond, Chase moved to compel and for contempt; the court found a prima facie case and then held SET in civil contempt on December 30, 2025, directing production by January 9, 2026. SET continued not to comply, did not oppose the sanctions application, and did not appear at the February 18, 2026 sanctions hearing. The court imposed coercive monetary sanctions and compensatory attorneys' fees and costs, subject to later fee submissions.

DISPOSITION

other

REMAND INSTRUCTIONS

No remand. SET was given until March 1, 2026 to produce all responsive documents. If it failed, the \$500-per-day sanction would accrue beginning March 2, 2026 until SET purged its contempt. Chase was directed to submit fee and cost materials by March 9, 2026, with any opposition due March 16, 2026. If SET remained in contempt through March 23, 2026, the court would direct the United States Marshal to bring Solano before the court for possible incarceration.

CASES CITED

- Leser v. U.S. Bank Nat'l Ass'n, 2011 WL 1004708 (E.D.N.Y. Mar. 18, 2011)
- In re Martin-Trigona, 732 F.2d 170, 173 (2d Cir. 1984)
- Kosowski v. Nassau County, 350 F.R.D. 346, 354 (E.D.N.Y. 2025)
- Rodriguez v. New Generation Hardware Store Corp., 2024 WL 1406953 (S.D.N.Y. Apr. 2, 2024)
- Sunbeam Corp. v. Golden Rule Appliance Co., 252 F.2d 467, 469 (2d Cir. 1958)
- Paramedics Electromedicina Comercial, Ltda. v. GE Med. Sys. Info. Techs., Inc., 369 F.3d 645, 657-58 (2d Cir. 2004)
- Shillitani v. United States, 384 U.S. 364, 371 (1966)
- Freund v. Weinstein, 2009 WL 4065585 (E.D.N.Y. Nov. 23, 2009)
- Ametek, Inc. v. North Shore Int'l Inc., 2017 WL 3172821 (E.D.N.Y. July 26, 2017)
- Mauro v. Countrywide Home Loans, Inc., 2009 WL 3463570 (E.D.N.Y. Oct. 21, 2009)
- Perfect Fit Indus. v. Acme Quilting Co., 673 F.2d 53, 57 (2d Cir. 1982)
- Dell Inc. v. Compudirect, Inc., 316 Fed. App'x 32, 34 (2d Cir. 2009)
- Weitzman, 98 F.3d at 719
- Casale v. Kelly, 710 F. Supp. 2d 347, 367 (S.D.N.Y. 2010)
- Broker Genius Inc. v. Seat Scouts LLC, 2019 WL 2462333 (S.D.N.Y. June 13, 2019)
- New York State Nat'l Org. for Women v. Terry, 952 F. Supp. 1033, 1043 (S.D.N.Y. 1997), aff'd, 159 F.3d 86 (2d Cir. 1998)
- Lang v. Walmart, 2025 WL 638589 (E.D.N.Y. Feb. 27, 2025)
- New Falls Corp. v. Soni Holdings, LLC, 2023 WL 5806294 (E.D.N.Y. July 6, 2023)

- *Treyger v. First Class Furniture & Rugs Inc.*, 2022 WL 18356256 (E.D.N.Y. July 14, 2022), report and recommendation adopted, 2023 WL 199698 (E.D.N.Y. Jan. 17, 2023)
- *Jackson v. Nassau County*, 602 F. Supp. 3d 352, 355-56 (E.D.N.Y. 2022)
- *Simmons v. New York City Transit Auth.*, 575 F.3d 170, 174 (2d Cir. 2009)
- *Scelsi v. Habberstad Motorsport Inc.*, 2021 WL 6065768 (E.D.N.Y. Dec. 22, 2021)
- *Arbor Hill Concerned Citizens Neighborhood Ass'n v. County of Albany*, 522 F.3d 182, 184, 186 n.3, 190 (2d Cir. 2008)
- *Cordius Trust v. Kummerfeld Assoc., Inc.*, 658 F. Supp. 2d 512, 524-25 (S.D.N.Y. 2009)

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