EFiled: Mar 24 2026 10:10AM EDT
Transaction ID 78836111
Case No. 2026-0281-JRB

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

TEMA INOVASI SDN. BHD., Plaintiff, v RAÚL ROCHA CANTÚ and LEGACY HOLDING GROUP USA, INC., Defendants.	C. A. No. 2026-0281-JRB

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Chancery Court Chambers
417 South State Street
Dover, Delaware
Tuesday, March 10, 2026
3:00 p.m.

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BEFORE: HON. JESSIE R. BENAVIDES, Magistrate

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TELEPHONIC ORAL ARGUMENT ON PLAINTIFF'S MOTION TO EXPEDITE AND MOTION FOR A TEMPORARY RESTRAINING ORDER

APPEARANCES:

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-and-
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for Defendants

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THE COURT: Good afternoon. This is Magistrate Jessie Benavides.

Do I have my court reporter on the line?

THE COURT REPORTER: Yes, Your Honor.

THE COURT: Do I have counsel for the plaintiff on the line?

ATTORNEY FELICE: Yes, Your Honor. Good afternoon. It's David Felice from Bailey & Glasser on behalf of plaintiff. And with me this afternoon I have Viren Mascarenhas, Lexi Menish, and Margaret Artz, of the Mascarenhas Law firm in New York. With the Court's permission, Mr. Mascarenhas will be making the presentation this afternoon.

THE COURT: Okay. That's fine with me.

And do I have counsel for defendants on the line?

ATTORNEY NOA: Yes, Your Honor. This is Jesse Noa from Potter, Anderson & Corroon. And with me on the line is my co-counsel Digna French from Squire Patton Boggs, who has been admitted *pro hac vice*. And with Your Honor's permission, Ms. French will handle today's argument.

THE COURT: All right. That works for me.

And so what we will do is we will just go ahead and get started, then.

We are here in case No. 2026-0281-JRB. Pending before me are motions for a temporary restraining order and a motion to expedite. I received the reply brief just recently, today, and I have received physical copies of everything. So I have those all with me.

What we will do is we will have Mr. Mascarenhas get us started, and then we will proceed with Ms. French and go from there.

All right. And I apologize. Am I saying your last name correctly, Mr. Mascarenhas?

ATTORNEY MASCARENHAS: Thank you for checking, Your Honor. My name is Viren Mascarenhas.

THE COURT: Mascarenhas. Thank you.

Why don't you go ahead and get us started, please.

ATTORNEY MASCARENHAS: Thank you for the opportunity to be heard today.

Speaking on behalf of Tema Inovasi, we have structured our discussion this morning to introduce the transaction that's at the heart of this dispute, and then to talk about the arbitration proceeding that is underway right now, and then perhaps what we are seeking from the Court today. But, of course, at any moment in time, please let us know if we need to address something.

Just by way of background, the client, Tema Inovasi, is a Malaysian company, and it specializes in technology products. It entered into a series of agreements with the defendants regarding a unique investment opportunity in the Miss Universe organization. I'm not sure if Your Honor is familiar with the Miss Universe organization, but it is an annual pageant that takes place every year with international participation, and there are a number of products and promotions and branding that go in hand with that enterprise.

And so Tema Inovasi entered into a share purchase agreement with Mr. Raúl Rocha Cantú, who is a Mexican national, regarding acquiring his shares in Legacy USA, which is a Delaware corporation. It also entered into a shareholders agreement with those defendants regarding its right to the shareholder, both at the time it acquired minority interest in Legacy USA and then ultimately will become the full 100 percent owner of Mr. Rocha's shares in Legacy USA.

And relatedly, it executed two joint venture agreements with the underlying entity that holds the intellectual property for the Miss Universe organization, which I will call JKN Universe, to develop actively products for this year's pageant that is scheduled to take place in November in Puerto Rico. And Tema Inovasi has been working hard with JKN Universe to develop voting technology, branding, promotional materials, and other AI and technology products for that pageant. And they have invested millions of dollars into that work already.

Now, the SPA, the share purchase agreement, and the shareholders agreement, the SHA, are structured in a two-part transaction. The first part was meant to take place in September 2025 -- so about six months ago -- pursuant to which Tema Inovasi would pay $9 million to Mr. Rocha for 40 percent of his shares in Legacy USA. And it is accepted by all parties, and there's evidence on the record, that Tema Inovasi made that payment. However, to date, it has not yet received the 40 percent corresponding shares.

We are now what is in the middle part of transaction, which the agreements define as the interim period. Basically, Tema Inovasi now has the right to appoint a director to the board of Legacy USA, and the director has the roles that you would expect of a director in a Delaware-based company. But there are also contractual rights given to both the director as well as to Tema Inovasi, as a shareholder now in Legacy USA, to inspect the books and records of Legacy USA, as well as have access to materials for the underlying entities that go down to JKN Universe, that being the entity that holds the IP and brand rights to the Miss Universe organization.

Those underlying entities are JKN Legacy. And below that is JKN Universe. So our clients have been trying to exercise those rights to have Ms. Daly, a former beauty pageant participant herself for the Miss Universe organization, be appointed as a director. And they have also been trying to get access both to the shares to which they are already entitled, the 40 percent, by virtue of having paid the $9 million to Mr. Rocha, as well as ensure that the remaining 60 percent of the shares to which they are entitled should they make the payment of 16 million, the second transaction, be put into custody and protected.

The deadline for that second transaction is coming up very quickly. It's scheduled to be completed by March 25th, which is about 15 days from today, just over two weeks. And that's the underlying transaction that gives rise to this dispute.

In January, it turned out that despite many attempts, Tema Inovasi was unable to get ahold of Mr. Rocha and actually acquire those 40 percent shares, from September, October, November, and December of last year. And equally, they weren't able to get their contractual rights to due diligence into Legacy USA and the underlying companies. And likewise, they weren't able to appoint their representative to the board.

And so in January of this year, two months ago, the plaintiff initiated a JAMS arbitration pursuant to the arbitration agreements that are contained in the shareholders agreement and the share purchase agreement. In that arbitration, we have sought relief to protect the shares that are at the heart of this dispute, this transaction, as well as to enforce Tema Inovasi's rights to appoint a director and have access to the books and records, both as a shareholder and as a director.

On the same day that we filed that arbitration, we also filed a request for emergency relief from an emergency arbitrator. The JAMS international rules that govern this arbitration allow for the appointment of an emergency arbitrator to be made available to issue relief if it's needed to protect what is at heart in the dispute. In this case, the contractual rights of the shareholder and the right to board appointment, as well as ultimately the rights to the property in dispute, which is custody and ownership of the 100 percent shares that Mr. Rocha owns.

The emergency arbitrator was constituted a few days after we filed the application. He held a preliminary hearing in which both parties' counsel appeared. And he set forth a briefing schedule in which defendants were given the chance to submit an opposition brief and the plaintiff was given an opportunity to submit a reply brief.

The defendants expressly wrote to the emergency arbitrator, indicating that they did not want a hearing; and instead, that they were satisfied for the emergency arbitrator to issue his relief on the paper submissions. Plaintiff was willing to have a hearing, but the emergency arbitrator took note of what the defendants put forward and decided, as they asked, on the papers.

That award was issued on January 29. So about six weeks ago.

In the award, which was Exhibit 1 to the materials we submitted to this Court, the emergency arbitrator granted all of the relief that the plaintiff sought.

First, it ordered that the defendants should immediately put into escrow Mr. Rocha's shares in Legacy USA, and the escrow agent should be an agent chosen by the plaintiff, and that the defendants should provide all necessary information to be able to set up that escrow arrangement — again, immediately. That was one bucket of relief that was afforded to the plaintiff.

The second buckets were to ensure that there were no measures taken by the defendants to alter the ownership structure of Legacy USA, its subsidiary JKN Legacy, and then the -- below that, the subsidiary JKN Universe. And it was a second form of relief to protect the ownership integrity of the structure into which Tema Inovasi was buying in.

And then it also ordered that the shareholder rights to access information and the contractual rights to have Ms. Daly appointed on behalf of Tema Inovasi to the board of Legacy USA, and also to have access to the underlying subsidiary's information, be awarded.

And so we received that award on January 29th, six weeks ago. Unfortunately, we have now spent the month of February and the first week of this month, of March, trying to get that relief actually effectuated.

And so with regards to escrow, I won't -- it's painstakingly laid out in the written submissions and the exhibits we attached. I am happy to walk you through it. Equally, the long and short of it is that initially the defendants refused to provide the information directly to the plaintiff. They said that they would only communicate with the escrow agent. Subsequently, we understand that they provided incorrect or inaccurate information to the escrow agent. For example, they indicated that the share certificates might be bearer shares rather than registered shares, which has significant implications for how the escrow would be structured.

There was also confusion as to where the shares were located, either with the defendant or in the custody of defendants' counsel. But ultimately, over the course of several weeks, in dribs and drabs the information did come through, and the escrow agent was able to draw up a draft escrow agreement.

Now, what has happened subsequently is that defendants have raised all sorts of issues with that standard form escrow agreement. We've put that into our reply submission. I know that you've only received it, Your Honor, very recently. There are seven points that we make in the reply submission where we talk about what is standard form in an escrow agreement are now being objected to unreasonably by the defendants, with the result that the escrow agent cannot finalize that agreement.

And I can give you one or two examples. One of them actually is a fundamental issue that's at the heart of why we're here before you today. The defendants have taken a new position that the award issued by the emergency arbitrator only covers 40 percent of his shares and not 100 percent of his shares. And the plaintiff's position is that that is flatly incorrect; that if you look at the provisions in our application for emergency relief, we do not seek protection of only 40 percent of the shares, but we request that all of Mr. Rocha's shares be put into escrow. And this is common sense because we are dealing with a two-part transaction, one part which has happened, 40 percent, but our entitlement to the next tranche, which is the remaining 60 percent.

Our position also, as set out in the reply submission today, is that the emergency arbitrator ordered defendants to put Mr. Rocha's shares, 100 percent of his shares, into escrow. There's no delineation or carve-out in the award relief section that requires only 40 percent of the shares to be put into escrow. And so there's a fundamental disagreement between the parties, which we think is completely wrong on the face of the award, with regards to what is the escrow property. Our position, as set out in the award issued by the emergency arbitrator, is that it is 100 percent of Mr. Rocha's shares. That's one example of a disagreement.

But another one, which goes more critically to the role of the escrow agent, is that defendants now refuse to take responsibility for submitting or transmitting the escrow property to the escrow agent. This is just a matter of them using a courier or private messenger service to send the share certificates, which are maintained physically in Mexico City, to the escrow agent. And as the escrow agent has indicated -- and it's an exhibit on the record -- its responsibility then to protect those shares in its custody is triggered upon receipt of the escrow property. It is at that stage that the escrow agent is responsible for holding the shares in custody and for making sure that the shares are either returned to defendant or sent to plaintiff, depending on the outcome of the arbitration and what the arbitration tribunal will hold.

So this is an example here where, you know, a red flag has been drawn up by defendants regarding a standard term of the escrow agreement to which the escrow agent cannot agree to. And so our position actually is that the defendants have moved from sort of not communicating the information as needed, to then providing some information, to then providing finally all of the information, but now drawing up obstacles by a resolution of the escrow agreement. And that's why we're here today.

I gave you two examples, but there are seven listed in our reply submission that explain how unreasonable the defendants are being with regards to finalizing the escrow. That's the status of the escrow arrangement.

Separately, there was an issue that we raised in our motion for this TRO, which is for Ms. Daly's appointment to take place immediately. I am happy to say that after filing this matter with the court and initiating this proceeding, the defendants stopped dragging their feet. They had essentially sat on appointing Ms. Daly for over five weeks. And it was just days after we initiated this proceeding with the Delaware court that defendants sent plaintiff a draft board resolution of the rights and the appointment of Ms. Daly.

We received that on March 3rd. It was unfortunately backdated by defendants to February 24 and contained provisions that essentially required the new minority shareholder, Tema Inovasi, to agree and bless all transactions that have been approved prior to this date, which is just something commonsensically the shareholder could not agree to, not having been privy to any of that information and not yet having been provided with any of the books and records of Legacy USA, including fundamental documents such as its charter, its bylaws, its shareholder agreements with any other shareholders in the underlying joint venture, JKN Legacy.

Finally, we were able to get a board resolution signed on March 3rd with that backdated issue changed, and Ms. Daly has been appointed effective March 5.

We have served on the defendants now a books and records request, and other information to which she is entitled, both as a director under Delaware law, but also contractually as laid out in the shareholders agreement. We submitted that on March 5 and March 6. And those requests are outstanding with the defendants. We have not yet received any of the materials requested.

But for present purposes, it does mean that Tema Inovasi now has a director, Ms. Daly, appointed to the board of Legacy USA. We're waiting to see whether that's an empty appointment or whether defendants will fulfill their obligations under the agreements and Delaware law to provide the requested information.

And then this brings us to why we are here today. We are, as I mentioned, within two weeks of closing this transaction by March 25th. And defendants have come up now with an entirely new strategic approach. Previously, they said that the transaction -- altogether, the SPA, the SHA, the joint venture agreements that I mentioned at the start of my discussion with you were void. They have changed that position now completely. They have actually said we are willing to share with you 40 percent of the shares, and they have said we will pay -- send you the remaining 60 percent of the shares if you pay us 16 million.

But our client, first of all, cannot just put forward more money now with an actual certification of compliance that they will deliver the shares. Our clients paid 9 million for 40 percent of the shares in September, and we have been fighting, both in an arbitration and now in these court proceedings, to have access to that 40 percent shares.

So we can't take that representation blindly or on good faith under these circumstances.

The other more pressing issue, though, is that the shareholder, Tema Inovasi, is entitled to do due diligence before it completes the transaction. So during this interim period, what should have been six months, but is now being squeezed into the remaining two weeks, we need access to those materials to assess the status of the company. What are its assets? What are its liabilities? We have had no access to that information. And the president of the company, who is a defendant, Mr. Rocha, has provided no information. We don't know who the other directors are in terms of their contact information. We just need to be able to do the basic due diligence to complete this transaction. And those are rights to due diligence that are expressly laid out in the underlying agreements.

I will give you one example -- and this is laid out in our reply submission -- as to how important this is. It's a little bit of going into the corporate structure, so bear with me. But as I mentioned to you, Legacy USA allegedly holds 50 percent of the shares in the underlying joint venture, JKN Legacy. In the emergency arbitrator proceeding, we identified certain information that suggested that actually Legacy USA did not have 50 percent of those shares. We haven't received confirmation definitively as to whether that is true or not. Equally, we don't know who the identity is of the other 50 percent shareholder in JKN Legacy.

We have laid out in the reply brief that on September 25th, 2025 -- so nearly six months ago -- it appeared that the other shareholder in JKN Legacy was a Thai company called JKN Global Public Company Ltd. But then subsequently we were able to obtain a filing, a corporate disclosure statement made by JKN Universe in the District Court for the Southern District of New York, that indicated that the owners of JKN Legacy were Legacy USA and also Legacy Mexico, which is owned by Mr. Rocha. This is all laid out in page 15 of our reply brief. I know I'm going through various names of entities, but if you go to page 15 of our reply brief, we spell this all out.

And now, most recently, Mr. Rocha has filed a declaration in this proceeding in which he says that he has no ownership rights to the other 50 percent owner of JKN Legacy, which likely means that he has transferred those interests to a third party.

We need to track down all of this information and do due diligence because Tema Inovasi cannot complete a transaction without knowing who its alleged 50 percent other shareholder actually is. So the information we're seeking isn't, you know, a fishing expedition; it's to actually do the diligence required and contractually provided for so that our client can close the deal.

And that brings us to today. In terms of the TRO, the parties appear to be in agreement on the standard to be applied, which is that the TRO is meant to protect the status quo and to prevent imminent and irreparable harm from occurring before an injunction hearing or final resolution of the matter.

We appear to agree on the three-part test that there should be a colorable claim, there should be a likelihood of imminent irreparable harm if the relief is not granted, and that the balance of hardship to the plaintiff if the TRO is not granted and to the defendants would be less if the TRO is to be granted.

With regards to the colorable claim,

we are looking here to enforce at this stage an award, a partial final award that on its face is clear that Section 12.1.1 of the award requires that the defendants deposit 100 percent of Mr. Rocha's shares in Legacy USA immediately. And defendants have raised a couple of issues regarding whether the Court has subject matter jurisdiction to grant this relief.

We have laid out in our briefs that there is subject matter jurisdiction under 10 Delaware Code § 341 regarding the jurisdiction of this court to hear matters in causes of equity. That appears to be unchallenged in defendants' opposition brief. Also, we have subject matter jurisdiction under 10 Del. C. § 5702(c) regarding jurisdiction over arbitration-related disputes not governed by the Delaware Uniform Arbitration Act and also under the Federal Arbitration Act provisions in Chapter 1 and Chapter 2.

A final point on the issue of enforcing this award. The case law that we have found and cited extensively in the motion, as well as the reply brief, essentially say that vacatur of an award is to be applied only in the most unusual circumstances. The Supreme Court case we have is

Oxford v. Sutter, and there is case law that we have cited showing Delaware courts applying this standard, including one case relied on heavily by the defendants, *Astrum Fund*, in which that high standard for finding grounds for vacatur to be exceptionally laid out.

Ultimately, it appears that the defendants are unhappy with the findings in the emergency arbitrator award. But that is not the test. It is a high standard to find a manifest disregard of the law, and we have laid out why that test is not satisfied here.

We've also addressed irreparable harm. I stress to you, Your Honor, that this transaction is scheduled to be completed in 11 days. And meanwhile, every day our contractual rights to access the due diligence records of Legacy USA are not provided to us.

And finally, I will say on the balance of hardships that if the defendants are willing to transfer 40 percent of the shares to the plaintiff, we don't see what issue it would be to put those shares in escrow until we can figure out whether due diligence has been completed and the transaction can close as set out in the agreements.

One issue that has been raised by the defendants is that this is an interim award and, in their view, not a final award. With regards to this, the JAMS rules provide that an emergency arbitrator may issue an order or a final award regarding the issues that are before the emergency arbitrator. And in this case, because of the time-sensitive nature of the dispute, that these issues are protection of the shares that are being put in custody and the access to books and records that the shareholder and the director must complete during this period of time is time sensitive, the issuance was to render a final award. And again, in the case that defendants rely upon, *Astrum Fund*, there is recognition that time-sensitive matters that are resolved by an arbitration tribunal or arbitrator shall be given the status of final awards and can be confirmed as such.

In the present case, the tribunal is still being constituted, the three-member tribunal of the arbitration. The defendants have dragged their feet with appointing their co-arbitrator. Plaintiff has already appointed its arbitrator over two weeks ago. And so for now, we are squarely with the award rendered by the emergency arbitrator that issues final relief protecting 100 percent of Mr. Rocha's shares in custody with the escrow agent.

THE COURT: Thank you.

So I do have a couple of questions. And the first question I have is in terms of the standard here. While I understand we're not dealing, necessarily, with the issue of Ms. Daly being appointed to the board, as I understand it, there is mandatory injunctive relief being sought by the request that I require the shares be placed in escrow.

Is that not a higher standard that I have to consider?

ATTORNEY MASCARENHAS: Our position is that it is not, Your Honor. The standard is the lower standard with regards to putting the shares in escrow because that is specific performance relief awarded by the emergency arbitrator in the award. And the emergency arbitrator had authority to issue that award pursuant to the JAMS rules, which expressly bestowed that authority on an emergency arbitrator, under Delaware law, which you are familiar with, and also -- and which governs the agreements. And then also under the shareholders agreement, which allows for specific performance to be a form of relief.

And so in the relief requested here, to confirm that award which already contains that relief, you don't have to apply the higher mandatory standard. We briefed that issue solely with respect to where we are seeking affirmative action from the court, which is the appointment of Ms. Daly, but that is a moot issue now.

THE COURT: And there's no request being made in relation to books and records issues or anything else relating to the board. Correct?

ATTORNEY MASCARENHAS: That is correct. Not at this stage.

THE COURT: Now, help me understand to what extent I can actually consider the emergency award a final award given the fact that it was an emergency arbitration.

ATTORNEY MASCARENHAS: Yes, that's correct. So the standard that is set out -- so under the Federal Arbitration Act, the Court has jurisdiction to enforce awards. There is some limitation as to whether they are interim awards or final awards. And in the case law that we presented in the reply brief, as well as in our opening motion, and in particular the *Astrum Fund* case, there is discussion there of whether an interim award may be final. And the analysis, as set out, is that where it relates to time-sensitive issues and is dispositive on the matter, then that is a final award for purposes of being confirmed by the court. And that interim measures award approach recognizing time-sensitive issues has been applied by the Delaware courts as well as by other jurisdictions such as the Southern District of New York. And we put those citations into our brief to help the Court.

THE COURT: So as I understand the emergency award, it is to place the shares in escrow. If I tend to find the defendants more persuasive that it's only 40 percent, with the remaining 60 percent, is it not speculative harm that I have to take into consideration given that that transaction won't occur until two weeks from now?

ATTORNEY MASCARENHAS: So, Your Honor, the balance of hardships here would be against taking that approach. We need access to those 60 percent shares, but it is conditional on being able to exercise our rights as a shareholder and for Ms. Daly to do her diligence into the complex issues that we have identified regarding the status of Legacy USA and who its co-shareholder are.

And our position is that by depositing those shares into escrow, there is no hardship to the defendants. There is the matter of couriering those shares to an escrow agent, who is independent; and there is the matter of paying the fees for an escrow arrangement, which plaintiff has agreed to jointly share with defendants, but I've also been authorized to say would be able to pay for on its own if that poses a problem for defendants.

And in the event that the transaction does not complete within the time, or the due diligence findings unearth an issue such that the transaction should not go forward, then the escrow agent simply would return the shares back to the defendants.

The defendants have put on the record that they are willing to pay even -- excuse me. That they are willing to transfer even the 60 percent of the shares if payment were to be made, for example, by our client tomorrow. So it doesn't appear that they would be put under hardship by having to deposit this into escrow for a limited period of time. And to the extent that there needs to be security put by the plaintiff with regard to the administrative fees or with regard to the escrow fees, although plaintiff again would be willing to make those payments, that's minimal hardship that we can post security for.

THE COURT: Thank you. I don't have any other questions. Were there any other comments that you wanted to make?

ATTORNEY MASCARENHAS: No. Thank you for listening to that long presentation. And I apologize to the court reporter for the static and other issues. Thank you.

THE COURT: Okay. Thank you very much.

So, Ms. French, I believe you are making the argument for the defendants.

ATTORNEY FRENCH: Yes, Your Honor. Thank you. Thank you for hearing us today on behalf of Mr. Rocha and Legacy USA.

So, at bottom, it seems that plaintiffs are seeking a TRO. They are seeking four things by way of a TRO in this court. The first one is they want Ms. Daly declared a director. As they have already said, that's a moot point; she is already a director. They have already served books and records requests. That is on its way.

The second issue that they raised was ordering Mr. Rocha and Legacy to refrain from selling, transferring, or assigning any shares of Mr. Rocha in Legacy. While they have provided no evidence that any such sale, transfer, or assignment is at risk of occurring or has occurred -- it's pure speculation -- we have provided a declaration that affirms that no such sale, transfer, or assignment has occurred.

Another issue that they raised was an order that they wanted Mr. Rocha and Legacy to refrain from making any changes to the corporate structure of Legacy USA. Again, they have not alleged or said anything in their documents that evidence any imminent danger of this. But we have provided a declaration that affirms that that has not -- that has not occurred.

The issue here that seems to be a hold-up is the transfer of Mr. Rocha's shares in Legacy to an escrow agent that plaintiff selected. And this requires a brief factual background, if Your Honor would indulge me a minute.

To begin, there is no escrow agreement

finalized in order for Mr. Rocha to be able to transfer his shares. If we look at Tema's demand for arbitration, their request for emergency relief at the arbitration level, if we look at their TRO papers here, in all of them they make clear that they have made one payment of $9 million that is equivalent to 40 percent of the shares that Mr. Rocha owns. In fact, in the demand for arbitration, they seek specific performance to have Mr. Rocha transfer 40 percent of his shares to Tema.

So they now want to say -- and it's them that is changing what they allege; it's not us. They now want to say that they want 100 percent and that we are delaying. Your Honor, any delay that they're claiming is not because of Mr. Cantú, nor do any of these purported delays reflect that Mr. Cantú will not comply. He's done nothing but comply.

On February 2nd of 2026, we, on behalf of Mr. Cantú and Legacy, requested a meet and confer with opposing counsel, as had been requested in the emergency arbitrator's order. They responded and said they were not available until the 4th. We agreed. And on the 4th, we had a meet and confer. At that point, we notified opposing counsel that we were taking all steps necessary, that Mr. Cantú and Legacy were taking all steps necessary to comply with the provisional order.

By that point, we had received requests from opposing counsel for certain documents and information that were allegedly needed in order to open the escrow. And we had received information also from GLAS, requests from GLAS saying -- which is the escrow agent, saying that they needed certain information. In fact, GLAS mentioned to us when we spoke with them that some of the information that opposing counsel was requesting was actually not needed.

So in the back and forth as to what was actually needed, by the 10th of February -- that's six days later -- we had provided GLAS everything they had requested. We sent them an e-mail saying we now believe that we've provided to you everything that you need. And they wrote back on that same 10th and said we actually need these additional documents and information.

We provided all that that they then requested by the 13th, three days later. We emailed GLAS on the 13th and said, we are confirming that you now have everything that you need. And they responded that very same day and said, yes, we have everything we need. And they said to us, we have provided Tema and their counsel a draft escrow agreement, and we are awaiting their comments. So on the 13th -- we don't know how long before then this draft agreement was provided to them, but by the 13th we know they had it.

We did not get a copy of the draft agreement until ten days later, on the 23rd. And on the 23rd, when we got a copy of that draft escrow agreement, we were asked to provide comments within 48 hours, which we did. We sent them an email, and we said wait a minute, this escrow agreement talks about 100 percent -- because we had never discussed 100 percent -- talks about 100 percent; that's not correct. And also, we don't think that we are required to pay for this escrow.

So it is not Mr. Cantú's or Legacy's fault that the selected escrow that they selected didn't send us an escrow agreement until the 23rd. We complied, and by the 25th we provided our comments.

They then --

THE COURT: Ms. French, I apologize for interrupting you. I did have a couple of questions while we are on the topic here.

ATTORNEY FRENCH: Yes.

THE COURT: Is it not fair to assume that the award for the escrow agent to be assigned, the shares transferred to escrow would necessarily require all of the shares be transferred in anticipation of the second transaction?

ATTORNEY FRENCH: Respectfully, Your Honor, no. And I will tell you why. And this percentage issue is critical for this hearing. The new position is being taken with them. I want to walk you through each of the findings that they have done and what they have alleged in each one so that we can understand why an assumption that it required 100 percent is not accurate.

In their demand for arbitration, they state that Tema paid 9 million for 40 percent of the shares, the first tranche, but that Rocha failed to transfer 40 percent of the shares. That's at paragraph 49 of the demand for arbitration.

At paragraph 71 of that demand, they want -- the requested relief is that we execute issuance of sale and issuance of transfer of 40 percent of Rocha's shares. Paragraph 71 also says deliver an updated registry of 40 percent of the interest. Paragraph 71 of the request for relief also says a resolution for the transfer of 40 percent.

They actually, in the demand for arbitration, Your Honor, disclaim any immediate right to the 100 percent interest. They say at paragraph 75, we reserve the right to bring additional claims for Rocha's breach of his obligations related to the second tranche, which, as they have mentioned, is not yet scheduled to occur until the 25th of March.

If we go on and we look at the application for emergency relief, there, it reflects the same limitation, Your Honor. They say Tema is entitled to 40 percent of Rocha's shares. That's paragraph 12. That same paragraph it says Tema is entitled to 60 percent upon completion of the second tranche.

And at paragraph 6, they say Tema paid 9 million for 40 percent but Rocha did not transfer the corresponding shares.

At paragraph 21 of that emergency application, they say Tema contractually is entitled to 40 percent. That's what they said in their findings.

And then, in fact, if we look at the actual order, the order from the emergency arbitrator, at paragraph 7.9 the order specifically states -- and I quote -- "Claimant alleges it is now entitled to 40% of ... Cantú's shares ...." And it goes on to say, "It is entitled to the remaining 60% upon completion of the Second Tranche." That, of course, requires payment to us, not in an escrow, of the $16 million.

So for that reason, Your Honor, I answer your question by saying that no one ever discussed the 100 percent. The number 100, we saw for the first time them wanting to include it in the escrow when we got the escrow agreement — again, not until the 23rd of February.

They're seeking an emergency TRO. They are seeking an emergency remedy, Your Honor, that is not to be issued unless there is clear -- there is a clear showing of imminent irreparable harm. That is -- that is the main issue that I believe they cannot meet. But they also don't have a colorable claim, and they also do not have balancing of hardships in their favor.

The first thing they say to allege that they have a claim for imminent irreparable harm is that the partial award will not be enforced. Your Honor, this is simply not true. Part of it is already done; Ms. Daly is on the board. We have a declaration that the shares have not been moved. They've been in Mexico since the beginning, and they remain in Mexico. There's a declaration that the corporate structure has not changed.

And as far as the escrow is concerned, we have provided comments, we have provided comments to the agreement within two days, and we still don't have -- we still don't have a counter -- a counter-agreement from GLAS. Because they did send an email, I believe it was on March 4, where they agreed to some of our revisions but not all of them. But we still don't have an agreement that shows what they agree to and what they don't.

So we have demonstrated active participation. We provided all the information that they needed within 11 days. We are still waiting, again, for a counter-document. There is no harm because we have provided all the information they have requested.

And importantly, as they mentioned in their part of the argument, Your Honor, we have offered to give them the 40 percent of the shares directly to them to bypass the escrow process. And this is not because we're changing our position, Your Honor. To be clear, we're doing this to bypass escrow because it seems to be the only issue that is holding us back, the agreement, which, again, was provided to us on the 23rd. So that is the only reason why we did that.

Now, the second reason that they claim they have imminent irreparable harm is that they claim that without a TRO they will lose a unique investment opportunity. Again, respectfully, Your Honor, that is not true. Ms. Daly, again, is already on the board. No votes were taken while she was not on the board. And they have known this since, I believe it was, the 2nd of February. We specifically told them, to alleviate any concerns, there is no meeting scheduled. There are no votes taking place. She is on the board. The shares have not moved from Mexico. The corporate structure hasn't changed. We are actively participating in negotiating the escrow agreement. We offered to give them 40 percent directly to avoid any possible delays because of the escrow agreement. So there's no -- there's no imminent danger of any lost opportunity.

And the third reason they claim imminent irreparable harm is the alleged loss of voting power by not having Ms. Daly on the board. Again, this is a moot point; she is on the board. We told them that there were no board meetings. I stand corrected. It was on the 6th of February that we told them, not the 2nd of February, that there were no board meetings pending, no votes scheduled; they were speculating. There's no reference in their papers that any votes have taken place or will take place because none has taken place and none is scheduled.

So there are no opportunities that have been lost. There are none that will be lost, because she's already on the board. And there is no evidence of any clear irreparable or imminent harm. That is enough to deny the TRO, Your Honor.

But as far as colorable claim, Tema is looking to confirm and modify, also, because that's what it is, a modification of this partial award. But respectfully, Your Honor, this is not available to them at this time in this court. Why? Because this award is not final. The award needs to be final in order to be subject to confirmation. And it is not --

it is not final.

Tema applied, as Your Honor rightfully indicated, for emergency relief. The contract at issue here calls for a final arbitration award. But, again, arbitration hasn't even begun. The award says that it applies during the pendency of the arbitration. It says that it is until and unless it is amended. The emergency request calls for the shares to be put in escrow while the arbitration proceeds. In fact, the emergency arbitrator retained jurisdiction to issue subsequent orders or to amend the provisional order. One can't just give status of final to an emergency award, as opposing counsel suggested. The award must be final. And again, there's nothing to indicate that this award is final. In fact, again, as I said earlier, they have reserved the right to file additional claims if defendants don't comply with delivery of the 60 percent of shares once they make that payment.

And finally, Your Honor, as far as the balance of hardships, this too weighs in favor of defendants. Again, we don't get to this because they cannot show irreparable harm. But Ms. Daly is already on the board, and the parties are working towards an escrow agreement. The hardship here is to defendants, because they are asking for something more here than they ever requested before, which is 100 percent of the shares to be deposited in escrow. The harm that they are claiming is completely speculative.

And again, if Your Honor believes that the hardship is in their favor, that they have shown by clear evidence irreparable and imminent harm, and that they have a colorable claim, then we believe that they need to deposit, pursuant to Rule 65(c), they should be required to post a bond of $16 million. That's the agreed-upon value, Your Honor. You know, the bond has to cover the value of the rights that are restrained, not just administrative costs, as they are suggesting. If you are required to just post a bond to cover, you know, the escrow fees or what's called the transfer costs, it's going to ignore the actual harm of wrongful restraint, which could happen in this case. It would defeat the purpose of the bond requirement.

So, Your Honor, in essence, it is our belief that Tema Inovasi has not proven that they are entitled to a TRO, and we ask that this Court respectfully deny the TRO.

Thank you for your time.

THE COURT: Thank you.

So with regard to the hardship argument, if what I end up doing is just require the shares go into escrow for 40 percent, not the 100 percent, does that not alleviate the hardship aspect on the defendants?

ATTORNEY FRENCH: We've offered to give them 40 percent. We've offered to give it directly to them. And we're willing to put them in escrow as well, the 40 percent. We're not denying that. It's just we don't have an agreement in place.

And they keep alluding to -- they keep saying that the -- that the award required immediate transfer. I understand that. But there has to be an escrow agreement in place. And they could have started working on that early on, but they didn't. They waited until the 23rd to send it to us. So I don't think that the 40 percent is the issue. Again, we've offered to give it directly to them and bypass the escrow process altogether so that we don't have anymore delays.

THE COURT: But are the expectations to transfer them directly, versus an escrow agreement, are the expectations not the same of your client, that the plaintiffs are the one that would have to bear the cost of transferring the shares?

ATTORNEY TWO: Yeah, that is correct. That is correct. And I will be -- I will be clear that I've not discussed the cost of transferring the shares if they agree to bypass the escrow, because the main issue is the cost of the escrow itself, which we were told, although the escrow agents were not entirely sure when we spoke with them because it was -- you know, they are shares that were located outside the country. We were told, as I recall, that it was about $30,000 for the escrow. And that is what we are challenging should be required to be paid by them and not us. But if we don't have the escrow agreement and we just give them the 40 percent of the shares, then there's no need for the cost of the escrow.

THE COURT: Wouldn't it be reasonable to expect that if an award is entered against your client, that that party would be responsible for any costs for escrow?

ATTORNEY FRENCH: Respectfully, Your Honor, we were looking at it the other way. We were thinking this escrow is required because they are asking for the escrow agreement. They selected the escrow agent. And therefore, we believe they should bear the cost of the escrow agreement. But, again, in order to bypass all these issues, we have -- we have asked -- we have provided to send them directly the 40 percent, which is what they claim they paid for and that they are entitled to.

THE COURT: And when I'm considering the concern about immediate irreparable harm, am I to disregard the conduct of Mr. Rocha Cantù prior to the emergency arbitration, meaning the whole basis for the emergency arbitration? Am I to look just to the period of time from the date of the award to present?

ATTORNEY FRENCH: I believe that's correct, Your Honor, because there is already a partial final award that addresses those other issues. I believe that's correct. I think this TRO addresses issues since that order.

THE COURT: I don't think I have any additional questions.

ATTORNEY FRENCH: I'm sorry, you do?

THE COURT: I apologize. No, I'm just checking my notes to make sure I don't have any other questions for you.

ATTORNEY FRENCH: Okay. Sure.

THE COURT: I don't have any other questions for you, Ms. French. Are there any other comments that you would like to make?

ATTORNEY FRENCH: Give me one second as I look over my notes, please.

THE COURT: Sure.

ATTORNEY FRENCH: No, Your Honor. I have no further comments. Thank you.

THE COURT: Mr. Mascarenhas, was there anything else you would like to say?

(No response.)

ATTORNEY FELICE: Your Honor, this is David Felice. You might want to mention to him that he might still be on mute.

ATTORNEY MASCARENHAS: Thank you, Mr. Felice. You are right that I was on mute. I apologize for that.

Yes, Your Honor, we have three brief points to make in response to defendants' arguments.

The first one starts at the end concession made by the defendants. They argued to you, or responded to your question that we should only be looking at the post-award conduct in assessing what necessitated the emergency arbitrator's final partial award. And our strong position is that the emergency arbitrator made factual findings that the lack of compliance by the defendants with the agreements, the lack of payment and information about the shares, et cetera, necessitated his award, which contained the relief that it did in favor of plaintiffs.

The reasons for all these concessions perhaps now is because of that award, is perhaps because of these judicial proceedings to confirm that award. But that does mean that the concerns that animated the award for the emergency arbitrator may still apply, given that this is an ongoing transaction. Perhaps they are willing now to concede the 40 percent to which we are entitled, but this is still a live transaction that's scheduled to be completed by March 25th with regards to the remaining shares of Mr. Rocha. That's point one.

The second point is, you know, with regards to the cherry-picking that defendants presented to you regarding the relief that we have sought in the arbitration, on page 2 of our reply brief, we have taken a full look at both the arbitration demand and the application for emergency relief to demonstrate that we were seeking what we were already entitled to, the 40 percent, as well as protective custody of all of Mr. Rocha's shares, which is the full 100 percent that is the subject of the total transaction.

The alleged speculation of what Mr. Rocha may or may not do with that 60 percent at this stage is immaterial because the emergency arbitrator's award said his shares -- which is the 100 percent of the shares that we asked for -- should be put into escrow. And that award is what is -- this Court should not, respectfully, second-guess that underlying fact finder's determination.

We will also say that there's been a lot of discussion by defendants about participation in escrow arrangements. But that falls far short of Section 12.1.1 of the award, which says immediately deposit Mr. Rocha's shares into escrow.

And then, finally, there is a blatant overreach of requesting or requiring us to post security for $16 million. We are not asking for the relief to be the transfer of Mr. Rocha's shares of 60 percent remaining to the plaintiff. We are asking for this to be put into escrow. And therefore, the hardship would be tied to the administrative fees, for which we have already indicated we would be willing to pay for escrow for the shares. It should not be the 16 million, because depositing into escrow is not tantamount to Tema owning those shares.

THE COURT: And what is your response with regard to the defendants' assertions that they have been timely complying and engaged in the process since the order to the greatest extent possible?

ATTORNEY MASCARENHAS: Your Honor, that would require me to traverse the 28 exhibits that the plaintiff has unfortunately had to submit into the record, as well as the several exhibits that the defendants have submitted. At the end of the day, we -- plaintiff's position is that the overall record shows a lack of compliance and intransigence on the part of the defendants.

Ultimately, they appointed Ms. Daly. And we have indicated to you that we're not seeking any relief, notwithstanding that that appointment, which took place on March 3rd, came, you know, over a month, 35 days or so, after the final award. We can quibble with it on the record of it; but at the end of the day, it still took over a month. But we're not seeking any relief from you on that point.

With regards to the escrow arrangement, you know, the clear terms are immediately deposit into an escrow agent of claimant's choosing, and defendants provide all necessary information to claimant or plaintiff to do that. And we think that that test set out in Section 12.1.1, the record shows did not overall happen; that there may be engagement on the escrow now post-award, but it has been belated, it has been problematic. And ultimately, this participation hasn't amounted to us receiving those shares in escrow.

We flagged for you in our reply brief the basic elements of an escrow arrangement that are reasonable. For example, if the escrow parties do not pay the escrow -- excuse me. If the parties to the escrow do not pay the escrow agent its fees, then the escrow agent may take a security interest in the underlying escrowed property. That makes sense, right. It would be hard pressed for any escrow agent to say don't pay my fees and I have no recourse to you.

So while there is this narrative being

presented about alleged compliance and trying to execute an escrow agreement, when you go through the seven points that we have unfortunately, again, painstakingly laid out for you, you will see that what are expected and reasonable terms in an escrow agreement are not being agreed to by the defendants.

And it's not just our position saying that self-servingly. There is a respectable escrow agent who has represented that, right; that they cannot agree to these terms because they do not make sense given what is expected in the role of an escrow agent.

So we think that record of compliance that they suggested is all wrong, in any event.

THE COURT: Thank you. I don't have any other questions.

Ms. French, any final comments?

ATTORNEY FRENCH: Very briefly. And I appreciate the opportunity, Your Honor.

Just because it bears repeating, we provided everything that was requested of us in 11 days. We received the agreement on February 23rd and responded by the 25th. They asked for a redline version tracking our changes, which we provided.

They, GLAS, the agent, said that they would provide some information in response to us. They have not done that. We have not received a counter-agreement. We are waiting for that counter-agreement.

As far as the seven points that they say they mention in their reply brief, respectfully, those issues, whether or not the escrow agreement should or should not include a particular provision is not relevant for what they're seeking here, the emergency relief that they are required to prove for the TRO. That is the issue here: is there imminent irreparable harm? There isn't. Is there a colorable claim? There isn't. And does the balance of hardships favor them? It does not.

So respectfully, Your Honor, we ask that the TRO be denied. Thank you.

THE COURT: So what's going to happen is I'm going to take this matter under advisement. I know we are on a very tight timeline with this case. You can anticipate a written decision being issued by early next week at the latest.

Does anyone have any questions for me?

ATTORNEY FRENCH: Not on my part, Your Honor.

ATTORNEY MASCARENHAS: We do not.

ATTORNEY FRENCH: Thank you very much.

THE COURT: All right. That will conclude this matter for today. Thank you.

ATTORNEY FRENCH: Thank you.

ATTORNEY MASCARENHAS: Thank you.

(Proceedings concluded at 4:03 p.m.)

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CERTIFICATE

I, DEBRA A. DONNELLY, Official Court Reporter for the Court of Chancery of the State of Delaware, Registered Merit Reporter, Certified Realtime Reporter, and Delaware Notary Public, do hereby certify the foregoing pages numbered 3 through 51, contain a true and correct transcription of the proceedings as stenographically reported by me at the hearing before the Magistrate of the State of Delaware, on the date therein indicated.

IN WITNESS WHEREOF, I have hereunto set my hand at Wilmington this 14th day of March, 2026.

/s/ Debra A. Donnelly

Debra A. Donnelly
Official Court Reporter
Registered Merit Reporter
Certified Realtime Reporter
Delaware Notary Public