

Unofficial Copy Office of Malvern Burgess District Clerk

**EXHIBIT A**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

<b>IN RE:</b>	§	
	§	<b>CASE NO. 23-34815 (JPN)</b>
<b>GALLERIA 2425 OWNER, LLC</b>	§	
	§	<b>CHAPTER 11</b>
<b>Debtor.</b>	§	

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<b>ALI CHOUDHRI</b>	§	
	§	
<b>Plaintiff,</b>	§	
	§	
<b>v.</b>	§	<b>ADVERSARY NO. 24-_____</b>
	§	
<b>NATIONAL BANK OF KUWAIT, S.A.K.P., NEW YORK BRANCH,</b>	§	
	§	
<b>Defendant.</b>	§	

**NOTICE OF REMOVAL**

National Bank of Kuwait, S.A.K.P., New York Branch (“NBK”) files this Notice of Removal (the “Notice”) of *Ali Choudhri v. National Bank of Kuwait, S.A.K.P., New York Branch*, Cause No. 2024-27168 (the “State Court Case”), pending before the 129th Judicial District Court of Harris County, Texas (the “State Court”) to the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Bankruptcy Court” or “Court”) and, in support thereof, respectfully states as follows:

**THE PARTIES**

1. Plaintiff Ali Choudhri is an individual located at 2425 West Loop Street, 11th Floor, Houston Texas 77027. His counsel in the State Court Case is:

Jeffrey W. Steidley  
Lawrence Rodriguez  
The Steidley Law Firm  
3701 Kirby Drive, Suite 1196  
Houston, Texas 77098  
713-523-9595  
jeff@texlaw.us  
Lawrence@texlaw.us

2. NBK is organized under the law of Kuwait with its principal place of business located at 299 Park Avenue, New York, New York 10171. Because NBK has not been served in the State Court Action, no counsel has appeared for it there. Its counsel here, however, is the undersigned.

**BACKGROUND**

3. This chapter 11 case was commenced on December 5, 2023, when Galleria 2425 Owner, LLC (the “Debtor” or “2425 Owner”) filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code with this Court (the “Bankruptcy Case”).

4. On April 26, 2024, the Debtor’s principal, Ali Choudhri (“Choudhri”), filed the State Court Case against NBK seeking, among other things, to compel the transfer of tax liens for the years 2019 and 2020 with respect to the Debtor’s real property located at 2425 West Loop South, Houston, Texas, 77027 (the “Property”) to him. See Exhibit B.

5. On May 15, 2024, Mr. Choudhri filed a Second Amended Original Petition in the State Court Case alleging, *inter alia*, that NBK had breached an alleged contract with Mr. Choudhri to sell the Debtor’s note and related deed of trust on the Debtor’s Property to him. See Exhibit D. Mr. Choudhri seeks specific performance of that contract and a preliminary injunction from the State Court restraining NBK from exercising ownership rights in the note and deed of trust prior to sale of the Property which, according to the Bid Procedures Order (ECF No. 254) approved by this Court, will take place on June 18, 2024 at 1:00 pm (prevail Central Time). *Id.*

6. As of the date of this filing, NBK has not been served with the lawsuit or a summons and no relief has been granted by the State Court.

**REQUESTED RELIEF**

7. The State Court Case is a civil action of which this Court has jurisdiction under the provisions of 28 U.S.C. § 1334(b).

8. In the State Court Case, the Debtor's principal, Mr. Choudhri, seeks to enjoin NBK from exercising its ownership rights with respect to the note reflecting amounts owed by the Debtor and the deed of trust on the Debtor's Property securing the Debtor's obligations to NBK and to prevent the court-supervised action sale of the Property on June 18, 2024 from going forward. The Property belongs to the bankruptcy estate and only this Court has jurisdiction over the Property and its sale pursuant to 28 U.S.C. § 1334(e)(1) and 11 U.S.C. §§ 363 and 541, among others. Therefore, NBK requests that the State Court Case be removed to the Bankruptcy Court.

**BASIS FOR RELIEF**

9. 28 U.S.C. § 1452(a) provides that "[a] party may remove any claim or cause of action in a civil action...to the district court for the district where such civil action is pending, if such district court has jurisdiction of such claim or cause of action under section 1334 of this title." 28 U.S.C. § 1452(a). Because the State Court is within the United States District Court for the Southern District of Texas (the "Southern District Court"), the State Court Case may be removed to the Southern District Court.

10. Because the State Court Case involves, among other things, Property of the Debtor's bankruptcy estate, the State Court Case is a core proceeding. *See* 28 U.S.C. § 157(b)(2). Thus, NBK submits that, pursuant to 28 U.S.C. § 157(b), the State Court Case may be heard and determined by the Bankruptcy Court and removal is proper. All bankruptcy-related matters have

been referred to the Bankruptcy Court by the Southern District Court. *See In re: Order of Reference to Bankruptcy Judges*, General Order 2012-6 (S.D. Tex. May 24, 2012).

11. In compliance with Rule 9027 of the Federal Rules of Bankruptcy Procedure, NBK is filing a notice of removal with the clerk of the district, along with every document filed in the State Court proceeding as required by Rule 9027 of the Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “Local Rules”).

12. A copy of the docket sheet in the State Court Case is attached hereto as Exhibit A. Copies of the pleadings in the State Court Case are attached hereto as Exhibits B – D.

13. Pursuant to Rule 9027-1 of the Local Rules, NBK is filing a copy of this Notice with the Clerk in the State Court Case and serving copies of this Notice upon the Plaintiff’s attorneys.

14. Pursuant to Fed. R. Bankr. P. 9027(a)(1) and Local Rule 9027-2, NBK, as the removing party, consents to the entry of final orders or judgment by the Bankruptcy Court.

15. Promptly after the filing of this Notice, a copy of the Notice shall be filed with the Clerk of the State Court.

DATED: June 7, 2024

**PILLSBURY WINTHROP SHAW PITTMAN LLP**

/s/ Charles C. Conrad  
Charles C. Conrad  
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Ryan Steinbrunner  
Texas State Bar No. 24093201  
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- and -

Andrew M. Troop (Bar No. MA547179)  
Patrick E. Fitzmaurice\*  
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New York, NY 10019-6131  
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andrew.troop@pillsburylaw.com  
patrick.fitzmaurice@pillsburylaw.com  
kwame.akuffo@pillsburylaw.com

\*Admitted *pro hac vice*

***Counsel for National Bank of Kuwait, S.A.K.P., New York Branch***

**CERTIFICATE OF SERVICE**

The undersigned certifies that on June 7, 2024, a true and correct copy of this document was served via the Court's CM/ECF system on all parties who are deemed to have consented to ECF electronic service and on Mr. Choudhri's counsel by email and first-class mail at the address in paragraph 2 above.

/s/ Charles C. Conrad  
Charles C. Conrad

**EXHIBIT A**

Unofficial Copy Office of Malynn Burgess District Clerk

HCDistrictclerk.com

CHOU DHRI, ALI vs. NATIONAL BANK OF KUWAIT S A  
K P NEW YORK BRANCH

6/7/2024

Cause: 202427168 CDI: 7 Court: 129

## DOCUMENTS

Number	Document	Post Jdgm	Date	Pgs
114424678	Plaintiff's Second Amended Original Petition and Jury Demand		05/15/2024	13
-> 114424679	Exhibit A		05/15/2024	2
-> 114424680	Exhibit B		05/15/2024	1
-> 114424681	Request for Issuance of Service		05/15/2024	1
114210250	Plaintiff's Amended Original Petition and Jury Demand		05/03/2024	6
114101980	Plaintiff's Original Petition and Jury Demand		04/26/2024	5

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Unofficial Copy Office of Malvern Burgess District Clerk

**EXHIBIT B**

CAUSE NO. \_\_\_\_\_

**ALI CHOUDHRI**  
*Plaintiff,*

§  
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§

**IN THE DISTRICT COURT OF**

v.

**HARRIS COUNTY, TEXAS**

**NATIONAL BANK OF KUWAIT,  
S.A.K.P., NEW YORK BRANCH, et al**  
*Defendants.*

\_\_\_\_ **JUDICIAL DISTRICT**

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**PLAINTIFF’S ORIGINAL PETITION  
AND JURY DEMAND**

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Plaintiff Ali Choudhri (“Plaintiff”) files this Original Petition against Defendant National Bank of Kuwait, S. A. K.P., New York Branch (“NBK” or “Defendant”) and hereby states and alleges the following:

**I.**  
**DISCOVERY PLAN**

1. Discovery should be conducted pursuant to Level 2 of Rule 190.3 of the Texas Rules of Civil Procedure.

**II.**  
**RELIEVE SOUGHT**

2. Pursuant to Texas Rules of Civil Procedure 47(c), Plaintiff is presently seeking monetary relief over \$1,000,000.00. The damages sought are within the jurisdictional limits of the Court.

**III.**  
**PARTIES**

3. Plaintiff is an individual residing in Harris County, Texas.

4. Defendant National Bank of Kuwait, S.A.K.P., New York Branch is a banking corporation organized under the laws of Kuwait, acting through its New York Branch. Defendant has not designated a registered for service of process in the State of Texas. As such, pursuant to Texas

Civil Practice and Remedies Code 17.041-045, the Secretary of State is Defendant's agent for service of process in this proceeding which arises out of business Defendant has done in this state, and Defendant may be served through the Texas Secretary of State. The Secretary of State shall thereafter forward a copy by certified mail return receipt requested, to Corporation Service Company, 299 Park Avenue, New York, New York 10171. Plaintiff requests that the clerk issue citation at this time.

**IV.**  
**JURISDICTION AND VENUE**

5. The Court has jurisdiction over the parties and claims which are subject of this suit.

6. Venue is proper in Harris County, Texas pursuant to the Texas Civil Practice & Remedies §15.0115 because Defendant transacted business in and around Harris County, Texas, the real estate which forms the basis of the claims asserted by Plaintiff located in Harris County, Texas, and the agreement which forms the basis of this suit was executed and performable in Harris County, Texas.

**V.**  
**FACTS**

7. In 2018, Plaintiff and Defendant executed a loan agreement in which Defendant loaned certain funds to Plaintiff. There is a dispute concerning the terms of the loan agreement, as well as a dispute concerning the extent and validity of the Defendant's alleged security interest in the Building.

8. A dispute arose between Plaintiff and Defendant in 2021 concerning the loan agreement. In September 2021, Plaintiff initiated a lawsuit against Defendant. To settle claims and controversies existing between them, the parties entered into a Settlement Agreement dated August 22, 2022 (the "Settlement Agreement"). The Settlement Agreement provided that Plaintiff transfer

his interest in certain tax liens as part of the settlement transaction. Specifically, the agreement provided that “Choudhri shall cause the transfer and assignment of the tax liens with respect to the Property for years 2019 and 2020 (the “Tax Liens”) to NBK.” Plaintiff performed his obligations under the Agreement, and the Tax Liens were transferred to NBK.

9. NBK breached the settlement agreement, which included parties other than Plaintiff. Pertinent here, however, is the fact that NBK has repudiated the contract, but has not returned the Tax Liens to Plaintiff who is the rightful owner of the Tax Liens.

## VI.

10. The allegations contained in the preceding and subsequent paragraphs are incorporated herein by reference for all purposes.

11. Defendant’s unjustifiable exercise of dominion and control over the Tax Liens has caused Plaintiff the obvious damage of depriving him of his property which is of significant value. Plaintiff requests that this Court enter an Order declaring Plaintiff as the rightful owner of the Tax Liens, order Defendant NBK to execute any documents necessary to establish that fact as a matter of record. Plaintiff requests a judgment of all damages allowed under Texas law for the wrongful conduct of NBK.

## VII.

### ATTORNEYS’ FEES

12. Plaintiff has been required to employ counsel to represent its interests as a result of Defendant’s breach of the Agreement and wrongful retention of the Tax Liens. Plaintiff seeks all reasonable and necessary attorneys’ fees, expenses, and costs of court allowed under law, including, but not limited to, Section 38.001 of the Texas Civil Practice & Remedies Code.

**VIII.**  
**JURY DEMAND**

13. Plaintiff demands a jury trial.

**IX.**  
**PRAYER**

WHEREFORE, Plaintiff respectfully requests that Defendant National Bank of Kuwait, S.A.K.P. New York Branch be cited to appear and answer herein and upon final hearing hereof, Plaintiff be awarded the relief sought above including its damages resulting from Defendant's wrongful conduct, costs and fees, including reasonable and necessary attorneys' fees along with any other and further relief to which Plaintiff may be justly entitled at law and equity.

Respectfully Submitted,

**THE STEIDLEY LAW FIRM**

*By: /s/ Jeffrey W. Steidley*

JEFFREY W. STEIDLEY

State Bar No. 19126300

jeff@texlaw.us

3701 Kirby Drive, Suite 1196

Houston, Texas 77098

(713) 523-9595 (telephone)

(713) 523-0578 (facsimile)

**ATTORNEY FOR PLAINTIFF**

Unofficial Copy Office of Marilyn Bunge's District Clerk

**Automated Certificate of eService**

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Jeffrey Steidley on behalf of Jeffrey Steidley  
 Bar No. 19126300  
 jeff@texlaw.us  
 Envelope ID: 87130490  
 Filing Code Description: Petition  
 Filing Description: Plaintiff's Original Petition  
 Status as of 4/29/2024 8:19 AM CST

Associated Case Party: AliChoudhri

Name	BarNumber	Email	Timestamp Submitted	Status
Ali Choudhri		ali@jetallcapital.com	4/26/2024 6:17:09 PM	SENT
Jeffrey WSteidley		jeff@texlaw.us	4/26/2024 6:17:09 PM	SENT
Lawrence Rodriguez		Lawrence@texlaw.us	4/26/2024 6:17:09 PM	SENT

Unofficial Copy Office of Marilyn Burgess District Clerk

**EXHIBIT C**

Unofficial Copy Office of Malynn Burgess District Clerk

CAUSE NO. 2024-27168

**ALI CHOUDHRI**  
*Plaintiff,*

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IN THE DISTRICT COURT OF

v.

HARRIS COUNTY, TEXAS

**NATIONAL BANK OF KUWAIT,  
S.A.K.P., NEW YORK BRANCH, et al**  
*Defendants.*

129<sup>TH</sup> JUDICIAL DISTRICT

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**PLAINTIFF’S AMENDED ORIGINAL PETITION  
AND JURY DEMAND**

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Plaintiff Ali Choudhri (“Plaintiff”) files this Amended Original Petition against Defendant National Bank of Kuwait, S. A. K.P., New York Branch (“NBC” or “Defendant”) and hereby states and alleges the following:

**I.**  
**DISCOVERY PLAN**

1. Discovery should be conducted pursuant to Level 2 of Rule 190.3 of the Texas Rules of Civil Procedure.

**II.**  
**RELIEVE SOUGHT**

2. Pursuant to Texas Rules of Civil Procedure 47(c), Plaintiff is presently seeking monetary relief over \$1,000,000.00 and/or injunctive relief. The damages sought are within the jurisdictional limits of the Court.

**III.**  
**PARTIES**

3. Plaintiff is an individual residing in Harris County, Texas.

4. Defendant National Bank of Kuwait, S.A.K.P., New York Branch is a banking corporation organized under the laws of Kuwait, acting through its New York Branch. Defendant has not designated a registered for service of process in the State of Texas. As such, pursuant to Texas



Civil Practice and Remedies Code 17.041-045, the Secretary of State is Defendant's agent for service of process in this proceeding which arises out of business Defendant has done in this state, and Defendant may be served through the Texas Secretary of State. The Secretary of State shall thereafter forward a copy by certified mail return receipt requested, to Corporation Service Company, 299 Park Avenue, New York, New York 10171. Plaintiff requests that the clerk issue citation at this time.

**IV.**  
**JURISDICTION AND VENUE**

5. The Court has jurisdiction over the parties and claims which are subject of this suit.

6. Venue is proper in Harris County, Texas pursuant to the Texas Civil Practice & Remedies §15.0115 because Defendant transacted business in and around Harris County, Texas, the real estate which forms the basis of the ownership of tax liens asserted by Plaintiff is located in Harris County, Texas, and the agreement to return the tax liens which forms a portion of the basis of this suit was executed and performable in Harris County, Texas.

**V.**  
**FACTS**

7. In 2018, Defendant entered into a loan agreement in which Defendant loaned certain funds to an entity in which Plaintiff had an interest. A dispute arose concerning the terms of the loan agreement, as well as the extent and validity of the Defendant's alleged security interest in the building that was owned by the borrower, being the property located at 2425 West Loop South, Houston, Texas.

8. A dispute arose between Plaintiff and the borrower in 2021 concerning the loan agreement. In 2021 Plaintiff owned two Tax Liens (one for 2019 and one for 2020) that pertained to the building. In September 2021 a lawsuit was initiated against Defendant. To settle claims and controversies existing at the time, various parties, including the Plaintiff herein entered into a

Settlement Agreement dated August 22, 2022 (the “Settlement Agreement”). A portion of the Settlement Agreement provided that Plaintiff would **temporarily** transfer his interest in the Tax Liens to Defendant NBK as part of the settlement transaction. Specifically, the agreement provided that “Choudhri shall cause the transfer and assignment of the tax liens with respect to the Property for years 2019 and 2020 (the “Tax Liens”) to NBK.” Plaintiff performed his obligations under the Agreement, and the Tax Liens were transferred to NBK on the temporary basis contemplated by the parties. The agreement further provided that upon consummation of the payment provisions of the agreement, the Tax Liens would be returned to Plaintiff as the rightful owner. In the operative documents this was stated as follows: “Upon NBK’s receipt of either the Settlement Payment or Purchase Option Payment, NBK shall contemporaneously transfer and assign the Tax Liens to Choudhri.”

9. Obviously if Defendant NBK breached the agreement, refused to perform the agreement, or for any reason the agreement was not fully performed, Defendant NBK was obligated under law to return the Tax Liens to Plaintiff. This was never done, and NBK continues to exercise wrongful dominion and control over the property of Plaintiff, and it appears that Defendant NBK may be attempting to permanently deprive Plaintiff of his lawful interest. At no time was there ever the contemplation under any circumstances that NBK would NOT return the Tax Liens. Whether the controversy between the various parties has been resolved (a dispute which is to be resolved in some other venue) the Plaintiff’s right to his property, the Tax Liens, remains inviolate. If the agreement does not exist, the Tax Liens must be returned; if the agreement does exist, by the terms of the agreement the Tax Liens should have been returned long ago.

10. As noted above, it appears that at some point the contention was made that NBK had breached the settlement agreement, which included parties other than Plaintiff. Those other parties, who are not involved in this matter, continue to dispute whether the overall controversy has been

resolved by agreement. Pertinent here, however, is the fact that NBK appears to have repudiated the contract that contained the provision for Plaintiff to temporarily transfer his Tax Liens, and thus by its own conduct and admission it holds Plaintiff's property intentionally and wrongfully, but still NBK has not returned the Tax Liens to Plaintiff who is the rightful owner of the Tax Liens.

11. This issue is of particular importance because by statute, these tax liens are automatically senior to most other real property liens. See TEX. TAX CODE ANN. § 32.05(b). *Lyda Swinerton Builders, Inc. v. Cathay Bank*, 409 S.W.3d 221 (Tex. App. 2013). Any effort to deprive Plaintiff of his lawful interest in these tax liens would cause the intentional interference with the contractual rights of the Plaintiff and subject the National Bank of Kuwait to actual and potentially exemplary damages in addition to the deprivation of the Plaintiff's right to the use of his property.

## VI.

12. Defendant's unjustifiable exercise of dominion and control over the Tax Liens has caused Plaintiff the obvious damage of depriving him of his property which is of significant value. The Tax Liens can be sold and purchased and can be legitimately pledged as collateral for indebtedness, and Defendant NBK has knowingly and purposefully deprived Plaintiff of his use of his property. Plaintiff requests that this Court enter an Order declaring Plaintiff as the rightful owner of the Tax Liens, order Defendant NBK to execute any documents necessary to establish that fact as a matter of record. Plaintiff requests a judgment of all damages allowed under Texas law for the wrongful conduct of NBK.

## VII.

### ATTORNEYS' FEES

13. Plaintiff has been required to employ counsel to represent its interests as a result of Defendant's breach of the Agreement and wrongful retention of the Tax Liens. Plaintiff seeks all

reasonable and necessary attorneys' fees, expenses, and costs of court allowed under law, including, but not limited to, Section 38.001 of the TEXAS CIVIL PRACTICE & REMEDIES CODE.

**VIII.**  
**JURY DEMAND**

14. Plaintiff demands a jury trial and has tendered the appropriate fee.

**IX.**  
**PRAYER**

WHEREFORE, Plaintiff respectfully requests that Defendant National Bank of Kuwait, S.A.K.P. New York Branch be cited to appear and answer herein and upon final hearing hereof, Plaintiff be awarded the relief sought above including confirmation of his ownership, transfer of his property back to him, an injunction preventing Defendant from continuing to exercise dominion and control over the Tax Liens, all damages resulting from Defendant's wrongful conduct, costs and fees, including reasonable and necessary attorneys' fees along with any other and further relief to which Plaintiff may be justly entitled at law and equity.

Respectfully Submitted,

**THE STEIDLEY LAW FIRM**

*By: Jeffrey W. Steidley*  
\_\_\_\_\_  
JEFFREY W. STEIDLEY  
State Bar No. 19126300  
jeff@texlaw.us  
3701 Kirby Drive, Suite 1196  
Houston, Texas 77098  
(713) 523-9595 (telephone)  
(713) 523-0578 (facsimile)

**ATTORNEY FOR PLAINTIFF**

**Automated Certificate of eService**

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Jeffrey Steidley on behalf of Jeffrey Steidley  
 Bar No. 19126300  
 jeff@texlaw.us  
 Envelope ID: 87350558  
 Filing Code Description: Amended Filing  
 Filing Description:  
 Status as of 5/3/2024 12:19 PM CST

## Case Contacts

Name	BarNumber	Email	Timestamp Submitted	Status
Jeffrey WSteidley		jeff@texlaw.us	5/3/2024 11:00:36 AM	SENT
Lawrence Rodriguez		Lawrence@texlaw.us	5/3/2024 11:00:36 AM	SENT
Ali Choudhri		ali@jetallcapital.com	5/3/2024 11:00:36 AM	SENT

Unofficial Copy Office of Marilyn Burgess District Clerk

**EXHIBIT D**

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CAUSE NO. 2024-27168

ALI CHOUDHRI  
*Plaintiff,*

v.

NATIONAL BANK OF KUWAIT,  
S.A.K.P., NEW YORK BRANCH, et al  
*Defendants.*

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IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

129<sup>TH</sup> JUDICIAL DISTRICT

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PLAINTIFF'S SECOND AMENDED ORIGINAL PETITION  
AND JURY DEMAND

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Plaintiff Ali Choudhri ("Plaintiff") files this Second Amended Original Petition against Defendant National Bank of Kuwait, S. A. K.P., New York Branch ("NBK" or "Defendant") and hereby states and alleges the following:

**DISCOVERY PLAN**

1. Discovery should be conducted pursuant to Level 3 of Rule 190.4 of the Texas Rules of Civil Procedure.

**II.**  
**RELIEF SOUGHT**

2. Pursuant to Texas Rules of Civil Procedure 47(c), Plaintiff is presently seeking monetary relief over \$1,000,000.00 and/or injunctive relief. The damages sought are within the jurisdictional limits of the Court.

**III.**  
**PARTIES**

3. Plaintiff is an individual residing in Harris County, Texas.

4. Defendant National Bank of Kuwait, S.A.K.P., New York Branch is a banking corporation organized under the laws of Kuwait, acting through its New York Branch. Defendant has not designated a registered for service of process in the State of Texas. As such, pursuant to Texas Civil Practice and Remedies Code 17.041-045, the Secretary of State is Defendant's agent for service of process in this proceeding which arises out of business Defendant has done in this state, and Defendant may be served through the Texas Secretary of State. The Secretary of State shall thereafter forward a copy by certified mail return receipt requested, to Corporation Service Company, 299 Park Avenue, New York, New York 10171. Plaintiff requests that the clerk issue citation at this time.

**IV.**  
**JURISDICTION AND VENUE**

5. The Court has jurisdiction over the parties and claims which are subject of this suit.

6. Venue is proper in Harris County, Texas pursuant to the Texas Civil Practice & Remedies §15.0115 because Defendant transacted business in and around Harris County, Texas, the real estate which forms the basis of the ownership of tax liens asserted by Plaintiff is located in Harris County, Texas, and the agreement to return the tax liens which forms a portion of the basis of this suit was executed and performable in Harris County, Texas. In addition the contract at issue regarding the sale of the real estate to Plaintiff was accepted in Harris County, Texas and performable in Harris County, Texas with respect to real estate located in Harris County. Mandatory venue exists in Harris County since this is an action to recover an interest in real property located in Harris County.



V.  
**FACTUAL BACKGROUND**

7. Plaintiff is an individual, and the sole member and manager of Galleria West Loop Investments II, LLC, which is the sole member and manager of Galleria 2425 JV, LLC, which is the sole member and manager of and principal officer in and of Galleria 2425 Owner, LLC. (“2425 Owner”) which owns an office building located at 2425 West Loop South in Houston, Texas (“Real Property”).

8. As a principal related to the various corporate entities and in his individual capacity, Plaintiff participated in negotiations with the Defendant with respect to issues affecting the Real Property.

9. The Real Property is a unique and iconic Grade A building in the heart of one of Houston’s prominent retail and food destinations, the Galleria. The building itself is in close proximity to the Galleria Mall, an upscale mixed-use urban development shopping mall located in the Uptown District of Houston with over 30 million visitors per year, as well as the River Oaks District, an outdoor shopping complex of global luxury brands. The Real Property was designed in the 1980s by world renowned architect, I.M. Pei. To honor his legacy work, The Real Property was recently refurbished and continues to undergo significant upgrades with new health and wellness amenities for the tenants, and a new ground floor tenant conference facility and tenant lounge.

10. In 2018, 2425 Owner entered into a loan agreement with Defendant. The indebtedness on that loan was secured by a first lien deed of trust on the Real Property. Accordingly, Defendant held an interest in the Real Property by virtue of its first-priority deed of trust and 2425 Owner held an interest in the Real Property as the owner. During September of 2021, a dispute arose concerning certain loan payments. State court litigation ensued, and in August of 2022 that

litigation was dismissed as part of an agreement of the affected parties, designated as a Confidential Settlement Agreement (“CSA”). Pursuant to that agreement, Plaintiff was individually included and named as a “Purchase Option Party,” entitled to purchase the deed of trust and loan for \$27,000,000.00. The draft of the closing documents exchanged after the agreement was reached did not include the name of the buyer, since it was contemplated that the buyer could be the Plaintiff, the borrower, or the Plaintiff’s designee. That contemplated transaction did not occur in 2022, but as will be noted below a new offer concerning the sale of the Real Property was made by Defendant in 2023 and accepted by Plaintiff.

11. As part of the CSA, Plaintiff was required to cause the transfer of tax liens (“Tax Liens”) against the Real Property for the years 2019 and 2020, currently valued at a little less than \$4,000,000, to the Defendant.<sup>1</sup> Specifically, the agreement provided that “Choudhri shall cause the transfer and assignment of the tax liens with respect to the Property for years 2019 and 2020 (the “Tax Liens”) to NBK.” Plaintiff performed his obligations under the Agreement, and the Tax Liens were transferred to NBK on the temporary basis contemplated by the parties. The agreement further provided that upon consummation of the payment provisions of the agreement, the Tax Liens would be returned to Plaintiff as the rightful owner. In the operative documents this was stated as follows: “Upon NBK’s receipt of either the Settlement Payment or Purchase Option Payment, NBK shall contemporaneously transfer and assign the Tax Liens to Choudhri.” Included in the documents exchanged in connection with the settlement were documents assigning the Tax Liens back to Plaintiff. The Tax Liens were never returned to their rightful owner, and Defendant

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<sup>1</sup> On April 9, 2024, Defendant, unperturbed by the fact that it has no legitimate ownership rights, filed proof of claim No. 13 in the bankruptcy case: In re: Galleria 2425 Owner, LLC, Debtor, Case no. 23-34815 in the amount of \$3,864,455.06 which is based on Defendant’s asserted ownership of the Tax Liens.

currently asserts that it is the lawful owner of the Tax Liens. Defendant NBK fraudulently asserts ownership of Plaintiff's assets.

12. Obviously if Defendant NBK breached the agreement, refused to perform the agreement, or for any reason the agreement was not fully performed, Defendant NBK was obligated under law to return the Tax Liens to Plaintiff. This was never done, and NBK continues to exercise wrongful dominion and control over the property of Plaintiff, and it appears that Defendant NBK may be attempting to permanently deprive Plaintiff of his lawful interest. At no time was there ever the contemplation under any circumstances that NBK would NOT return the Tax Liens. If the CSA had been performed, that agreement required the return of the Tax Liens. If the CSA agreement does not exist, Defendant NBK has no right to any of the fruits of that agreement. However the controversy between the various parties is to be resolved the Plaintiff's right to his property, the Tax Liens, remains unviolated. If the agreement does not exist, the Tax Liens must be returned; if the agreement does exist, by the terms of the agreement the Tax Liens should have been returned long ago.

13. After the time of the CSA, discussions continued and on June 28, 2023, Defendant, acting through its authorized agent (Charles Conrad of the Pillsbury Winthrop Shaw Pittman, LLP law firm) forwarded a letter to Plaintiff's attorney, Jim Wetwiska (Akin Gump law firm), in which Defendant made a new offer to sell the Deed of Trust and Loan for a fixed price, which was \$27,000,000.00 less sums previously paid on the subject loan (Exhibit A). Neither the Defendant attorney nor any of its attorneys, agents or representatives ever rescinded or withdrew the offer it made to the Plaintiff and the offer remained open, therefore, subject to acceptance.

14. On April 28, 2024, Plaintiff unconditionally accepted the offer to purchase the Deed of Trust and the Loan at the price and on the terms proposed by the Defendant. Plaintiff tendered the

full amount requested by Defendant's attorney in the June 28, 2023 offer (Exhibit B). Accordingly, the parties entered into a binding contract for Plaintiff to acquire from Defendant the Deed of Trust and the Loan on this unique Real Property. At that time, the amount of the first lien exceeds the market value of the property, so the holder and owner of the first lien effectively has the ultimate right to own the Real Property if it, or he, so chooses.

15. After Plaintiff accepted the offer extended and not withdrawn by Defendant, the Defendant continues, as it has done with the Tax Liens, to assert that it owns the Note and Deed of Trust that it agreed to sell to Plaintiff.

16. The record shows that Defendant made an offer to the Plaintiff and that Plaintiff accepted it. Plaintiff tendered performance, but the Defendant has refused to accept the price for which it agreed to sell the note and the deed of trust that secures it. Defendant repudiated the contract and continues to do so.

17. The parties mutually assented to all terms and there is a binding contract ("2024 Contract"), subject to the remedies of specific performance, consequential damages, and attorneys' fees.

18. Defendant made the offer to sell the Note and the Deed of Trust by written communication from by its duly authorized agent, made to the duly authorized agent of Plaintiff. The offer was never withdrawn. Plaintiff unconditionally accepted all material terms and conditions in Defendant's written offer. Thus, a binding contract has been made.

19. Plaintiff has previously tendered the funds nominated by Defendant and at all times since, including the present, continues to be ready, willing and able to perform. Plaintiff is ready, willing, and able to pay the required money and otherwise perform under the 2024 Contract.

20. To date, Defendant has failed to provide the purchase and sale documents that of necessity accompany the agreed to transaction. These include the transfer of ownership of the right to payment under the Note and the Deed of Trust. In addition, Defendant continues to wrongfully assert ownership, dominion and control of the Note and Deed of Trust. A party repudiates a contract if the party manifests, by words or actions, a definite and unconditional intention not to perform the contract according to its terms. Defendant has repudiated the contract.

21. Defendant has materially breached the 2024 Contract by failing effectuate purchase and sale of the Deed of Trust and Loan, by repudiating the contract, by continuing to assert ownership that it does not have, and by refusing to deliver appropriate documents effectuating the transfer of title to the assets it agreed to sell. Plaintiff has been damaged in many ways, the most serious of which is the inability to control to fate of this unique asset.

22. Defendant has breached the terms of the CSA by which it obtained the Tax Liens and the by failing to return them to the Plaintiff. Outside of the actions contemplated by the CSA, Defendant is, and has been, in wrongful possession of the assets of the Plaintiff.

## VI.

23. Plaintiff seeks specific performance of Defendant's contractual obligation to sell the Deed of Trust and Loan to Plaintiff for the contract amount.

24. The 2024 Contract is a binding agreement. There exists no other real property identical to the Real Property now subject to the Defendant's Note and Deed of Trust lien. The first lien that is the subject of this sale effectively gives ownership rights of a unique asset to the owner of the Note and Deed of Trust. Plaintiff has tendered actual funds and stands ready to deliver actual funds in any reasonable fashion once its right to specific performance is confirmed by this Court.

Plaintiff is entitled to the equitable remedy of specific performance and requests an Order from this Court granting this relief.

25. Plaintiff will show the Court that money damages will not provide adequate compensation for the harm and financial injury plaintiff will sustain if the Court does not require specific performance of the 2024 Contract.

26. In addition, this Court should order Defendant NBK to execute the documents necessary to transfer the Tax Liens back to Plaintiff, either due to the enforcement of the CSA, or because the CSA failed and does not exist, and Defendant NBK is wrongfully attempting to steal these Tax Liens, concerning which it has no legitimate rights or interest. The Tax Liens have, by their very nature, the right to foreclose on the Real Property, so they are an interest in real property, that by definition is unique.

**II.**

27. Presently, Defendant is a creditor in a Chapter 11 bankruptcy case pending in the bankruptcy court of this district: Case Number 23-34815 (JPN) styled "*In re GALLERIA 2425 OWNER, LLC.*" 2024 Owner is the debtor and the owner of the Real Property. 2024 Owner filed a bankruptcy petition after D instituted foreclosure proceedings.

28. Defendant, as a creditor in the bankruptcy proceeding, is attempting to use the Deed of Trust and Note that it contractually agreed to sell to Plaintiff, as a means to purchase the Real Property.

29. Plaintiff is not a debtor or a debtor in possession under Chapter 11 in any pending bankruptcy case in the United States. This suit and request for injunctive relief is based on the

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<sup>2</sup> As well as the Tax Liens that it refused to return to Plaintiff.

Tax Liens owned by Plaintiff and the 2024 Contract between Plaintiff, individually and Defendant. Thus, this suit is between two non-debtors and involves property – the Deed of Trust and the Loan and the Tax Liens - which are not the property of 2024 Owner or the bankruptcy estate.

30. Plaintiff will suffer irreparable harm if Defendant is allowed to retain ownership of the Deed of Trust and the Loan in derogation of Plaintiff's rights under the 2024 Contract.<sup>3</sup> The value of the Real Property is much less than the claimed amount of "credit" the Defendant asserts, so the holder of the Note and Deed of Trust effectively owns the Real Property. On April 9, 2024, Defendant filed proof of claim No. 14 in the bankruptcy court in the amount of \$67,157,854.15 which is based on the loan and a deed of trust against the Real Property. It seems probable that objections to the ownership claims made by Defendant NBK will be some part of the bankruptcy proceedings, but the controversy over ownership remains between two non-debtor parties, and properly in this Court.

31. The harm is imminent because the bankruptcy court has scheduled an auction to sell the Real Property on June 18, 2024. It is clear that Defendant is asserting the right to make a credit bid using as "credit" the Deed of Trust and Note that it sold to Plaintiff in the 2024 Contract.<sup>4</sup> The Defendant also apparently intends to use the Tax Liens as part of its "credit".<sup>5</sup> In essence, the Defendant is using the property of the Plaintiff to deprive the Plaintiff of effective ownership in

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<sup>3</sup> See *Yarto v. Gilliland*, 287 S.W.3d 83, 97 (Tex. App.-Corpus Christi 2009, no pet.) (holding that the potential loss of rights in real property is probable, imminent, and irreparable injury that qualifies a party for injunctive relief); *Rus-Ann Dev., Inc. v. ECGC, Inc.*, 222 S.W.3d 921, 927 (Tex. App.-Tyler 2007, no pet.) (same).

<sup>4</sup> Plaintiff objects to the Defendant claiming ownership of the Note and Deed of Trust and the Tax Liens and using that disputed "ownership" in the impending bankruptcy proceedings, because it wrongfully deprives Plaintiff of the use of assets he is due. Proof of Claim 14 is wrongfully made. If this use is allowed and then the determination is made that Plaintiff prevails on his claims, it inures to the detriment of these parties and all those who may become involved.

<sup>5</sup> Plaintiff also objects to Defendant wrongfully using the Tax Liens that under any version of the "facts" it is clear that the Defendant has no rights, because it too wrongfully deprives Plaintiff of the use of its assets. Proof of claim 13 is wrongfully made.

the unique Real Property that is the subject of this action. Plaintiff expects the bankruptcy court to delay the actual auction and sale of the Real Property past the current June 18, 2024 date, but Plaintiff reserves his right to seek emergency injunctive relief in the event an auction or sale intends to go forward even though the ownership of the note and deed of trust is in dispute.

32. Defendant is entitled to specific performance, but if this remedy is not available before the sale of the Real Property, then this Court should put in place injunctive relief restraining the Defendant from exercising ownership rights to the Note and Deed of Trust, and it should maintain that injunction pending the final determination of the issue of ownership, and an order of specific performance upon the final trial of the issue, after which a permanent injunction should not be necessary.<sup>6</sup>

33. Plaintiff submits that fundamental contract law and the preponderance of evidence supports his assertion that the parties entered into a binding contract that pertains to a unique commercial property. The terms of the offer are specific and identifiable, and fully met by Plaintiff's acceptance of that offer. There is no question that the offeror could have rescinded or revoked the written offer at any time and chose not to do so, leaving it open for acceptance in this ongoing controversy. There is no apparent issue with the authority of the author of the offer, or with the capacity of the Plaintiff in accepting. No issue is presented at all concerning the ability of the Plaintiff to perform, as he has already tendered that performance. Consequently, there is a very strong likelihood that plaintiff will prevail in a trial on the merits.

34. Accordingly, plaintiff requests that the Court schedule a hearing to consider evidence, after which it should issue a preliminary injunction. Plaintiff requests that this Court restrain

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<sup>6</sup> Determination of the ownership of real property is often the subject of injunctive relief of the type requested here for the obvious reason that a host of potential problems are avoided if a determination is made before a sale or encumbrance, or multiples of these occur and then have to be unwound.



defendant from exercising ownership, dominion or control over the Note and Deed of Trust, including but not limited to the exercise of decision-making over the ue of the Deed of Trust and Loan, pending the Court's final determination on the merits.

**VIII.**  
**ATTORNEYS' FEES**

35. Plaintiff repeats the allegations set forth in all preceding and subsequent paragraphs of this Complaint, as if fully set forth herein.

36. Plaintiff hereby seeks from Defendant reasonable and necessary attorney's fees for breach of contract, specific performance, injunctive relief, and under any statutory or common law right to recover attorney's fees.

**IX.**  
**JURY DEMAND**

37. Plaintiff demands a jury trial and has tendered the appropriate fee.

**PRAYER**

WHEREFORE, premises considered, Plaintiff prays that Defendant be cited to appear herein as provided by law and that upon hearing: the Honorable Court to find, adjudge and Order as follows:

- 1) Plaintiff is entitled to specific performance of 2024 Contract, as identified in the offer letter and accepted by Plaintiff;
- 2) A preliminary injunction to be in effect until the issue of ownership of the Deed of Trust and Note is determined, followed by an Order directing Defendant to comply with the contract created by the offer letter and the acceptance by Plaintiff. The injunctive relief should be that Defendant is restrained from exercising dominion, control or assertion of ownership of the Real Property that the true owner may possess under the Deed of Trust and Note;
- 3) The immediate return of the Tax Liens;

- 4) An award of Plaintiff's reasonable and necessary attorney's fees, and
- 5) any other and further relief to which Plaintiff may be justly entitled at law and equity.

Respectfully Submitted,

**THE STEIDLEY LAW FIRM**

*By Jeffrey W. Steidley*

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JEFFREY W. STEIDLEY

State Bar No. 19126300

jeff@texlaw.us

3701 Kirby Drive, Suite 1196

Houston, Texas 77098

(713) 523-9595 (telephone)

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**ATTORNEY FOR PLAINTIFF**

Unofficial Copy Office of Marilyn B. ... District Clerk

**Automated Certificate of eService**

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Jeffrey Steidley on behalf of Jeffrey Steidley  
 Bar No. 19126300  
 jeff@texlaw.us  
 Envelope ID: 87787807  
 Filing Code Description: Amended Filing  
 Filing Description: Plaintiff's Second Amended Petition  
 Status as of 5/16/2024 8:25 AM CST

## Case Contacts

Name	BarNumber	Email	Timestamp Submitted	Status
Jeffrey WSteidley		jeff@texlaw.us	5/15/2024 4:22:49 PM	SENT
Lawrence Rodriguez		Lawrence@texlaw.us	5/15/2024 4:22:49 PM	SENT
Ali Choudhri		ali@jetallcapital.com	5/15/2024 4:22:49 PM	SENT

Unofficial Copy Office of Marilyn B. Jones, District Clerk

EXHIBIT A



Pillsbury Winthrop Shaw Pittman LLP  
Two Houston Center 909 Fannin, Suite 2000 | Houston, TX 77010-1018 | tel 713.276.7600 | fax 713.276.7673

Charles C. Conrad  
tel: +1 713.276.7626  
charles.conrad@pillsburylaw.com

June 28, 2023

***Via Email***

Jim Wetwiska  
Akin Gump Strauss Hauer & Feld LLP  
1111 Louisiana, 44th Floor  
Houston, Texas 77002-5200

Re: Cause No. 2021-63370; *Galleria 2425 Center LLC v. National Bank of Kuwait, S.A.K.P.*, In the 281st Judicial District Court of Harris County, Texas

**Confidential Communication**

Jim,

We received your letter this morning, and we are working to get you drafts of the documents you reference therein (*i.e.* the Loan and Sale Agreement, Assignments of the Lien and Tax Liens, and Allonge) as soon as practicable. In this regard, please inform us who the buyer/purchaser and assignee is, and when your client intends to initiate the settlement/purchase option payment so that an orderly closing can be scheduled on Monday, July 2, 2023.

With respect to the specific amount of the Settlement Payment/Purchase Option Payment, here is what we have (please confirm this is the correct amount on your end):

Settlement Payment Amount: \$27 million

Amounts Paid to Date:

- \$1,509.42 paid to NBK from registry of the Court
- \$80,000 paid to NBK on 4/18 per order of the Court
- \$80,000 paid to NBK on 5/10 per order of the Court

Current Outstanding Settlement Balance: \$26,038,490.58

Jim Wetwiska  
Akin Gump Strauss Hauer & Feld LLP  
June 28, 2023  
Page 2

For the payee information, please have the funds wired to our firm's trust account and reference "National Bank of Kuwait, S.A.K.P." in the Remittance Information. We have included wiring instructions with this letter.

Thanks again, and we look forward to hearing from you.

Very truly yours,



Charles C. Conrad

Attachment

Unofficial Copy Office of Marilyn Burgess District Clerk

EXHIBIT B

Ali Choudhri  
2425 West Loop South, 11<sup>th</sup> Floor  
Houston, TX 77027

April 28, 2024

Charles Conrad  
Pillsbury Winthrop Shaw Pittman, LLP  
Two Houston Center  
909 Fannin, Suite 200  
Houston, TX 77010

RE: Galleria 2425 Owner, LLC

SUB: Tender of Settlement/Purchase Option Payment

Dear Mr. Conrad:

Pursuant to your letter (attached herewith) and recent discussions, I hereby accept and tender the Settlement/Purchase Option, full payment in the amount of the Current Outstanding Settlement Balance (**\$26,038,490.58**), regarding the Confidential Settlement Agreement dated August 21 2022 as follows:

Settlement Payment Amount: \$27 million

Current Outstanding Settlement Balance: **\$26,038,490.58**.

The above payment, as instructed in your letter, shall be wired to an account you designate. If you wish to handle this with a designated title company, please advise. Please provide the necessary documents to consummate the transaction for example the Assignment of Note and Sale Agreement and Assignment of any liens.

I expect that the National Bank of Kuwait is prepared to perform its obligations under the Confidential Settlement Agreement in connection with this payment.

To confirm the Assignee for the Note and Lien will be:

QB Loop Property LP is a Texas limited partnership. It's general partner is QB Loop Property GP LLC, a Texas limited liability company, and it's manager is Anwar I Qadeer.

I look forward to bringing this to a close. I appreciate your cooperation.

Sincerely,



Ali Choudhri