

A.R.I. Files Lawsuit Against Drake's October's Very Own (OVO) Following Multiple Loan Payment Defaults

Lawsuit alleges OVO acknowledged its debt in writing, obtained forbearance from A.R.I., then refused to pay more than \$4.6 million still owed

TORONTO, ONTARIO, CANADA, June 19, 2026 /EINPresswire.com/ -- A.R.I. OVO Growth Capital I, LLC ("A.R.I.") announced that it has commenced [litigation](#) in the Supreme Court of British Columbia (Vancouver Court File No. S-264397, filed June 11, 2026)

against [October's Very Own](#) ULC ("OVO"), the lifestyle, apparel, music, and consumer products company co-founded by Aubrey "Drake" Graham, Oliver El-Khatib, and Noah "40" Shebib.



According to the filed claim, A.R.I. seeks recovery of at least \$4,609,455.72, together with default interest, legal fees, lender expenses, enforcement costs, contractual fees, and other amounts continuing to accrue under the governing financing agreements.

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According to the filed complaint, OVO remains indebted to A.R.I. for at least \$4,609,455.72 as of June 11, 2026.”

****OVO ISSUED MORE THAN \$5.2 MILLION OF CONVERTIBLE NOTES TO A.R.I.****

A.R.I.

According to the filed complaint, between July 14, 2025 and August 5, 2025, OVO issued five separate Convertible

Promissory Notes to A.R.I. in the aggregate principal amount of \$5,234,121.93.

The complaint alleges that the Notes were five-year convertible debt instruments containing conversion rights, information rights, prepayment restrictions, default remedies, and a contractual Make Whole Fee designed to provide A.R.I. with a negotiated minimum return if the Notes were repaid or otherwise terminated prior to maturity.

****OVO REPORTEDLY GENERATED \$72 MILLION OF REVENUE WHILE OPERATING AT A LOSS****

According to financial information referenced in the filed complaint, OVO generated approximately \$72 million in revenue during 2024 and nearly \$400 million in cumulative revenue between 2019 and 2024.

The complaint further alleges that despite these revenues, OVO lost \$8 million (EBITDA) during 2024 and lost approximately \$12 million of cumulative EBITDA during the period from 2022 through 2024.

****A.R.I. PROVIDED MULTIPLE FINANCING TRANSACTIONS TO OVO DURING 2025****

During 2025, A.R.I. and affiliated entities provided OVO with multiple separate financing transactions.

According to the complaint, in May 2025, A.R.I. Senior Secured Growth Credit Fund, LP provided OVO with a \$10 million senior secured credit facility collateralized by intellectual property assets, including rights relating to the October's Very Own trademark and OVO owl logo.

The complaint alleges that OVO subsequently defaulted under that secured facility and entered into a separate forbearance arrangement before ultimately repaying the facility on March 31, 2026.

Separately, in July and August 2025, A.R.I. provided OVO with the five convertible notes that are the subject of the present litigation.

****COMPLAINT ALLEGES OVO DEFAULTED UNDER THE CONVERTIBLE NOTES****

According to the filed complaint, OVO subsequently defaulted under the Notes by failing to make required payments when due and by breaching additional obligations under the governing financing agreements.

The complaint alleges that on or about February 27, 2026, A.R.I. delivered a formal notice of default identifying multiple Events of Default and reserving all rights and remedies available under the financing documents and applicable law.

****OVO ENTERED INTO FORBEARANCE AGREEMENT ACKNOWLEDGING DEFAULTS****

According to the complaint, on or about March 20, 2026, A.R.I. and OVO entered into a formal Forbearance Agreement, pursuant to which A.R.I. agreed to temporarily refrain from exercising enforcement rights under the financing agreements, conditional upon OVO's compliance with specified repayment obligations.

The complaint alleges that under the Forbearance Agreement, OVO expressly:

- * acknowledged and admitted existing Events of Default;
- * confirmed that all amounts owing were valid, binding, and unconditionally due and owing to A.R.I.; and
- * agreed to repay amounts owing, including principal, the contractual Make Whole Fee, accrued interest, default interest, forbearance fees, and enforcement costs.

****COMPLAINT ALLEGES OVO MADE ONLY PARTIAL PAYMENT****

According to the filed complaint, on or about May 25, 2026, A.R.I. delivered a repayment statement setting forth amounts then calculated as owing, including principal, Make Whole obligations, accrued interest, default interest, legal fees, enforcement costs, and other contractual amounts.

The complaint further alleges that OVO subsequently made a partial payment while disputing its obligation to pay the contractual Make Whole Fee and certain other contractual amounts.

According to the complaint, the payment did not satisfy all amounts owing because substantial amounts allegedly remain outstanding.

****A.R.I. CLAIMS MORE THAN \$4.6 MILLION REMAINS DUE AND OWING****

According to the filed complaint, after application of payments previously received, OVO remains indebted to A.R.I. for at least \$4,609,455.72 as of June 11, 2026.

The complaint alleges that remaining unpaid obligations include, among other things:

- * the contractual Make Whole Fee;
- * default-rate interest;
- * legal fees and professional expenses;
- * enforcement costs; and
- * additional contractual amounts continuing to accrue.

****STATEMENT FROM A.R.I.****

A.R.I. commenced this action in order to enforce contractual rights and recover amounts that it alleges are lawfully owed under the governing financing agreements.

According to the filed complaint, OVO defaulted under the Notes, entered into a Forbearance Agreement acknowledging the indebtedness and existing defaults, made only a partial payment, and continues to dispute additional contractual amounts that A.R.I. alleges remain due and payable.

A.R.I. intends to continue pursuing all rights and remedies available under the governing agreements and applicable law.

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