

**IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA
CIVIL DIVISION**

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION,

Plaintiff,

v.

CASE NO.: 50-2021-CA-008718-XXXX-MB

NATIONAL SENIOR INSURANCE, INC.
D/B/A SEEMAN HOLTZ,
MARSHAL SEEMAN,
CENTURION INSURANCE SERVICES GROUP, LLC,
BRIAN J. SCHWARTZ,
EMERALD ASSETS 2018, LLC,
INTEGRITY ASSETS 2016, LLC,
INTERGRITY ASSETS, LLC,
PARA LONGEVITY 2014-5, LLC,
PARA LONGEVITY 2015-3, LLC,
PARA LONGEVITY 2015-5, LLC,
PARA LONGEVITY 2016-3, LLC,
PARA LONGEVITY 2016-5, LLC,
PARA LONGEVITY 2018-3, LLC,
PARA LONGEVITY 2018-5, LLC,
PARA LONGEVITY 2019-3, LLC,
PARA LONGEVITY 2019-5, LLC,
PARA LONGEVITY 2019-6, LLC,
PARA LONGEVITY VI, LLC,
SH GLOBAL, LLC N/K/A PARA LONGEVITY V, LLC,
ALTRAI GLOBAL, LLC A/K/A ALTRAI HOLDINGS, LLC,
VALENTINO GLOBAL HOLDINGS, LLC,
AMERITONIAN ENTERPRISES, LLC,
SEEMAN-HOLTZ CONSULTING CORP.,
CENTURION ISG Holdings, LLC,
CENTURION ISG Holdings II, LLC,
CENTURION ISG (Europe) Limited,
CENTURION ISG SERVICES, LLC,
CENTURION ISG FINANCE GROUP, LLC,
CENTURION FUNDING SPV I LLC,
CENTURION FUNDING SPV II LLC,
GRACE HOLDINGS FINANCIAL, LLC,
PRIME SHORT TERM CREDIT INC.,

Defendants.

THE ESTATE OF ERIC CHARLES HOLTZ,

SEEMAN HOLTZ PROPERTY AND CASUALTY, LLC
F/K/A SEEMAN HOLTZ PROPERTY AND CASUALTY, INC.,
SHPC HOLDINGS I, LLC,

Relief Defendants.

CORPORATE MONITOR, DANIEL J. STERMER’S MOTION FOR ENTRY OF AN ORDER APPROVING (I) A MARKETING PROCESS TO REFINANCE EXISTING SECURED DEBT OBLIGATION OR SELL ASSETS, (II) BID PROCEDURES, (III) THE RETENTION OF MAPLELIFE ANALYTICS, LLC AND (IV) THE AGREEMENT WITH TELEIOS, INCLUDING AUTHORIZING TELEIOS (A) TO COMMENCE A PUBLIC FORECLOSURE PROCESS, AND (B) TO EXERCISE CERTAIN REMEDIES

Daniel J. Stermer, as Court-appointed Corporate Monitor (the “Corporate Monitor”) for the property, assets, and businesses of the thirty-two (32) corporate entities¹ (the “Consenting Corporate Defendants”) pursuant to the *Agreed Order Granting Plaintiff’s Consent Motion for Appointment of Corporate Monitor and Related Injunctive Relief*, dated September 14, 2021, and the *Agreed Order Granting Corporate Monitor, Daniel J. Stermer’s Unopposed Motion to Expand Corporate Monitorship Estate*, dated January 6, 2022, respectfully moves for entry of the proposed agreed order attached as **Exhibit “C”** (the “Order”) approving: (i) a marketing process to refinance existing secured debt obligations or sell the Centurion Assets (as defined below), (ii) Bid Procedures (as defined below); (iii) the retention of MapleLife Analytics, LLC (“MapleLife”) as Exclusive Life Settlement Portfolio Sales and Marketing Agent; and (iv) an agreement between Teleios (as defined below) and the Corporate Monitor in connection with such process, including

¹ The Consenting Corporate Defendants include: NATIONAL SENIOR INSURANCE, INC. D/B/A SEEMAN HOLTZ, CENTURION INSURANCE SERVICES GROUP, LLC, EMERALD ASSETS 2018, LLC, INTEGRITY ASSETS 2016, LLC, INTERGRITY ASSETS, LLC, PARA LONGEVITY 2014-5, LLC, PARA LONGEVITY 2015-3, LLC, PARA LONGEVITY 2015-5, LLC, PARA LONGEVITY 2016-3, LLC, PARA LONGEVITY 2016-5, LLC, PARA LONGEVITY 2018-3, LLC, PARA LONGEVITY 2018-5, LLC, PARA LONGEVITY 2019-3, LLC, PARA LONGEVITY 2019-5, LLC, PARA LONGEVITY 2019-6, LLC, PARA LONGEVITY VI, LLC, SH GLOBAL, LLC N/K/A PARA LONGEVITY V, LLC, VALENTINO GLOBAL HOLDINGS, LLC, AMERITONIAN ENTERPRISES, LLC, SEEMAN-HOLTZ CONSULTING CORP., CENTURION ISG Holdings, LLC, CENTURION ISG Holdings II, LLC, CENTURION ISG (Europe) Limited, CENTURION ISG SERVICES, LLC, CENTURION ISG FINANCE GROUP, LLC, CENTURION FUNDING SPV I LLC, CENTURION FUNDING SPV II LLC, PARA GLOBAL 2019, LLC, ALLOY ASSETS, LLC, SEEMAN HOLTZ WEALTH MANAGEMENT, INC. AGENCY ACQUISITION FUNDING, LLC, and AMERICA’S FAVORITE INSURANCE SERVICES LLC

authorizing Teleios (a) to commence a public foreclosure process; and (b) to exercise remedies to the extent necessary to implement and effectuate the terms and the agreements set forth herein (“Motion”). In support of this Motion, the Corporate Monitor states as follows:

Background

a. Appointment of the Corporate Monitor

1. On September 10, 2021, the Plaintiff, State of Florida, Office of Financial Regulation (the “Plaintiff”) filed a *Consent Motion for Appointment of Corporate Monitor* (the “Consent Motion”), seeking, *inter alia*, the appointment of the Corporate Monitor for the property, assets, and businesses of the initial Consenting Corporate Defendants (as defined in the Consent Motion), as well as a temporary injunction against the Consenting Corporate Defendants and two consenting natural-person Defendants, Marshal Seeman and Brian J. Schwartz (the “Consenting Individual Defendants”).

2. On September 14, 2021, the Court entered an *Agreed Order Granting Plaintiff’s Consent Motion for Appointment of Corporate Monitor and Related Injunctive Relief* (the “September 14, 2021 Order”), thereby approving and appointing, *inter alia*, Daniel J. Stermer as the Corporate Monitor for the Consenting Corporate Defendants and their affiliates, subsidiaries, successors, and assigns, until further Order of the Court (such proceeding, the “Corporate Monitorship”).

3. On January 6, 2022, the Court entered an agreed order expanding the scope of the Corporate Monitorship to include five (5) additional corporate entities as Consenting Corporate Defendants (together with the September 14, 2021 Order, the “Appointment Orders”).

b. The Portfolio

4. Currently, Centurion Funding SPV II, LLC (the “Borrower”) owns sixty-one (61) Policies (defined below) with a total net face policy value of approximately \$255 million (the

“Centurion Portfolio”). The last Policy was purchased in 2018. A full description of the Policies is attached hereto as Exhibit “A”. The face value is comprised of the amounts that would be collectible at some point in the future upon the maturity of the insured(s) and, as discussed in greater detail below, the premiums required to be paid and additional expenses required to be incurred on a monthly basis are projected to average \$940,000 per month for 2022 and increase by approximately 11% per year thereafter.

c. The Credit Documents and the Preferred Units

5. On December 14, 2018, the Borrower,² entered into that certain Credit Agreement with Teleios LS Holdings V DE, LLC, as lender (the “Lender”) (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement” and, together with any other agreements, instruments, pledge agreements, security agreements, control agreements related thereto and other ancillary agreements related thereto, collectively, the “Credit Documents”), pursuant to which the Lender agreed to make a loan facility available to the Borrower in order to service and pay premiums for certain life insurance policies. As of March 1, 2022, the aggregate amount outstanding under the Credit Agreement, including interest through such date at the default rate, plus costs, fees and expenses (including attorney’s fees and expenses) is \$ [REDACTED].³ Interest at the default rate, costs, fees and expenses (including attorney’s fees and expenses), continue to be accrued.

² The “Centurion Related Entities” subject of the Monitorship are Centurion Funding SPV I, LLC (“CF SPVI”); Centurion ISG Holdings II, LLC (“CISG Holdings II”); Centurion Funding SPV II, LLC (“Borrower” or “CF SPVII”); Centurion ISG (Europe), Ltd., (“CISG Europe”); Centurion ISG Services, LLC (“CISG Services”); and Centurion ISG Finance Group, LLC (“CISG Finance”).

³ As set forth in greater detail below, the Lender asserts it will be owed a prepayment premium in the event the Corporate Monitor is successful in finding a third party to either refinance or otherwise satisfy the obligations owing to the Lender under the Credit Documents and the outstanding aggregate Mandatory Full Redemption Payments (as defined in the PUPA). In such event, Teleios asserts as of March 1, 2022 that it is owed in the aggregate in excess of \$ [REDACTED] under the Credit Documents and Preferred Unit Documents.

6. In connection with the Credit Agreement, the Borrower and the Lender as Secured Party entered into that certain Pledge and Security Agreement, dated as of December 14, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Pledge Agreement”), pursuant to which the Borrower granted a first priority security interest in and liens on all personal property of the Borrower (the “Collateral”).⁴ The Collateral includes, but is not limited to: (a) life insurance policies and all applications, conditional receipts, riders, endorsements, supplements, amendments and all other documents and instruments that modify or otherwise affect the terms and conditions of such policy issued in connection therewith (each a “Policy” and, collectively, the “Policies”); (b) the security entitlements related to the Policies; and (c) with respect to each Policy, collectively, (i) the related purchase and sale agreement, (ii) the related Policy File (as defined in the Credit Agreement), and (iii) all instruments, documents, and agreements of the type executed and/or delivered under or in connection with any of the foregoing (collectively, the “Policy Documents”). The Lender has filed UCC-1 financing statements with the appropriate secretary of state to perfect its interest in the Collateral. For sake of clarity, pursuant to the Pledge Agreement, the Borrower has granted to the Lender a security interest in the accounts created under the Securities Agreement (as defined below) and in the security entitlements with respect to the assets credited thereto for purposes of securing the payment and performance of Borrower’s obligations under the Credit Agreement and the documents executed in connection therewith. The Borrower has also provided each life insurance carrier that issued each Policy with a collateral assignment in favor of the Lender.

⁴ “Collateral” includes, but is not limited to: all accounts, chattel paper, commercial tort claims, deposit accounts, securities accounts, commodity accounts, documents, general intangibles, goods, instruments, investment related property, letter of credit rights, money, fixtures, intellectual property, material agreements, vehicles, all collateral records, collateral support, and supporting obligations relating to any of the foregoing, and all accessories to, substitutions for, and all replacements, products, and proceeds of the foregoing, including proceeds of and unearned premiums with respect to insurance policies, and claims against any person for loss, damage, or destruction of any Collateral.

7. The Borrower and Teleios LS Holdings IV DE, LLC, as holder of the Preferred Units (the “Holder” and, collectively with the Lender, “Teleios”) also entered into that certain Preferred Units Purchase Agreement, dated as of December 14, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “PUPA” and, together with any other agreements, instruments, or documents delivered or executed in connection therewith, collectively, the “Preferred Unit Documents”), pursuant to which the Borrower issued preferred equity interests to the Holder (the “Preferred Units”). In accordance with the Preferred Unit Documents, the Holder funded amounts that were used by Borrower to pay premiums and other expenses. In connection with the PUPA, the Borrower and the Holder as Secured Party entered into that certain Subordinated Pledge and Security Agreement, dated as of December 14, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Subordinated Pledge Agreement”), pursuant to which the Borrower granted a subordinated security interest and lien on the Collateral.

8. As of March 1, 2022, the aggregate value of all outstanding Preferred Units is \$ [REDACTED], which amount includes the outstanding aggregate Mandatory Full Redemption Payments (as defined in the PUPA). Certain events of default have occurred and are continuing under the Preferred Unit Documents. As a result, the outstanding Mandatory Full Redemption Payments is due and payable immediately and the Holder, subject to the contractual subordination to the Lender, is entitled to substantial remedies, including the right to demand a full redemption of the Preferred Units issued under the Preferred Unit Documents.

9. Pursuant to that certain Securities Account Control and Custodian Agreement (the “Securities Agreement”), dated as of December 14, 2018, by and between Borrower as Account Holder, Teleios, and Wells Fargo Bank, N.A., as securities intermediary (the “Securities Intermediary”), among other things, the Borrower established a securities account (the “Securities

Account”), with the Securities Intermediary and engaged the Securities Intermediary to hold legal title to the Policies and maintain custody of the physical Policies and related documents for the benefit of, among others, the Borrower and Teleios.

10. The Securities Account and the contents thereof are “financial assets” within the meaning of Section 8-102(a)(9)(iii) of the UCC. Pursuant to Section 8-102(a)(17) of the UCC, “security entitlement” means the rights and property interest of an entitlement holder with respect to a financial asset. In addition, pursuant to Section 8-102(a)(7) of the UCC, “entitlement holder” means a person identified in the records of a securities intermediary as the person having a security entitlement against the securities intermediary. The Centurion Portfolio is currently held in the Securities Account by the Securities Intermediary as security for Teleios. The Borrower has been identified in the Securities Agreement as the entitlement holder with respect to the securities entitlements related to the Policies held in the Securities Account, subject to the security interest of Teleios.

11. The premium payments required to maintain the Policies in the Centurion Portfolio were approximately \$880,000 per month for the fourth quarter of 2021 and are projected to average \$940,000 per month for 2022.⁵ Premiums are projected to increase by approximately 11% per year for the years 2023 through 2025. During 2020 and 2021, only one policy matured⁶ yielding approximately \$1.2 million in total policy proceeds. In 2022, thus far, two policies have matured that are anticipated to yield approximately \$2.5 million in total policy proceeds which, in accordance with the Credit Documents, will be paid to the Lender and reduce the obligations owing to the Lender.

⁵ The projected premiums could decrease based upon maturities, which would result in less active policies requiring premiums to be paid.

⁶ “Matured” in this context means the person insured by the respective life insurance policy died.

12. Prior to the Corporate Monitor's appointment, in August 2019, certain Events of Default (as defined in the Credit Agreement) occurred and were continuing under the Credit Documents and a Mandatory Full Redemption Event (as defined in the PUPA) occurred and was continuing under the Preferred Unit Documents. Teleios and the Centurion Related Entities entered into a series of amendments to the Credit Documents and amendments to and acknowledgements with respect to PUPA (Amendment Nos. 1 – 17 and Nos. 1-14, respectively), pursuant to which, among other things, Teleios funded the almost \$1 million in premiums each month and other necessary expenses.

13. The Consenting Corporate Defendants and the Corporate Monitor have no ability to fund the continuing premium payments absent a significant infusion of capital. Nor have the Consenting Individual Defendants agreed to provide any funding. Accordingly, to prevent additional defaults under the Credit Documents and redemption events under the Preferred Unit Documents, the Corporate Monitor has entered into additional amendments to the Credit Documents with the Lender (Amendment Nos. 18 – 22)⁷ pursuant to which the Lender agreed to forbear from exercising certain remedies available to it and has funded the almost \$1 million in premiums each month and other necessary expenses and acknowledgments of even date with the Holder pursuant to which, among other things, the Borrower acknowledged the Existing Defaults (as defined therein) and outstanding aggregate Mandatory Full Redemption Payments immediately due and payable. Given the lack of another source of funding for the Corporate Monitorship, the Borrower will need to continue to borrow funds from Teleios in order to maintain the Policies in the Centurion Portfolio. Subject to additional amendments to the Credit Documents and Acknowledgements under the Preferred Unit Documents, the Lender is willing to continue to

⁷ Contemporaneously, Acknowledgements were entered into with respect to the PUPA.

provide such financing to permit the Corporate Monitor to run the process on the terms set forth herein.

d. Proposed Marketing Process

14. Since his appointment, the Corporate Monitor has been working diligently to understand the potential value of the Centurion Portfolio and its related assets (collectively, the “Centurion Assets”) and develop strategies on how to maximize their value for the benefit of the Corporate Monitorship Estate, including Noteholders and other parties in interest. The Corporate Monitor has also unsuccessfully sought funding for the Corporate Monitorship. Accordingly, the potential options currently available to the Corporate Monitor to pursue in an attempt to maximize value primarily include: (a) refinancing the obligations owing to the Lender under the Credit Documents and the Mandatory Full Redemption Payments due to the Holder under the Preferred Unit Documents to provide sufficient liquidity for the premium payments and more time to maximize the value of the Centurion Assets; or (b) a sale of some or all of the Centurion Assets.

15. To assess the value of the Centurion Assets and determine the viability of a refinance or sale, the Corporate Monitor contacted multiple experts in the industry to provide information related to the process to obtain a valuation of the Centurion Assets and the prospect for a refinance or sale. In addition, beginning in October, 2021, the Corporate Monitor contacted potential lenders and purchasers for the Centurion Assets. In that regard, the Corporate Monitor entered into fourteen (14) Non-Disclosure Agreements (the “NDAs”) to explore and exhaust all options to maximize the value of the Centurion Assets. The Corporate Monitor now seeks approval to market the Centurion Assets for refinance or sale over a further forty-five (45) day marketing period from the date of the Order in accordance with the Bidding and Assumption Procedures set forth in **Exhibit “B”** attached hereto (the “Bid Procedures”), which refinance or sale to a third-party (i.e., a party other than Teleios) will result in proceeds to be paid to Teleios in full in cash in the

amount of the Release Price and will be subject to the approval of this Court at a later date (the “Monitor Refi/Sale Process”).

e. Teleios Agreement

16. As set forth above, absent a source of capital and despite efforts to obtain same, the Corporate Monitor has no ability to fund the Monitor Refi/Sale Process (or the Corporate Monitorship) without the support of Teleios. Accordingly, the Corporate Monitor and Teleios have agreed to certain terms and conditions in exchange for (a) the Lender’s commitment to fund certain expenses of the Corporate Monitor during the pendency of the Monitor Refi/Sale Process and (b) an agreement by Teleios to continue to forbear from exercising remedies during the Monitor Refi/Sale Process, in each case on the terms set forth herein. In exchange, Teleios will also receive a release upon entry of the Order as set forth in greater detail below.

17. Importantly, as an initial matter, the Lender asserts it will be owed a prepayment premium in the event the Corporate Monitor is successful in finding a third party to either refinance or otherwise satisfy the obligations owing to the Lender under the Credit Documents and the outstanding aggregate Mandatory Full Redemption Payments (as defined in the PUPA). Under such circumstance, although Teleios asserts as of March 1, 2022 that it is owed in the aggregate in excess of \$ [REDACTED] under the Credit Documents and Preferred Unit Documents, in exchange for the agreement to, and approval of, the relief requested herein, Teleios has agreed to accept a release price of not less than [REDACTED] (the amount owing as of March 1, 2022, subject to the Adjustments (as defined below) described herein, the “Release Price”), in full and final satisfaction of the Borrower’s obligations under the Credit Documents and the Preferred Unit Documents as of March 1, 2022, if paid in full in cash to Teleios on or before the Outside Date (as defined below) (except that any indemnification obligations and any other provisions of the Credit Documents and the Preferred Unit Documents that are stated in the Credit Document and the

Preferred Unit Documents to survive the termination thereof shall so survive the satisfaction of such amounts).

18. The Release Price includes the outstanding principal and interest under the Credit Documents at the default rate and costs, fees, and expenses (including estimated attorneys' fees and expenses) and the Mandatory Full Redemption Payments and interest due and costs, fees, and expenses (including estimated attorneys' fees and expenses) under the Preferred Unit Documents as of March 1, 2022. However, the Release Price does not account for (i) any Policy proceeds that may be paid to the Lender due to a maturity prior to the Outside Date and thus reduce the amount of indebtedness and Release Price (i.e., as described in paragraph 11 above), (ii) any additional funding (to be provided by Lender in its sole discretion), in the case of any delay (e.g., an extension of the Outside Date in accordance with the provisions hereof) which would increase the Release Price, (iii) a closing prior to the Outside Date which would reduce interest and could result in reduced fees (including attorneys' fees and expenses), costs and expenses, (iv) additional maturities prior to the Outside Date which, if paid to the Lender as set forth above, would reduce amounts owing to the Lender at the closing, (v) the impact of the process on the fees (including attorneys' fees and expenses), costs and expenses that may be incurred which could result in an increase or decrease of the Release Price, (vi) any additional interest owing under the Credit Documents at the default rate and costs, fees, and expenses (including estimated attorneys' fees and expenses) which will increase the Release Price, or (vii) any additional interest owing and costs, fees, and expenses (including estimated attorneys' fees and expenses) under the Preferred Unit Documents which will increase the Release Price (collectively, (i) – (vii), the “Adjustments”). Accordingly, the Release Price shall be adjusted by such Adjustments.

19. In order to be a qualified bid under the Bid Procedures, each bid, among other things, must: (a) be submitted in accordance with the Bid Procedures on or prior to 5 weeks from

the date of the entry of the Bid Procedure Order (the “Bid Deadline”)⁸; (b) provide for a closing on or prior to the Outside Date; (c) provide for the Release Price plus a minimum overbid amount equal to the sum of (x) \$250,000 plus (y) one percent (1%) of the Release Price (the “Minimum Overbid”) to be paid in cash on or prior to the Outside Date; and (d) have no contingencies (including financing contingencies) other than receipt of this Court’s approval (a “Qualified Bid”), in each case, unless otherwise agreed to by Teleios in its sole and absolute discretion. If a Qualified Bid is timely received under the Monitor Refi/Sale Process, an Auction (the “Monitor Auction”) will be held no later than within 3 business days of the Bid Deadline and a hearing will be held promptly thereafter subject to the Court’s calendar. If no Qualified Bids are timely received under the Monitor Refi/Sale Process, the Monitor Auction and Court hearing shall be deemed canceled without further action by any party. Any closing with respect to the Monitor Refi/Sale Process shall occur on or before 60 days from the date of the entry of the Bid Procedures Order (the “Outside Date”).

20. In parallel to the Monitor Refi/Sale Process, Teleios will also be permitted to commence a public sale process of the Collateral pursuant to Section 9-610 (the “NYUCC Sale Process”) of the New York Uniform Commercial Code (the “NYUCC”) in order to allow Teleios to foreclose on the Collateral in accordance with the Credit Documents, the Preferred Unit Documents and the NYUCC at the completion of the NYUCC Sale Process (the “NYUCC Sale”), including serving a Notification of Disposition of Collateral and any other documentation necessary to effectuate the NYUCC Sale Process. Teleios will also be permitted to serve a Notice of Default under the Securities Agreement as set forth herein. In connection with the NYUCC

⁸ The Corporate Monitor shall circulate updated Bid Procedures upon entry of the Bid Procedure Order identifying the deadline dates set forth in this paragraph 19.

Sale Process, Teleios agrees to consider any Qualified Bid(s) submitted to MapleLife in connection with the Monitor Refi/Sale Process that the Corporate Monitor requests Teleios consider.

21. If, as part of the Monitor Refi/Sale Process either no bidder submits a Qualified Bid by the Bid Deadline or same is received but the Release Price is not paid in full in cash to Teleios on or prior to the Outside Date, the Corporate Monitor has agreed that Teleios shall be authorized to exercise any remedies available under the Credit Documents, the Preferred Unit Documents and the NYUCC, in each case subject to the contractual subordination provisions, including holding a public sale of the Collateral and delivering an Entitlement Order (as defined below) pursuant to the Securities Agreement and any other documents as may be necessary to effectuate such remedies, in any case, without further order of the Court upon the earlier to occur of the Bid Deadline (in the event no Qualified Bid has been received) or the Outside Date (in the event a Qualified Bid has been received but the Release Price has not been paid in full in cash to Teleios). The Corporate Monitor agrees to execute any documents reasonably necessary to effectuate same. In such event, the Lender, upon the consummation of such foreclosure, has agreed to fund \$325,000.00 (the "Teleios Contribution") to the Corporate Monitor to be used (i) to pay the \$[REDACTED] fee to MapleLife (as defined below)⁹ and (ii) the balance of such Teleios Contribution to be used by the Corporate Monitor in his sole discretion and subject to the approval of this Court.

22. Based upon the facts and circumstances as set forth in the record in this Corporate Monitorship, the Corporate Monitor has determined that, in the exercise of his professional business judgment and consistent with the Appointment Orders, including discussion with his

⁹ As set forth below, in the event that Teleios, the Corporate Monitor and MapleLife agree to a sale of a portion of the Centurion Assets for less than the Release Price as part of the Monitor Refi/Sale Process, up to \$[REDACTED] of any Marketing and Diligence Fee paid to MapleLife in connection with such sale shall be permitted to be credited by Teleios to the Teleios Contribution.

counsel and Financial Advisors, it is in the best interest of the Consenting Corporate Defendants, the creditors, Noteholders, and all constituents to proceed with the processes described herein.

Relief Requested

23. In order for the Corporate Monitor to fulfill his duties as set forth in the Appointment Orders and seek to maximize the value and obtain the highest and best refinance or sale structure, the Corporate Monitor seeks entry of the Order approving: (i) the Marketing Process to refinance the outstanding obligations owing to the Lender under the Credit Documents and the Mandatory Full Redemption Payments owing to the Holder under the Preferred Unit Documents; (ii) the Bid Procedures; (iii) the retention of MapleLife, as Exclusive Life Settlement Portfolio Sales and Marketing Agent; and (iv) the agreement between Teleios and the Corporate Monitor, including authorization for Teleios to exercise remedies on the conditions set forth herein, *inter alia*, (a) to commence the NYUCC Sale Process (b) to serve a Notification of Disposition of Collateral and any other documentation necessary to effectuate the NYUCC Sale Process, (c) to close on the NYUCC Sale, (d) to serve a Notice of Default, (e) to serve an Entitlement Order and (f) to serve any other documents as may be necessary to effectuate such remedies.

a. Bid Procedures

24. Paragraphs 13.F, 13.H. and 13.Z., of the September 14, 2021 Order provide the Corporate Monitor with the ability to request the Court's authority to approve a refinance or sale of the Centurion Assets in situations such as this:

F. To take any action which, prior to the entry of this Order, could have been taken by the officers, directors, member managers, shareholders, employees, affiliates, agents, servants, attorneys, and custodians of the Consenting Corporate Defendants with respect to maintaining the Consenting Corporate Defendants ordinary operations;

...

H. To take control over the Consenting Corporate Defendants' rights, possession, and ownership of all life settlement insurance policies, monies,

funds, cryptocurrencies, property, and other assets owned by, in the possession of, or under the control of, the Consenting Corporate Defendants;

...

Z. To apply to this Court for authority to enter contracts consistent with the authority granted by this Order;

25. After consulting with multiple interested parties, including MapleLife and Teleios, and taking into account the present circumstances of this case, the potential local, regional, national and global interest in the Centurion Assets, and the current market conditions, the Corporate Monitor believes that the Bid Procedures constitute the best manner to obtain a refinancing of the secured debt and preferred units obligations on the lowest and best terms or a sale of the Centurion Assets on the highest and best terms.

26. Following the Monitor Auction, if any, the Corporate Monitor requests that this Court conduct a hearing at which it will consider approval of the refinance or sale of the Centurion Assets to the bidder making the lowest and best offer for a refinancing and the highest and best offer(s) for a sale at the Monitor Auction in accordance with the Bid Procedures, after considering any timely filed objections thereto (the "Refinance or Sale Approval Hearing").

b. Retention of MapleLife

27. After interviewing three (3) potential candidates to run the Monitor Refi/Sale Process and obtaining multiple proposals, the Corporate Monitor seeks to retain MapleLife to serve as exclusive sales and marketing agent for the Monitor Refi/Sale Process.

28. MapleLife is a professional life settlement services firm, with over ten years of experience in analyzing every aspect of life settlement transactions, including a full range of valuation services from mark-to-model all the way to actual current market values. MapleLife specializes in the analysis and management of US life settlements and other life insurance linked assets. MapleLife combines specialist analytical, consulting and industry expertise with unparalleled resources to

improve performance, overcome challenges and maximize value across their life settlement investment life-cycle.

29. Pursuant to the MapleLife Agreement,¹⁰ MapleLife shall provide various services in connection with the Monitor Refi/Sale Process, including a valuation of the Centurion Assets, due diligence of the individual Policies, and marketing of the Centurion Assets for either refinance or sale. First, MapleLife will perform a market net present value calculation on the Centurion Assets using an agreed upon methodology. MapleLife will then conduct a detailed diligence review of each Policy, which includes (i) a review of the documents provided by Centurion; (ii) identifying any key documents that are missing from the Policy File for each Policy; and (iii) identifying Policy Files that contain indications of premium finance or beneficial interest transfers. As part of this review, MapleLife will provide good faith advice as to possible steps that Centurion can take, or can direct MapleLife to take, as part of the Monitor Sale/Refi Process preparation and execution to help maximize the potential Refinance and/or sale price of the Centurion Assets. Additionally, MapleLife will assist in marketing the Centurion Assets for refinance or sale. Such tasks include: (i) preparing an “Auction Plan”; (ii) preparing and distributing marketing materials and securing initial indicative bids for evaluation; (iii) populating, maintaining, and managing access to a virtual data room; (iv) managing communications with bidders and evaluating final bids; and (v) coordinating one or more closings on the sale or refinance of the Centurion Portfolio and assisting in preparing schedules and disclosures related to any final agreement.

30. Upon the closing of a refinance or sale of the Centurion Assets pursuant to the Monitor Refi/Sale Process, whether pursuant to a single transaction or multiple transactions, MapleLife shall

¹⁰ The pertinent terms of the MapleLife Agreement as set forth herein are for summary and notice purposes only, and to the extent any terms are inconsistent with the MapleLife Agreement, the MapleLife Agreement controls, subject to the Court’s approval. Some of the pertinent terms of the MapleLife Agreement have been redacted at the request of MapleLife. To the extent necessary, the Corporate Monitor agrees to file the redacted portions of this Motion along with the MapleLife Agreement under seal for review by the Court, with a copy (in unredacted form) to Teleios.

be paid by the Corporate Monitor [REDACTED] of the purchase price of the policies sold or [REDACTED] of the funding of a Refinance Transaction or such lower amount as it may agree in its sole discretion, as applicable (the “Marketing and Diligence Fee”).

31. In addition to the Marketing and Diligence Fee, upon the closing of a refinance or sale of the Centurion Assets pursuant to the Monitor Refi/Sale Process, MapleLife shall be reimbursed from any cash in excess of the Release Price for all out-of-pocket fees, expenses, and costs associated with the performance of any services contemplated hereunder (the “Expense Reimbursement”); provided, however, that MapleLife shall first have obtained the written consent of the Corporate Monitor prior to incurring such expenses.

32. Notwithstanding anything herein or in the MapleLife Agreement, if Teleios obtains the Centurion Assets either pursuant to the NYUCC Sale Process, the Entitlement Order or otherwise outside the Monitor Refi/Sale Process, MapleLife shall be entitled to a fee of \$ [REDACTED] which shall be paid by the Corporate Monitor from the Teleios Contribution.¹¹

33. The Corporate Monitor submits that the retention of MapleLife on the terms and conditions set forth herein is appropriate and is in the best interest of the Corporate Monitorship under the facts and circumstances of this case.

c. Agreement Between Teleios and the Corporate Monitor

34. Under the Credit Documents and the Preferred Unit Documents, Teleios is entitled to, among other things, exercise remedies upon an event of default, including the right to recover the full amounts owed under the Credit Agreement and the Preferred Unit Documents, including

¹¹ For clarity sake, in such event, MapleLife shall not be entitled to any Marketing and Diligence Fee or Expense Reimbursement unless otherwise agreed by the Corporate Monitor in its sole discretion to be paid from the Teleios Contribution or other available cash in excess of the Release Price; provided, however, in the event that Teleios, the Corporate Monitor and MapleLife permit a sale of a portion of the Centurion Assets for less than the Release Price as part of the Monitor Refi/Sale Process, up to [REDACTED] of any Marketing and Diligence Fee paid to MapleLife in connection with such sale shall be permitted to be credited by Teleios to the Teleios Contribution.

interest at the default rate, costs, fees and expenses (including attorneys' fees and expenses) and the Mandatory Full Redemption.

35. Further, and in accordance with the Securities Agreement, upon notice of an event of default, Teleios may cause the Centurion Portfolio and the proceeds thereof on deposit in and credited to the Securities Account to be withdrawn and transferred to a securities account held by Teleios after delivering an Entitlement Order (as defined in the Securities Agreement) to the Securities Intermediary, without the authorization, acknowledgment, or consent of any of the Centurion Related Entities. Finally, the Lender asserts that under the Credit Documents, it is entitled to a prepayment premium in the event that the Corporate Monitor is successful in either refinancing or otherwise satisfying the amounts owing to the Lender under the Credit Documents.

36. Teleios has cooperated with the Borrower and the Corporate Monitor and has extended millions of dollars in additional funding to date for, among other things, the payment of policy premiums as they became due and other related and necessary expenses associated with the Centurion Portfolio. Without the support of Teleios, the Centurion Related Entities have no means to make the premium payments or otherwise preserve the value of the Centurion Assets. Moreover, without an agreement with Teleios, the Corporate Monitor will have no funding to run the Monitor Refi/Sale Process and for other expenses of the Corporate Monitor, to the detriment of all parties in interest.

37. In order to permit the Corporate Monitor to run the Monitor Refi/Sale Process and to provide critical funding to the Corporate Monitor in the event the Monitor Refi/Sale Process is unsuccessful, the Corporate Monitor has reached agreement with Teleios on the following terms, subject to approval by this Court:

- a. The Corporate Monitor admits, stipulates, acknowledges, and agrees that:
 - i. the principal amount owed to the Lender under the Credit Documents as of March 1, 2022 is not less than \$ [REDACTED];

- ii. the liens and security interests granted to the Lender in accordance with the Credit Documents are valid, binding, perfected, and enforceable first-priority liens on and security interests in the Collateral, including the Centurion Assets, and senior to all other purported liens and/or pledges;
 - iii. as of March 1, 2022, the aggregate value of all outstanding Preferred Units is \$ [REDACTED], which amount includes the outstanding aggregate Mandatory Full Redemption Payments due and payable immediately;
 - iv. the liens and security interests granted to the Holder in accordance with the Preferred Unit Documents are valid, binding, perfected, and enforceable liens on and security interests in the Collateral, including the Centurion Assets, subordinated only to the Lender's first-priority liens on and security interests in the Collateral, and senior to all other purported liens and/or pledges; and
 - v. Teleios shall be permitted to credit bid (the "Credit Bid") at the Monitor Auction or the NYUCC Sale (if there are third-party bidders in excess of the Release Price), up to an amount equal to the Release Price.
- b. Notwithstanding any order of this Court, including the Appointment Orders, the Lender shall be authorized to commence and consummate a public sale of the Collateral pursuant to Section 9-610 of the NYUCC (i.e., the NYUCC Sale Process and an NYUCC Sale), including serving a Notification of Disposition of Collateral and any other documentation necessary to effectuate the NYUCC Sale Process.
 - c. If (i) no Qualified Bid is received on or prior to the Bid Deadline or (ii) the Release Price is not satisfied in full in cash on or prior to the Outside Date, Teleios shall, notwithstanding any order of this Court, including the Appointment Orders, be authorized, without further order of the Court, to: (A) serve a Notice of Event of Default in accordance with Credit Documents, Preferred Unit Documents and Securities Agreement; (B) exercise any and all rights and remedies under the Credit Documents and Securities Agreement and serve, deliver, or execute any documents in connection therewith, including delivering an Entitlement Order to the Securities Intermediary and any other documents as may be necessary to effectuate such remedies and causing the assets on deposit in and credited to the Securities Account to be transferred to a securities account held by Teleios in accordance with the Securities Agreement; and (C) foreclose on the Collateral pursuant to the NYUCC Sale, in each case, free and clear of all liens, claims and encumbrances. Notwithstanding anything herein to the contrary, Teleios may, in its sole and absolute discretion, reduce the Release Price or agree to extend the Outside Date.
 - d. If (i) no Qualified Bid is received on or prior to the Bid Deadline or (ii) the Release Price is not satisfied in cash on prior to the Outside Date, upon Teleios delivering an Entitlement Order and any other documents as may be necessary to effectuate such remedies, foreclosing on the Collateral pursuant to the NYUCC Sale and Teleios receiving written confirmation from the Securities Intermediary that all Policies have been transferred to a Teleios securities account and the securities intermediary acting as custodian and securities intermediary of Teleios holding legal title to the Policies

and has custody of the physical Policies and related documents for the benefit of Teleios, the Lender shall fund within five (5) business days the Teleios Contribution to the Corporate Monitor to be used to pay the \$ [REDACTED] fee to MapleLife and otherwise used by the Corporate Monitor in its sole discretion subject to the approval of this Court.

- e. If a Qualified Bid is received on or prior to the Bid Deadline, the Lender shall adjourn the NYUCC Sale until no later than the Outside Date. If the Release Price is satisfied in full in cash on or before the Outside Date, the Lender shall cancel the NYUCC Sale Process unless the successful bidder elects to purchase the Centurion Assets pursuant to both the Court approved sale process and the NYUCC Sale Process.
- f. Upon entry of the Order approving this motion, in exchange for the valuable consideration provided by Teleios, Teleios and its affiliates, agents, attorneys, advisors, professionals, officers, director, and employees shall receive from the Borrower and Corporate Monitor a release and waiver of any claims, objections, challenges, counterclaims, causes of action, defenses, setoff rights, obligations, right to subordinate, or any other liabilities against Teleios or any of its respective affiliates, agents, attorneys, advisors, professionals, officers, directors, and employees.
- g. Upon receipt by Teleios of either the Release Price, or such other amount as Teleios agrees, and/or upon the consummation of the NYUCC Sale, any and all amounts due and owing or any and all financial obligations related to the Indebtedness (as defined in the Credit Documents) due under the Credit Documents shall be deemed fully satisfied (except that any indemnification obligations and any other provisions of the Credit Documents and the Preferred Unit Documents that are stated in the Credit Documents and the Preferred Unit Documents to survive the termination thereof shall so survive the satisfaction of such amounts).

38. At this time, the Corporate Monitor has no ability to fund the proposed Monitor Refi/Sale Process or the Corporate Monitorship and has received no other alternative forms of funding or financing on any terms, much less on terms better than those offered by Teleios. Accordingly, the Corporate Monitor has determined that, in an exercise of his business judgment and in consultation with his counsel and Financial Advisors, it is in the best interest of the Consenting Corporate Defendants and all parties in interest that he proceed with the Monitor Refi/Sale Process and that Teleios be permitted to commence the NYUCC Sale Process and exercise remedies, in each case as set forth herein.

39. The Plaintiff, the Florida Office of Financial Regulation, has reviewed this Motion, the Bid Procedures and the proposed Order, and advised that it defers to the Corporate Monitor's

business judgment as to the relief requested and does not oppose this Motion, the Bid Procedures and the proposed Order. Counsel for Marshal Seeman, a Consenting Individual Defendant, has advised that his client opposes the Motion. The Corporate Monitor has made changes in an unsuccessful effort to resolve such Consenting Individual Defendant's concerns. Accordingly, given the Consent Order and the rights of such Consenting Individual Defendant as a result of agreeing to such Order, the Corporate Monitor respectfully submits that such objection lacks standing, is moot and should be overruled.

WHEREFORE, Daniel J. Stermer, as Corporate Monitor, respectfully requests entry of the proposed Order attached as **Exhibit "C"** granting the relief requested herein and such other and additional relief as the Court deems just and proper.

Dated: April 6, 2022

Respectfully submitted,

BERGER SINGERMAN LLP
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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that on April 6, 2022, the foregoing was filed using the Florida Court's E-Filing Portal, which served a copy of the foregoing electronically upon all electronic service parties. I further certify that a true and correct copy of the foregoing was served by electronic transmission and first class, U.S. Mail upon all parties on the attached Service List.

By: /s/ Brian G. Rich
Brian G. Rich

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EXHIBIT "A"

CENTURION PORTFOLIO

LIFE|EQUITY
PORTFOLIO DATA
 Centurian Funding SPV II, LLC

Sub Fund	Funder ID	Policy Status	Policy Number*	Policy Date	Insurance Company Name	Face Amount	Loan Balance	Current NDB
Centurian Funding SPV I, LLC	T00003	Active - In Force		1/10/2014	JOHN HANCOCK LIFE NS CO (USA)	1,000,000.00		1,000,000.00
Centurian Funding SPV I, LLC	T00004	Active - In Force		10/16/2007	EQUITABLE FINANCIAL LIFE INSURANCE COMPANY	1,800,000.00		1,800,000.00
Centurian Funding SPV I, LLC	T00005	Active - In Force		12/28/2008	PACIFIC LIFE NS CO	1,500,000.00		1,500,000.00
Centurian Funding SPV I, LLC	T00009	Active - In Force		4/17/2009	LINCOLN NATL LIFE NS CO	1,000,000.00		1,000,000.00
Centurian Funding SPV I, LLC	T00010	Active - In Force		7/18/1995	NASSAU LIFE INSURANCE COMPANY	3,200,000.00		3,200,000.00
Centurian Funding SPV I, LLC	T00012	Active - In Force		12/28/2008	PACIFIC LIFE NS CO	2,000,000.00		2,000,000.00
Centurian Funding SPV I, LLC	T00013	Active - In Force		1/10/2014	JOHN HANCOCK LIFE NS CO (USA)	3,000,000.00		3,000,000.00
Centurian Funding SPV I, LLC	T00014	Active - In Force		1/10/2014	JOHN HANCOCK LIFE NS CO (USA)	500,000.00		500,000.00
Centurian Funding SPV I, LLC	T00015	Active - In Force		1/10/2014	JOHN HANCOCK LIFE NS CO (USA)	800,000.00		800,000.00
Centurian Funding SPV I, LLC	T00016	Active - In Force		1/10/2014	JOHN HANCOCK LIFE NS CO (USA)	800,000.00		800,000.00
Centurian Funding SPV I, LLC	T00017	Active - In Force		1/10/2014	JOHN HANCOCK LIFE NS CO (USA)	1,800,000.00		1,800,000.00
Centurian Funding SPV I, LLC	T00018	Active - In Force		2/19/2007	NEW YORK LIFE NS & ANN CORP	3,308,000.00		3,308,000.00
Centurian Funding SPV I, LLC	T00021	Active - In Force		2/19/2007	NEW YORK LIFE NS & ANN CORP	3,308,000.00		3,308,000.00
Centurian Funding SPV I, LLC	T00021	Active - In Force		10/16/2011	RELIASTAR LIFE NS CO	5,000,000.00		5,000,000.00
Centurian Funding SPV I, LLC	T00022	Active - In Force		8/16/2007	PRINCIPAL LIFE NS CO	5,000,000.00		5,000,000.00
Centurian Funding SPV I, LLC	T00023	Active - In Force		2/20/2009	SECURITY LIFE OF DENVER NS CO	2,000,000.00		2,000,000.00
Centurian Funding SPV I, LLC	T00024	Death Claim Pending		1/29/2000	TALCOTT RESOLUTION LIFE AND ANNUITY INSURANCE COMPANY	500,000.00		500,000.00
Centurian Funding SPV I, LLC	T00025	Active - In Force		12/26/2004	BrightSource Life Insurance Company	15,000,000.00		15,000,000.00
Centurian Funding SPV I, LLC	T00026	Active - In Force		7/31/2008	PHILADELPHIA VARIABLE LIFE NS CO	10,000,000.00		10,000,000.00
Centurian Funding SPV I, LLC	T00027	Active - In Force		6/27/2009	LINCOLN NATL LIFE NS CO	10,000,000.00		10,000,000.00
Centurian Funding SPV I, LLC	T00028	Active - In Force		4/8/1999	TRANSAMERICA LIFE NS CO	750,000.00		750,000.00
Centurian Funding SPV I, LLC	T00030	Active - In Force		6/7/2008	RELIASTAR LIFE NS CO	3,500,000.00		3,500,000.00
Centurian Funding SPV I, LLC	T00031	Active - In Force		7/10/2007	LINCOLN NATL LIFE NS CO	1,900,000.00		1,900,000.00
Centurian Funding SPV I, LLC	T00032	Active - In Force		1/31/1984	NASSAU LIFE INSURANCE COMPANY	3,000,000.00		3,000,000.00
Centurian Funding SPV I, LLC	T00033	Active - In Force		2/21/1989	WEST COAST LIFE NS CO	3,000,000.00	366,514.00	2,633,486.00
Centurian Funding SPV I, LLC	T00034	Active - In Force		6/30/2008	LINCOLN BENEFIT LIFE NS CO	1,000,000.00		1,000,000.00
Centurian Funding SPV I, LLC	T00036	Active - In Force		8/24/2008	PACIFIC LIFE NS CO	4,000,000.00		4,000,000.00
Centurian Funding SPV I, LLC	T00037	Active - In Force		1/26/2008	COLUMBUS LIFE NS CO	800,000.00		800,000.00
Centurian Funding SPV I, LLC	T00038	Active - In Force		7/3/2007	NEW YORK LIFE NS & ANN CORP	25,000,000.00	408,977.00	24,591,023.00
Centurian Funding SPV I, LLC	T00040	Active - In Force		6/4/2000	TRANSAMERICA LIFE NS CO	2,000,000.00		2,000,000.00
Centurian Funding SPV I, LLC	T00040	Active - In Force		4/27/2009	LINCOLN NATL LIFE NS CO	10,000,000.00		10,000,000.00
Centurian Funding SPV I, LLC	T00042	Active - In Force		2/10/2010	LINCOLN NATL LIFE NS CO	5,000,000.00		5,000,000.00
Centurian Funding SPV I, LLC	T00045	Active - In Force		2/22/2008	BrightSource Life Insurance Company	5,000,000.00		5,000,000.00
Centurian Funding SPV I, LLC	T00046	Active - In Force		1/10/2014	JOHN HANCOCK LIFE NS CO (USA)	10,000,000.00		10,000,000.00
Centurian Funding SPV I, LLC	T00046	Active - In Force		4/16/2008	LINCOLN NATL LIFE NS CO	10,000,000.00		10,000,000.00
Centurian Funding SPV I, LLC	T00047	Active - In Force		5/16/2008	LINCOLN NATL LIFE NS CO	2,500,000.00		2,500,000.00
Centurian Funding SPV I, LLC	T00048	Active - In Force		5/19/2010	PACIFIC LIFE NS CO	5,000,000.00		5,000,000.00
Centurian Funding SPV I, LLC	T00049	Active - In Force		1/18/2010	SECURITY LIFE OF DENVER NS CO	750,000.00		750,000.00
Centurian Funding SPV I, LLC	T00049	Active - In Force		12/10/2008	LINCOLN NATL LIFE NS CO	3,000,000.00		3,000,000.00
Centurian Funding SPV I, LLC	T00053	Active - In Force		6/18/2007	NASSAU LIFE INSURANCE COMPANY	3,000,000.00		3,000,000.00
Centurian Funding SPV I, LLC	T00054	Active - In Force		2/10/2006	AMERICAN GEN LIFE NS CO	600,000.00		600,000.00
Centurian Funding SPV I, LLC	T00055	Active - In Force		2/10/2011	PACIFIC LIFE NS CO	1,500,000.00		1,500,000.00
Centurian Funding SPV I, LLC	T00055	Active - In Force		6/25/2008	SECURITY LIFE OF DENVER NS CO	2,750,000.00		2,750,000.00
Centurian Funding SPV I, LLC	T00057	Active - In Force		10/17/2007	COLUMBUS LIFE NS CO	500,000.00		500,000.00
Centurian Funding SPV I, LLC	T00058	Active - In Force		6/7/2009	LINCOLN NATL LIFE NS CO	400,000.00		400,000.00
Centurian Funding SPV I, LLC	T00060	Active - In Force		2/21/1988	LINCOLN NATL LIFE NS CO	400,000.00		400,000.00
Centurian Funding SPV I, LLC	T00061	Active - In Force		7/27/2010	SECURITY LIFE OF DENVER NS CO	10,000,000.00		10,000,000.00
Centurian Funding SPV I, LLC	T00062	Active - In Force		7/27/2010	SECURITY LIFE OF DENVER NS CO	10,000,000.00		10,000,000.00
Centurian Funding SPV I, LLC	T00063	Active - In Force		7/27/2010	SECURITY LIFE OF DENVER NS CO	10,000,000.00		10,000,000.00
Centurian Funding SPV I, LLC	T00066	Active - In Force		11/6/2013	JOHN HANCOCK LIFE NS CO (USA)	1,000,000.00		1,000,000.00
Centurian Funding SPV I, LLC	T00067	Death Claim Pending		12/9/2010	PACIFIC LIFE NS CO	2,000,000.00		2,000,000.00
Centurian Funding SPV I, LLC	T00069	Active - In Force		8/17/2007	NASSAU LIFE INSURANCE COMPANY	3,000,000.00		3,000,000.00
Centurian Funding SPV I, LLC	T00071	Active - In Force		8/15/2009	AMERITAS LIFE NS CORP	1,500,000.00		1,500,000.00
Centurian Funding SPV I, LLC	T00072	Active - In Force		5/22/2007	PACIFIC LIFE NS CO	1,000,000.00		1,000,000.00
Centurian Funding SPV I, LLC	T00074	Active - In Force		10/17/2007	COLUMBUS LIFE NS CO	1,000,000.00		1,000,000.00
Centurian Funding SPV I, LLC	T00075	Active - In Force		7/26/2011	PACIFIC LIFE NS CO	2,500,000.00		2,500,000.00
Centurian Funding SPV I, LLC	T00076	Active - In Force		1/10/2011	RELIASTAR LIFE NS CO	1,000,000.00		1,000,000.00
Centurian Funding SPV I, LLC	T00076	Active - In Force		3/23/2010	LINCOLN NATL LIFE NS CO	5,000,000.00		5,000,000.00
Centurian Funding SPV I, LLC	T00078	Active - In Force		6/25/2011	AMERITAS LIFE NS CORP	5,000,000.00		5,000,000.00
Centurian Funding SPV I, LLC	T00080	Active - In Force		6/25/2011	AMERITAS LIFE NS CORP	5,000,000.00		5,000,000.00
Centurian Funding SPV I, LLC	T00081	Active - In Force		12/26/2008	LINCOLN NATL LIFE NS CO	2,000,000.00		2,000,000.00
Centurian Funding SPV I, LLC	T00084	Active - In Force		2/19/2010	LINCOLN NATL LIFE NS CO	10,000,000.00		10,000,000.00

*Policy Numbers to be disclosed after execution of NDA.

EXHIBIT “B”

BIDDING PROCEDURES

By motion dated April __, 2022 (the “**Motion**”), Daniel J. Stermer, as Court-appointed Corporate Monitor (the “**Corporate Monitor**”) for the property, assets, and business of the thirty-two (32) corporate entities pursuant to the *Agreed Order Granting Plaintiff’s Consent Motion for Appointment of Corporate Monitor and Related Injunctive Relief*, dated September 14, 2021, and the *Agreed Order Granting Corporate Monitor, Daniel J. Stermer’s Unopposed Motion to Expand Corporate Monitorship Estate*, dated January 6, 2022, respectfully sought, among other things, approval of certain competitive bidding procedures by which the Corporate Monitor will seek proposals for a transaction or transactions that alone or in combination will allow the Corporate Monitor to maximize the value of its assets (the “**Monitor Refi/Sale Transaction**”). On _____ 2022, the Circuit Court for the Fifteenth Judicial Circuit in and for Palm Beach County, Florida, Case No. 50-2021-CA-008718-XXXX-MB (the “**Court**”) entered its order (the “**Bid Procedures Order**”), which, among other things, authorized and directed the Corporate Monitor to market its assets to one or more persons that may be interested in refinancing or acquiring the Centurion Portfolio, comprised of sixty-one (61) life insurance policies as further described on Exhibit “A” of the Motion (each a “**Policy**” and, collectively, the “**Policies**”) and all other personal property of Centurion Funding SPV II, including any and all other instruments, documents, and agreements executed and or delivered under or in connection with the Policies (collectively, the “**Centurion Assets**”), all under the procedures described below (the “**Bidding Procedures**”).

Important Dates¹

In connection with the solicitation of proposals for refinance or sale of the Centurion Assets, the Corporate Monitor, with the assistance of Maple Life Analytics, LLC, the exclusive sales and marketing agent for the Monitor Refi/Sale Process retained by the Corporate Monitor pursuant to Court order (“MapleLife”), shall:

Assist Potential Bidders (as defined herein) in concluding their respective due diligence investigations, and accept initial indications of interest in connection with the potential refinance or acquisition of some of or all of the Centurion Assets no later than **5:00 p.m.** (prevailing Eastern Time) on _____ (the “**Initial Indication of Interest Deadline**”);

Negotiate first with Potential Bidders and then with Qualified Bidders (as defined herein) in consultation with Teleios LS Holdings V DE, LLC, as secured lender (the “**Lender**”) and Teleios LS Holdings IV DE, LLC, as holder of the Preferred Units (the “**Holder**” and, collectively with the Lender, “**Teleios**”), in preparation for an auction (the “**Auction**”) to be held _____, commencing at **10:00 a.m.** (prevailing Eastern Time) as described herein;

¹ A proposed timeline of events is attached hereto as Exhibit 1.

Deadline for a Potential Bidder to deliver a Bid pursuant to the Bidding Procedures requirements: _____ at 5:00 pm ET (5 weeks from the date of the entry of the Bid Procedure Order

Select the Successful Bidder(s) (as defined herein), after consultation with Teleios, at the conclusion of the Auction (if an Auction occurs), and seek authority to refinance or sell the Centurion Assets, in whole or in part, to such Successful Bidder(s) at a hearing (the “**Refinance or Sale Hearing**”) to be held by the Court on _____, at _____ (a.m./p.m.) (prevailing Eastern Time); and

Close and consummate the Monitor Refi/Sale Transaction with the Successful Bidder(s) in accordance with the APA or Refinance Agreement and Sale Order (each as defined below), unless the Corporate Monitor, in the exercise of his reasonable professional business judgment, including consultation with his Counsel and Financial Advisors, and with the consent of Teleios, in its sole discretion, agrees to a later date.

Marketing Process and Access to Diligence Materials

Contact Parties.

The Corporate Monitor, in consultation with his Counsel, Financial Advisors, MapleLife and Teleios, has developed a set of competitive bidding and sale procedures set forth below that are designed to maximize the value of the Centurion Assets. In addition to the parties who have already contacted the Corporate Monitor with an interest in entering into a Monitor Refi/Sale Transaction with the Corporate Monitor in regard to the Centurion Assets, the Corporate Monitor, through his professionals, is compiling a list of potential third parties who the Corporate Monitor believes may have an interest in acquiring or refinancing the Centurion Assets (each a “**Potential Bidder**”). The Corporate Monitor, with assistance from MapleLife, has established a virtual data room (“**VDR**”) populated with due diligence information regarding the Centurion Assets. The Corporate Monitor, with MapleLife’s assistance, will make the VDR available (i) to those Potential Bidders who sign and return a Non-Disclosure and Confidentiality Agreement (“**NDA**”) and (ii) to Teleios. The form of such NDA shall have been approved by the Corporate Monitor, shall be reasonably acceptable to Teleios, and shall otherwise comply with these Bidding Procedures.

Following the entry of the Bidding Procedures Order, the Corporate Monitor, through his professionals, advisors and agents, including MapleLife, will continue to market the Centurion Assets, continue to identify potentially interested parties for the Centurion Assets, continue to contact and engage Potential Bidders to explore their interest in pursuing a Monitor Refi/Sale Transaction and will continue to discuss and may supplement its list of Potential Bidders throughout the marketing process, as he deems appropriate. Potential Bidders may include parties whom the Corporate Monitor or his advisors have previously contacted regarding a potential transaction, regardless of whether such parties expressed any interest, at such time, in pursuing a Monitor Refi/Sale Transaction.

Access to Diligence Materials and Initial Indications of Interest.

To participate in the bidding process and to receive access to due diligence information, such due diligence information being determined by the Corporate Monitor in his discretion (the “**Diligence Materials**”), a Potential Bidder must deliver to Mapl life an executed NDA which

includes a statement demonstrating to the Corporate Monitor's satisfaction a bona fide interest in refinancing or purchasing all or some of the Centurion Assets and describing the Potential Bidder's proposed transaction(s).

No later than the Initial Indication of Interest Deadline (**5:00 p.m. on _____**), each Potential Bidder shall submit an initial indication of interest in connection with the potential refinance or acquisition of some or all of the Centurion Assets, which shall include (i) an indication of which Centurion Assets the Potential Bidder is interested in refinancing or purchasing; (ii) an indication of value or applicable refinance rate or proposed price that the Potential Bidder is considering for its bid; and (iii) sufficient written evidence, which the Corporate Monitor establishes in consultation with Teleios, that the Potential Bidder has the financial ability to consummate the refinance or purchase of the Centurion Assets, should such Potential Bidder submit the highest and best bid for the refinance or sale of the Centurion Assets. The Corporate Monitor shall promptly provide all initial indications of interest to Teleios; provided that Teleios must treat such initial indications of interest as confidential and shall not publicly disclose such information without the written consent of the Corporate Monitor and the applicable Potential Bidder.

A Potential Bidder who qualifies for access to Diligence Materials, as determined by the Corporate Monitor, may proceed to conduct due diligence for a Monitor Refi/Sale Transaction. All due diligence requests must be directed to MapleLife. Diligence Materials may be provided through access to the VDR, which may be maintained by a third-party provider. All due diligence will end on the Bid Deadline (as defined below). Other than MapleLife, no party, including the Corporate Monitor and any of its other representatives, will have any obligation to furnish any information relating to the Centurion Assets to any party. Neither the Corporate Monitor nor the advisors make any representations or warranties as to the Diligence Materials or otherwise, except to the extent as may be set forth in a definitive agreement between the Corporate Monitor and the Successful Bidder relating to a Monitor Refi/Sale Transaction.

All Potential Bidders and Qualified Bidders are prohibited from communicating with any of the Consenting Corporate Defendants' principals, employees, managers, members, officers, landlords, vendors, suppliers, agents, lenders or any other Potential Bidder or Qualified Bidder with respect to any Bid or a Monitor Refi/Sale Transaction absent the prior written consent of the Corporate Monitor; provided that if such consent is given, a representative of the Corporate Monitor and/or MapleLife shall, at the request of the Corporate Monitor, be present for or a party to any such communications.

Bid Requirements

Delivery of Bids.

No later than **5:00 p.m. (prevailing Eastern Time)** on _____ (the "**Bid Deadline**"), each Potential Bidder interested in maintaining its participation in the bidding process and making a proposal or offer to refinance Teleios' indebtedness or purchase some or all of the Centurion Assets (each a "**Bid**") must deliver copies of the Bid and supporting materials described herein to: (i) Daniel J. Stermer, as Corporate Monitor (DStermer@DSIConsulting.com); (ii) Berger Singerman LLP, c/o Brian Rich, Esq. (email: brich@bergersingerman.com; and (iii) MapleLife c/o Nathan Evans and Mirna Hammoud (Nevans@maplelf.com and

mhammoud@maplelifeanalytics.com) (collectively, the “**Notice Parties**”). The Corporate Monitor shall promptly provide each Bid to Teleios; provided that Teleios must treat each Bid as confidential and shall not publicly disclose such information without the written consent of the Corporate Monitor and the applicable Potential Bidder.

Form and Content of Bid.

A Bid shall consist of a signed letter from a Qualified Bidder stating that:

- a. The Qualified Bidder offers to refinance Teleios’ entire indebtedness and preferred units interests or purchase all or some of the Centurion Assets, in each case, with a commitment to close on or before [___], 2022 (the “**Outside Date**”); and
- b. The Qualified Bidder’s offer is irrevocable until two (2) business days after the closing of the sale or refinancing of the applicable Centurion Assets, if the Qualified Bidder becomes a Successful Bidder or a Back-Up Bidder.

No Bid shall be contingent on obtaining financing or any internal approvals, or on the outcome or review of due diligence.

Required Supporting Materials.

A Qualified Bidder’s Bid for the Monitor Refi/Sale Transaction shall be accompanied (or preceded) by the following:

- a. If the Qualified Bidder proposes a purchase of the Centurion Assets, a signed “clean” version of an asset purchase agreement, substantially in the form proposed by the Corporate Monitor (the “**APA**”),² together with a marked version to reflect any proposed changes to the APA from the form proposed by the Corporate Monitor and detailing all of the terms and conditions of the proposed Monitor Refi/Sale Transaction; provided that all APAs must contain (i) provisions allowing the Corporate Monitor reasonable access to any books and records purchased by the purchaser for the purpose of administering the Corporate Monitorship; (ii) the purchaser’s acknowledgement and representation that the purchaser (A) is purchasing the Centurion Assets on an “as is, where is” basis, (B) has had an opportunity to conduct any and all due diligence regarding the Centurion Assets, (C) has relied solely upon its own independent review, investigation, and/or inspection of all documents and Centurion Assets, and (D) did not rely on any written or oral statements, representations or warranties whatsoever, regarding the assets, except as specifically set forth in the APA; (iii) a requirement that consummation of the sale occur on or before the Outside Date, (iv) that the APA provides for the posting of the full amount of the purchase price in escrow, with a third party financial institution reasonably agreeable to Teleios (the “**Third Party Financial**

² The Corporate Monitor will make available a copy of the APA form in the VDR for submission by a Potential Bidder.

Institution”), upon the entry of the Refinance/Sale Order (as defined below), and (v) a waiver of any requirement that the Refinance/Sale Order be final and non-appealable. Consummation of the Monitor Refi/Sale Transaction shall not be contingent on the purchaser obtaining financing or any internal approvals, or on the outcome or review of due diligence. If the Corporate Monitor selects a Stalking Horse Bidder (as defined below) prior to the Bid Deadline, then other Qualified Bidders must submit a signed “clean” version of the APA comprising the Stalking Horse Bid, together with a marked version to reflect any changes to the Stalking Horse Bid; provided that any such APA submitted by a Qualified Bidder other than the Stalking Horse Bidder may not contain representations and warranties, covenants, termination rights, financing, or due diligence contingencies other than as are included in the Stalking Horse Bid (it being agreed and understood that such Bid shall modify the Stalking Horse Bid as needed to comply in all respects with the Bid Procedures Order (including removing any termination rights in conflict with the Bid Procedures Order) and will remove provisions that apply only to the Stalking Horse Bidder); or

If the Qualified Bidder proposes a refinance of the Teleios Credit Documents and the PUPA, an executed credit agreement detailing all of the terms and conditions of the Monitor Refi/Sale Transaction and complying with all relevant terms listed in subsection (a) above (the “**Refinance Agreement**”); and

- b. Such other documents or information that may be reasonably required by the Corporate Monitor, with the consent of Teleios, to demonstrate a Qualified Bidder’s ability to consummate the transaction(s) that are the subject of its bid(s).

As is/Where is.

The Centurion Assets will be refinanced or sold in its “as is”, “where is” condition and with all faults, with no guarantees or warranties, express or implied. Upon the closing of a Monitor Refi/Sale Transaction, the Centurion Assets will be refinanced or sold free and clear of any and all liens, claims, encumbrances and interests with all such liens, claims, encumbrances and interests to attach to the proceeds of the sale.

Qualified Bid.

A Bid received from a Potential Bidder that meets the requirements set forth above in the Bid Requirements Section (as determined by the Corporate Monitor after consultation with MapleLife and with Teleios) is considered a “**Qualified Bid**” and the Potential Bidder making a Qualified Bid is considered a “**Qualified Bidder.**” The Corporate Monitor reserves the right, subject to the Teleios Consent Rights (defined below), to waive noncompliance with any one or more of such requirements and to deem an otherwise not qualified Bid to be a Qualified Bid. The Corporate Monitor will advise all Qualified Bidders of any such waiver at the Auction.

Notwithstanding anything to the contrary herein, the Corporate Monitor shall not change, alter, modify, or amend without the consent of Teleios (i) the requirement for an APA consistent with these Bid Procedures, (ii) that a Qualified Bid provide for consummation of the refinancing or sale on or before the Outside Date, (iii) the requirement that a Qualified Bid not be contingent on obtaining financing or any internal approvals, or on the outcome or review of due diligence, (iv) any dates or deadlines set forth herein, including the dates of the Auction or the Refinance/Sale Hearing, (v) the requirement that a Qualified Bid include sufficient evidence or information of financial ability to consummate the transaction on or prior to the Outside Date, (vi) the requirement that a Qualified Bid satisfy the Cash Consideration Amount (collectively, (i)–(vi), the “**Teleios Consent Rights**”).

Stalking Horse Bidder, Break Up Fee and Expense Reimbursement

Prior to or after the submission of Bids, the Corporate Monitor, after consultation and with the consent of Teleios, may enter into an agreement (“**Stalking Horse Bid**”), subject to higher and better offers at the Auction (as defined below), providing for a breakup fee (the “**Breakup Fee**”) and/or reimbursement of documented out-of-pocket expenses incurred in connection with the negotiation of the Stalking Horse Agreement (the “**Expense Reimbursement**”), in each case in amounts to be negotiated by the Corporate Monitor in consultation with MapleLife, and subject to the approval of, Teleios and the approval of the Court.

Conduct and Termination of Bidding Process

The Corporate Monitor may, in his reasonable discretion (after consultation with MapleLife and Teleios, and subject to the Teleios Consent Rights): (a) determine whether any Potential Bidder satisfies the requirements specified above to become a Qualified Bidder; (b) coordinate the efforts of Potential Bidders in conducting their respective due diligence investigations regarding the Centurion Assets; (c) determine whether to remove any of the Centurion Assets from the refinance/sale process under these Bidding Procedures; (d) evaluate Bids from Potential Bidders and determine whether any such Bid is a Qualified Bid; (e) negotiate any Bid made to refinance or purchase some or all of the Centurion Assets, and negotiate any related Monitor Refi/Sale Transaction issues; (f) reject any Bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of these Bidding Procedures or (iii) contrary to the best interests of the Corporate Monitorship and its estate; (g) waive any terms and conditions set forth in the APA or Refinance Agreement with respect to all Potential Bidders; (h) impose additional terms and conditions with respect to all Potential Bidders; (i) extend the deadlines set forth herein; (j) continue or cancel the Auction and/or Refinance/Sale Hearing in open court without further notice; and (k) make such other determinations as are provided in these Bidding Procedures.

Auction Participation – Qualified Participants and Baseline Bid

Only a Qualified Bidder that has submitted a Qualified Bid is eligible to participate in the Auction. If the Corporate Monitor receives one or more Qualified Bids, and there is no Stalking Horse Bid, then on or before _____ at **5:00 p.m. (prevailing Eastern Time)**, the Corporate Monitor will select, in its reasonable discretion (after consultation with Teleios), the highest or otherwise best Qualified Bid for a sale of the Centurion Assets or the best Qualified Bid for a refinance of the Centurion Assets (the “**Baseline Bid**”) to serve as the starting point for the

Auction on the basis set forth below. The Corporate Monitor and his Counsel shall preside over and conduct the Auction, in consultation with Teleios. Each Qualified Bidder participating in the Auction must confirm (and by its attendance shall be deemed to have confirmed) that (i) it has not engaged in any collusion with respect to the bidding, sale, or refinancing of the Centurion Assets, (ii) it has complied and will continue to comply with the Bidding Procedures, including, but not limited to, refraining from, after the conclusion of the Auction, either submitting a Bid or seeking to reopen the Auction, and (iii) it waives any substantial contribution claim related to bidding for the Centurion Assets. At the Corporate Monitor's request, each Qualified Bidder shall disclose the direct and indirect legal and beneficial owners of the Qualified Bidder.

The Auction

Time and Place.

If one or more Qualified Bids are received by the Bid Deadline, the Auction will be conducted no later than **10:00 a.m. (prevailing Eastern Time) on _____**, by video conference (Zoom) in virtual meeting room(s), or at such other time and place on such date as the Corporate Monitor shall determine and notify the Qualified Bidders and counsel for Teleios. If the Corporate Monitor receives only one Qualified Bid, or Qualified Bids for non-overlapping Centurion Assets, or no Qualified Bids by the Bid Deadline, the Corporate Monitor may file a notice cancelling the Auction.

If no Qualified Bids are received by the Bid Deadline or the Release Price is not paid in full in cash to Teleios on or prior to the Outside Date, Teleios shall have the right to exercise remedies, including foreclosing on its collateral pursuant to a public sale under Section 9-610 of the New York Uniform Commercial Code, in each case, in accordance with the Bid Procedures Order.

Competitive Bidding.

At the Auction, Qualified Bidders will be permitted to increase or improve their Qualified Bids and will be permitted to bid based only upon the terms of the Baseline Bid or the Stalking Horse Bid, as applicable (except to the extent otherwise authorized by the Corporate Monitor, in consultation with Teleios).

Evaluation of Qualified Bids.

For the purpose of determining the Baseline Bid and whether a Qualified Bid submitted at the Auction is higher or otherwise better for the refinancing of the Centurion Assets or is higher or otherwise better for the sale of the Centurion Assets, the Qualified Bid(s) will be valued based upon factors such as: (a) the purported amount of the Qualified Bid; (b) the fair value to be provided to the Corporate Monitor under the Qualified Bid; (c) the ability to consummate any Monitor Refi/Sale Transaction; (d) the type and nature of any requested changes to the Refinance Agreement or the APA; (e) if there are multiple bids for non-overlapping Centurion Assets, whether the aggregate of such bids meet or exceed the Release Price; and (e) any other factors that the Corporate Monitor may reasonably deem relevant. Upon the submission of any Qualified Bid at the Auction, the Corporate Monitor shall announce to all participants whether the bid

submitted is higher or otherwise better for the sale of the Centurion Asset(s) or otherwise better for the refinancing of the Centurion Assets than the previously submitted Qualified Bid.

Each Bid for the refinance or sale of the Centurion Assets must individually, or together with other Bids for non-overlapping assets, provide cash consideration sufficient to satisfy the payment of not less than \$ [REDACTED] (the amount owing to Teleios as of March 1, 2022), subject to the Adjustments (as defined below) (the “**Release Price**”), plus a minimum aggregate overbid amount equal to at least the sum of (x) \$250,000 plus (y) one percent (1%) of the Release Price to be paid in full in cash (the “**Overbid Amount**” and together with the Release Price, the “**Minimum Cash Consideration Amount**”), prior to the Outside Date. The Release Price is subject to change on account of the following: (i) any Policy proceeds that may be paid to the Lender due to a maturity prior to the Outside Date and thus reduce the amount of indebtedness and Release Price; (ii) any additional funding (to be provided by Lender in its sole discretion), in the case of any delay which would increase the Release Price; (iii) a closing prior to the Outside Date which would reduce interest and could result in reduced fees (including attorneys’ fees and expenses), costs and expenses; (iv) additional maturities prior to the Outside Date which, if paid to the Lender as set forth above, would reduce amounts owing to the Lender at the closing; (v) the impact of the process on the fees (including attorneys’ fees and expenses), costs and expenses that may be incurred which could result in an increase or decrease of the Release Price; (vi) any additional interest owing under the Credit Documents at the default rate and costs, fees, and expenses (including estimated attorneys’ fees and expenses) which will increase the Release Price; or (vii) any additional interest owing and costs, fees, and expenses (including estimated attorneys’ fees and expenses) under the Preferred Unit Documents which will increase the Release Price (collectively, (i)-(vii), the “**Adjustments**”).

For a sale of the Centurion Assets, unless there is a Stalking Horse Bid, the bidding will start at the purchase price and terms proposed in the Baseline Bid, and continue in increments of at least \$100,000.00 in cash or cash equivalents (or such other increment announced by the Corporate Monitor prior to the start of or during the Auction); provided, however, that if there is a Stalking Horse Bid that includes an Expense Reimbursement and/or Breakup Fee, the initial overbid must exceed the approved Expense Reimbursement and Breakup Fee by at least \$100,000.00. Overbids for a sale of the Centurion Assets shall not include non-cash consideration until (i) a minimum amount of cash has been bid to satisfy the Minimum Cash Consideration Amount and (ii) there are no further overbids in the form of cash or reduction to cure costs payable by the Corporate Monitor, but thereafter may include non-cash consideration valued by the Corporate Monitor at not less than \$100,000.00. Any overbid shall remain open and binding on the Qualified Bidder until and unless the Corporate Monitor accepts a higher overbid.

For a refinancing of the Centurion Assets, the bidding will start at the terms proposed in the Baseline Bid and continue until there are no overbids with better rates or terms.

Adoption of Auction Rules.

The Corporate Monitor may adopt rules for the bidding process at the Auction that, in its discretion (in consultation with MapleLife and Teleios), will best promote the goals of the bidding process and are not inconsistent with any of the provisions of the Bidding Procedures described herein. Nothing herein will prevent the Corporate Monitor from having separate negotiations with bidders during the Auction provided that the announcement of any bids actually made will be made

in one room, on an open basis. The Auction shall be transcribed by a court reporter retained by the Corporate Monitor.

Designation of Successful Bidder.

At the conclusion of the Auction, the Corporate Monitor, in consultation with MapleLife and Teleios, will (a) review each Qualified Bid made at the Auction on the basis of financial and contractual terms and such factors relevant to the refinance/sale process, including those factors affecting the speed and certainty of consummating the proposed refinance/sale; (b) in his discretion, either identify the highest and best bid for the sale of the Centurion Assets or the best bid for refinancing the Centurion Assets at the Auction (the “**Successful Bid**”); and (c) notify all Qualified Bidders participating in the Auction if they have made a Successful Bid (the “**Successful Bidder**”).

Backup Bidder.

Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted, the party with the next highest Qualified Bid after the Bid made by the Successful Bidder or otherwise next best Qualified Bid at the Auction, as determined by the Corporate Monitor, in the exercise of his reasonable business judgment and in consultation with Teleios, may be designated as a backup bidder (the “**Backup Bidder**”). If they agree to the designation, the Backup Bidder shall be required to keep open and irrevocable its final Bid (the “**Backup Bid**”) until two (2) business days after the closing of a transaction with the successful Bidder or with the Backup Bidder. Following the Refinance/Sale Approval Hearing, if the Successful Bidder fails to consummate an approved Monitor Refi/Sale Transaction, because of a breach or failure to perform on the part of such Successful Bidder, the Corporate Monitor may designate the Backup Bidder(s) to be the new Successful Bidder, and the Corporate Monitor will be authorized, but not required, to consummate the Transaction with the Backup Bidder(s), without further order of the Court. Within two (2) business days from designation, the Backup Bidder(s) shall be obligated to place in escrow with the Third Party Financial Institution the full amount of the purchase price as set forth in the APA(s).

Notice of Successful Bid.

Promptly after the conclusion of the Auction, the Corporate Monitor will file a notice on the Court’s docket identifying the existence of the Successful Bidder and any applicable Backup Bidder(s).

Presentation of Successful Bids to the Court.

At the Refinance/Sale Hearing, the Corporate Monitor will present each Successful Bid (and may in its discretion present one or more Backup Bids) to the Court for approval.

Consent to Jurisdiction.

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Court and waived any right to a jury trial in connection with any disputes relating to these Bidding Procedures, the Refinance Agreement, the APA, the Auction or the construction and enforcement of any documents delivered in connection with a Bid.

Acceptance of Qualified Bids

The Corporate Monitor presently intends to refinance or sell the Centurion Assets to the Qualified Bidder(s) that submit(s) the best Qualified Bid(s) in accordance with these Bid Procedures. The Corporate Monitor's presentation to the Court for approval of any Successful Bid does not constitute the Corporate Monitor's acceptance of such Qualified Bid. The Corporate Monitor will be deemed to have accepted a Qualified Bid only when it has been approved by the Court at the Refinance/Sale Hearing. If the Successful Bidder does not close the approved refinance or sale(s), then (in addition to any Backup Bid previously approved by the Court), the Corporate Monitor will have the right to present any other Qualified Bid, whether made prior to or at the Auction, to the Court for approval.

Return of Funds Held in Escrow

Any funds held in escrow by the Third-Party Financial Institution pursuant to an APA for a Qualified Backup Bidder(s) shall be returned to any Backup Bidder(s) within two (2) business days after the closing of a transaction(s) with a Successful Bidder(s) that is not such Qualified Backup Bidder.

Reservation of Rights

The Corporate Monitor reserves the right to make changes in these Bidding Procedures to promote the realization of the highest and best offers for the refinance or purchase of some or all of the Centurion Assets as he may determine to be in the best interest of this case or to withdraw the Motion at any time, with or without prejudice, in each case subject to the Teleios Consent Rights. The Corporate Monitor reserves the right, in the exercise of his reasonable professional business judgment, in consultation with his Counsel and Financial Advisors, and with the consent of Teleios, to make one or more continuances of the Auction to, among other things: facilitate discussions between the Corporate Monitor and individual Qualified Bidders; allow individual Qualified Bidders to consider how they wish to proceed; and give Qualified Bidders the opportunity to provide the Corporate Monitor with such additional evidence as the Corporate Monitor in his reasonable professional business judgment may require, that the Qualified Bidder has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed Transaction(s) at the prevailing overbid amounts or refinance rate and terms.

The Refinance/Sale Hearing

The Refinance/Sale Hearing shall be held before this Court on _____ **(prevailing Eastern Time)** at the _____, or at such other date, time or method as directed by the Court. The Refinance/Sale Hearing may be adjourned from time to time by the Corporate Monitor, in the exercise of his reasonable professional business judgment, and with the consent of Teleios, to a later date, subject to the availability of the Court. For those parties-in-interest that do not wish to attend the Refinance/Sale Hearing in person, the Refinance/Sale Hearing will also be conducted by video conference using the services of Zoom Video Communications, Inc.

Objections, if any, to the relief requested in the Motion in respect of the refinance or sale of the Centurion Assets, the determination of which Qualified Bid is the Successful Bid or any other aspect of the Auction must (i) be in writing, (ii) be filed with the Circuit Court on or before **12:00 noon (prevailing Eastern time) on _____** (the “**Sale Objection Deadline**”), and (iv) served upon the Notice Parties. Any responses to such objections may be filed no later than seven (7) days prior to the Refinance/Sale Hearing.

Objections, if any to the Auction or the designation of the Successful Bidder(s) and/or Backup Bidder(s) shall be filed no later than one (1) day prior to the Refinance/Sale Hearing.

If any Successful Bidder is selected by the Corporate Monitor, the Corporate Monitor will seek the entry of an order from the Court at the Refinance/Sale Hearing approving and authorizing the proposed sale to the Successful Bidder(s) on the terms and conditions of the Successful Bid (a “**Sale Order**”).

Miscellaneous

Teleios shall be permitted to credit bid up to the amount equal to the Release Price (the “**Credit Bid**”) at the Auction and to interact with MapleLife (including receiving copies of materials prepared by MapleLife) in preparing its Credit Bid. Notwithstanding anything to the contrary contained in the Bidding Procedures, Teleios shall be deemed a Qualified Bidder and Teleios shall not be required to provide any Good Faith Deposit if Teleios submits a Credit Bid.

EXHIBIT 1

PROPOSED TIME-LINE OF EVENTS

Deadline for Initial Indication of Interest by Potential Bidders: _____ at 5:00 pm ET (2 weeks from the date of the entry of the Bid Procedure Order)

Deadline for a Potential Bidder to deliver a Bid pursuant to the Bidding Procedures requirements: _____ at 5:00 pm ET (5 weeks from the date of the entry of the Bid Procedure Order)

Deadline for selection of highest or otherwise best Qualified Bid if more than one Qualified Bid received and no Stalking Horse Bid: _____ at 5:00 pm ET (within 2 business days after the Bid Deadline)

Auction date and time if one or more Qualified Bids are received by the Bid Deadline: _____ at 10:00 am ET (within 3 business days of the Bid Deadline)

If a Backup Bidder is designated, deadline for the Backup Bidder to place the purchase price in escrow: _____ (2 business days after said designation)

Deadline for filing an objection to the relief requested in the Motion ("Objection(s)") _____ at 12:00 noon ET (14 days before Refinance/Sale Hearing)

Deadline for filing responses to Objection(s): _____ at 12:00 noon ET (7 days before Refinance/Sale Hearing)

Deadline for filing objections to the Auction/Successful Bidder/Backup Bidder: _____ (1 day prior to Refinance/Sale Hearing Date).

Refinance/Sale Hearing date and time to approve Successful Bid: _____ at _____ am/pm ET.

Outside Date: _____, 2022 (60 days from the date of the entry of the Bid Procedure Order).

EXHIBIT "C"

**IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA
CIVIL DIVISION**

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION,

Plaintiff,

v.

CASE NO.: 50-2021-CA-008718-XXXX-MB

NATIONAL SENIOR INSURANCE, INC.
D/B/A SEEMAN HOLTZ,
MARSHAL SEEMAN,
CENTURION INSURANCE SERVICES GROUP, LLC,
BRIAN J. SCHWARTZ,
EMERALD ASSETS 2018, LLC,
INTEGRITY ASSETS 2016, LLC,
INTERGRITY ASSETS, LLC,
PARA LONGEVITY 2014-5, LLC,
PARA LONGEVITY 2015-3, LLC,
PARA LONGEVITY 2015-5, LLC,
PARA LONGEVITY 2016-3, LLC,
PARA LONGEVITY 2016-5, LLC,
PARA LONGEVITY 2018-3, LLC,
PARA LONGEVITY 2018-5, LLC,
PARA LONGEVITY 2019-3, LLC,
PARA LONGEVITY 2019-5, LLC,
PARA LONGEVITY 2019-6, LLC,
PARA LONGEVITY VI, LLC,
SH GLOBAL, LLC N/K/A PARA LONGEVITY V, LLC,
ALTRAI GLOBAL, LLC A/K/A ALTRAI HOLDINGS, LLC,
VALENTINO GLOBAL HOLDINGS, LLC,
AMERITONIAN ENTERPRISES, LLC,
SEEMAN-HOLTZ CONSULTING CORP.,
CENTURION ISG Holdings, LLC,
CENTURION ISG Holdings II, LLC,
CENTURION ISG (Europe) Limited,
CENTURION ISG SERVICES, LLC,
CENTURION ISG FINANCE GROUP, LLC,
CENTURION FUNDING SPV I LLC,
CENTURION FUNDING SPV II LLC,
GRACE HOLDINGS FINANCIAL, LLC,
PRIME SHORT TERM CREDIT INC.,

Defendants.

THE ESTATE OF ERIC CHARLES HOLTZ,
SEEMAN HOLTZ PROPERTY AND CASUALTY, LLC
F/K/A SEEMAN HOLTZ PROPERTY AND CASUALTY, INC.,
SHPC HOLDINGS I, LLC,

Relief Defendants.

ORDER GRANTING CORPORATE MONITOR, DANIEL J. STERMER'S MOTION FOR ENTRY OF AN ORDER APPROVING (I) A MARKETING PROCESS TO REFINANCE EXISTING SECURED DEBT OBLIGATION OR SELL ASSETS, (II) BID PROCEDURES, (III) THE RETENTION OF MAPLELIFE ANALYTICS, LLC AND (IV) THE AGREEMENT WITH TELEIOS, INCLUDING AUTHORIZING TELEIOS (A) TO COMMENCE A PUBLIC FORECLOSURE PROCESS, AND (B) TO EXERCISE CERTAIN REMEDIES

THIS CAUSE came before the Court for hearing on _____, 2022, in West Palm Beach, Florida upon the *Corporate Monitor, Daniel J. Stermer's Motion for Entry of an Order Approving (I) a Marketing Process to Refinance Existing Secured Debt Obligation or Sell Assets, (II) Bid Procedures, (III) the Retention of Maplelife Analytics, LLC and (IV) the Agreement with Teleios, Including Authorizing Teleios (A) to Commence a Public Foreclosure Process, and (B) to Exercise Certain Remedies* (the "Motion")¹ filed by the Court-appointed Corporate Monitor Daniel J. Stermer (the "Corporate Monitor"). The Motion seeks, *inter alia*, entry of an order (this "Bidding Procedures Order") approving: (i) a marketing process to refinance existing secured debt obligations or to sell the Centurion Assets; (ii) Bid Procedures for such process; (iii) the retention of Maple Life Analytics, LLC as Exclusive Life Settlement Portfolio Sales and Marketing Agent (in such capacity, "MapleLife"); and (iv) an agreement between Teleios and the Corporate Monitor

¹ Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Motion or the Bidding Procedures, as applicable.

in connection with such process (the “Teleios Agreement”), including authorizing Teleios (x) to commence a public foreclosure process, and (y) to exercise remedies to the extent necessary to implement and effectuate the terms and the agreements between the parties. The Court having reviewed the Motion and heard argument of counsel, and found and concluded that (i) the relief requested in the Motion is in the best interests of the Corporate Monitorship, the Consenting Corporate Defendants, their estates, creditors, and other parties in interest, (ii) the Corporate Monitor provided appropriate notice of the Motion and the Hearing thereon under the circumstances and that no further notice was or is required, and (iii) the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefore,

THE COURT HEREBY FINDS AND CONCLUDES THAT:²

1. The legal and factual bases set forth in the Motion establish just cause for the relief granted herein. Entry of this Bidding Procedures Order is in the best interests of the Corporate Monitorship, the Consenting Corporate Defendants, their estates, creditors, and other parties in interest and is a proper exercise of the Corporate Monitor’s professional business judgment under the facts and circumstances in this matter.

2. As reflected in the affidavit of service filed on _____, 2022, the Motion and the notice of the Hearing was served on all parties and counsel of record, posted on the Corporate Monitor’s website and served on the Notice Parties. Such notice is adequate and sufficient in light of the circumstances and nature of the relief requested in the Motion and

² The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

complied with all applicable legal requirements. A reasonable and fair opportunity to object to the Motion and the relief granted in this Bidding Procedures Order has been afforded under the circumstances. Accordingly, no other or further notice of the Motion or the Hearing was or is necessary or required.

3. The Corporate Monitor has demonstrated a compelling and sound business justification, and has properly exercised his professional business judgment,³ for the Court to grant the relief requested in the Motion, including, without limitation: (i) approval of a marketing process to refinance existing secured debt obligations or sell the Centurion Assets; (ii) approval of the Bid Procedures; (iii) approval of the retention of MapleLife; and (iv) approval of the Teleios Agreement in connection with such process, including authorizing Teleios to (x) commence a public foreclosure process and (y) exercise remedies to the extent necessary to implement and effectuate the terms and the agreements set forth in the Motion and herein. Such compelling and sound business justification, and exercise of the Corporate Monitor's professional business judgment, which was set forth in the Motion and on the record at the Hearing, are incorporated herein by reference and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

4. The Corporate Monitor's marketing process has been reasonably calculated to maximize value for the benefit of all creditors and parties-in-interest in this matter.

5. The Bidding Procedures, in the form attached hereto as **Schedule "A"** and incorporated herein by reference as if fully set forth in this Bidding Procedures Order, are fair, reasonable, and appropriate and represent the best method for maximizing the value of the

³ The Court's findings regarding the proper exercise of the Corporate Monitor's professional business judgment is both a Finding of Fact and a Conclusion of Law.

Corporate Monitorship for the benefit of its creditors and parties-in-interest in this matter.

6. The retention of MapleLife as Exclusive Life Settlement Portfolio Sales and Marketing Agent is appropriate under the facts and circumstances of this Corporate Monitorship. The MapleLife Agreement (as defined below) was negotiated at arm's length, by sophisticated parties represented by separate counsel, in a non-collusive manner and pursuant to, in an exercise of, and consistent with the Corporate Monitor's professional business judgment.

7. The Consenting Corporate Defendants, through the Corporate Monitor, have articulated good, sufficient, and sound business justifications and compelling circumstances for the Teleios Agreement. The Teleios Agreement was negotiated by the parties at arm's-length and in good faith, funds the Monitor Refi/Sale Process and allows the Corporate Monitorship time to run a process to solicit the highest or otherwise best bid for the Centurion Assets in accordance with the Bidding Procedures in order to preserve and realize their optimal value and provides a definitive amount of liquidity for the Corporate Monitorship.

8. The Auction and Sale Notice, substantially in the form attached hereto as **Schedule "B"** (the "Auction and Sale Notice"), is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the refinance and/or sale of the Centurion Assets, including, without limitation: (a) the date, time, and place of the Monitor Auction (if one is held); (b) the Bidding Procedures; (c) the deadline for filing objections to the Monitor Refi/Sale Transaction and entry of the Refinance/Sale Order, and the date, time, and place of the Refinance/Sale Hearing; (d) reasonably specific identification of the assets to be refinanced and/or sold; (e) a description of the parallel sale processes being run; and (f) a description of the NYUCC Sale and NYUCC Sale Process, if any, as being a valid and effective transfer of the Collateral which will vest Teleios with all right, title, and interest of Centurion Funding SPV II, LLC (the

“Borrower”) in, to, and under the Collateral free and clear of liens, claims, encumbrances, and other interests, and no other or further notice of the Bidding Procedures, Monitor Auction, or other information contained in the Auction and Sale Notice shall be required.

9. The Corporate Monitor, on behalf of Corporate Monitorship and the Consenting Corporate Defendants, admits, stipulates, acknowledges, and agrees that:

- i. On December 14, 2018, the Borrower, entered into that certain Credit Agreement with Teleios LS Holdings V DE, LLC, as lender (the “Lender”) (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement” and, together with any other agreements, instruments, pledge agreements, security agreements, control agreements related thereto and other ancillary agreements related thereto, collectively, the “Credit Documents”), pursuant to which the Lender agreed to make a loan facility available to the Borrower in order to service and pay premiums for certain life insurance policies;
- ii. As of March 1, 2022, the Loan Parties (as defined in the Credit Agreement) were indebted and liable, without defense, counterclaim, or offset of any kind to the Lender under the Credit Documents in an amount of not less than \$ [REDACTED] plus all other accrued and accruing unpaid Obligations (as defined in the Credit Agreement) thereunder, including, collectively, all loans, advances, debts, liabilities, principal, interest (including interest which continues to accrue at the default rate), fees, charges, costs, expenses (including legal fees and expenses), and obligations for the performance of covenants, tasks, or duties or for the payment of monetary amounts owing to the Lender by the Loan Parties, of any kind or nature, whether or not evidenced by any note, agreement, or other instrument. Under the Credit Documents, the Lender is entitled to a prepayment premium in the event that the Corporate Monitor is successful in either refinancing or otherwise satisfying the amounts owing to the Lender under the Credit Documents;
- iii. In connection with the Credit Agreement, the Borrower and the Lender as Secured Party entered into that certain Pledge and Security Agreement, dated as of December 14, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Pledge Agreement”), pursuant to which the Borrower granted to Lender a first priority security interest in and liens on all personal property of the Borrower (the “Collateral”);
- iv. The Collateral includes, but is not limited to: (a) life insurance policies and all applications, conditional receipts, riders, endorsements, supplements, amendments and all other documents and instruments that modify or

otherwise affect the terms and conditions of such policy issued in connection therewith (each a “Policy” and, collectively, the “Policies”); (b) the security entitlements related to the Policies; and (c) with respect to each Policy, collectively, (i) the related purchase and sale agreement, (ii) the related Policy File (as defined in the Credit Agreement), and (iii) all instruments, documents, and agreements of the type executed and or delivered under or in connection with any of the foregoing (collectively, the “Policy Documents”);

- v. The Lender has filed UCC-1 financing statements with the appropriate secretary of state to perfect its interest in the Collateral;
- vi. The Borrower has also provided each life insurance carrier that issued each Policy with a collateral assignment in favor of the Lender;
- vii. The liens and security interests granted to the Lender in accordance with the Credit Documents are valid, duly authorized, non-voidable, binding, perfected, and enforceable first-priority liens on and security interests in the Collateral, including the Centurion Assets and the Policy Documents and senior to all other purported liens and/or pledges;
- viii. The Borrower and Teleios LS Holdings IV DE, LLC, as holder of the Preferred Units (the “Holder” and, collectively with the Lender, “Teleios”) also entered into that certain Preferred Units Purchase Agreement, dated as of December 14, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “PUPA” and, together with any other agreements, instruments, or documents delivered or executed in connection therewith, collectively, the “Preferred Unit Documents”), pursuant to which the Borrower issued preferred equity interests to the Holder (the “Preferred Units”). In accordance with the Preferred Unit Documents, the Holder funded amounts that were used by Borrower to pay premiums and other expenses. In connection with the PUPA, the Borrower and the Holder as Secured Party entered into that certain Subordinated Pledge and Security Agreement, dated as of December 14, 2018 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Subordinated Pledge Agreement”), pursuant to which the Borrower granted to Holder a subordinated security interest and lien on the Collateral;
- ix. As of March 1, 2022, the aggregate value of all outstanding Preferred Units was \$ [REDACTED], which amount includes the outstanding aggregate Mandatory Full Redemption Payments (as defined in the PUPA). Certain events of default have occurred and are continuing under the Preferred Unit Documents. As a result, the outstanding Mandatory Full Redemption Payments are due and payable immediately and the Holder, subject to the contractual subordination to the Lender, is entitled to substantial remedies,

including the right to demand a full redemption of the Preferred Units issued under the Preferred Unit Documents;

- x. The liens and security interests granted to the Holder in accordance with the Preferred Unit Documents are valid, duly authorized, non-voidable, binding, perfected, and enforceable liens on and security interests in the Collateral, including the Centurion Assets and Policy Documents, subordinated only to the Lender's first-priority liens on and security interests in the Collateral and senior to all other purported liens and/or pledges;
- xi. Pursuant to that certain Securities Account Control and Custodian Agreement (the "Securities Agreement"), dated as of December 14, 2018, by and between Borrower as Account Holder, Teleios, and Wells Fargo Bank, N.A., as securities intermediary (the "Securities Intermediary"), among other things, the Borrower established a securities account (the "Securities Account"), with the Securities Intermediary and engaged the Securities Intermediary to hold legal title to the Policies and have custody of the physical Policies and related documents for the benefit of, among others, the Borrower and Teleios;
- xii. The Securities Account and the contents thereof are "financial assets" within the meaning of Section 8-102(a)(9)(iii) of the UCC. Pursuant to Section 8-102(a)(17) of the UCC, "security entitlement" means the rights and property interest of an entitlement holder with respect to a financial asset. In addition, pursuant to Section 8-102(a)(7) of the UCC "entitlement holder" means a person identified in the records of a securities intermediary as the person having a security entitlement against the securities intermediary. The Centurion Portfolio is currently held in the Securities Account by the Securities Intermediary as security for Teleios. The Borrower has been identified in the Securities Agreement as the entitlement holder with respect to the securities entitlements related to the Policies held in the Securities Account, subject to the security interest of Teleios;
- xiii. All Credit Documents and Preferred Unit Documents constitute legal, valid, and binding obligations of each of the Loan Parties and are valid and enforceable by Teleios in accordance with their respective priorities against each of the Loan Parties with respect to their respective authorities. No offset, defenses, or counterclaims to the Credit Documents and Preferred Unit Documents exist. No portion of the Credit Documents and Preferred Unit Documents are subject to avoidance, disallowance, reduction or subordination under applicable law. Teleios has valid, duly-authorized, perfected, enforceable, non-voidable, and binding security interests in, and liens on, all of the Collateral in accordance with their respective priorities;
- xiv. The Corporate Monitorship, the Loan Parties and their estates have no valid claims or causes of action against Teleios with respect to the Credit Documents or Preferred Unit Documents whether arising at law, in contract,

or at equity, including any recharacterization, subordination, avoidance or other claims under applicable law; and

- xv. Liability under the Credit Documents and Preferred Unit Documents, for which the Borrower, without defense, counterclaim, or offset of any kind, is truly and justly indebted to Teleios, is not less than the amounts set forth in paragraph 9 of this Bidding Procedures Order, including, in each case, interest (including in the case of the Credit Documents interest at the default rate) through such date, plus certain costs, fees and expenses (including attorney's fees and expenses) now or hereafter due under the Credit Documents and Preferred Unit Documents.

10. The premium payments required to maintain the Policies in the Centurion Portfolio were approximately \$880,000 per month for the fourth quarter of 2021 and are projected to average \$940,000 per month for 2022. Premiums are projected to increase by approximately 11% per year for the years 2023 through 2025. During 2020 and 2021, only one policy matured yielding approximately \$1.2 million in total policy proceeds. In 2022, thus far, two policies have matured that are anticipated to yield approximately \$2.5 million in total policy proceeds which, in accordance with the Credit Documents, will be paid to the Lender and reduce the obligations owing to the Lender.

11. Prior to the Corporate Monitor's appointment, in August 2019, certain Events of Default (as defined in the Credit Agreement) occurred and were continuing under the Credit Documents and a Mandatory Full Redemption Event (as defined in the PUPA) occurred and was continuing under the Preferred Unit Documents. Teleios and the Centurion Related Entities⁴ entered into a series of amendments to the Credit Documents and amendments to and acknowledgements with respect to PUPA (Amendment Nos. 1 – 17 and Nos. 1-14, respectively), pursuant to which, among other things Teleios funded the almost \$1 million in premiums each

⁴ The "Centurion Related Entities" subject of the Monitorship are: Centurion Funding SPV I, LLC; Centurion ISG Holdings II, LLC; Centurion Funding SPV II, LLC; Centurion ISG (Europe), Ltd.; Centurion ISG Services, LLC; and Centurion ISG Finance Group, LLC.

month and other necessary expenses.

12. The Consenting Corporate Defendants and the Corporate Monitor have no ability to fund the continuing premium payments absent a significant infusion of capital. Accordingly, to prevent additional defaults under the Credit Documents and redemption events under the Preferred Unit Documents, the Corporate Monitor has entered into additional amendments to the Credit Documents with the Lender (Amendment Nos. 18 – 22) pursuant to which the Lender agreed to forbear from exercising certain remedies available to it and has funded the almost \$1 million in premiums each month and other necessary expenses and acknowledgments with the Holder pursuant to which, among other things, the Borrower acknowledged the Existing Defaults (as defined therein) and outstanding aggregate Mandatory Full Redemption Payments immediately due and payable.

13. The Corporate Monitor and Consenting Corporate Defendants have a critical need to obtain funding to, among other things, pay for: (i) the monthly premium payments; (ii) costs, and expenses of administration of the Corporate Monitorship; and (iii) the Monitor Refi/Sale Process. The Corporate Monitorship and the Consenting Corporate Defendants do not have sufficient available sources of capital or access to other financing to operate their businesses or maintain their properties in the ordinary course of business without funding by Teleios.

14. The only viable source of credit available to the Corporate Monitorship and the Consenting Corporate Defendants is the funding provided by Teleios. The Corporate Monitorship and the Consenting Corporate Defendants require such funding to satisfy their liquidity needs and to maintain the value of the Centurion Portfolio.

15. Teleios has indicated a willingness to provide the Corporate Monitorship and the Consenting Corporate Defendants with such funding, but solely on the terms and conditions set

forth herein, including the terms and conditions of the Teleios Agreement. Accordingly, after considering all of their practical alternatives, the Corporate Monitor has concluded, in an exercise of his professional business judgment, including consultation with his Counsel and Financial Advisor, that the financing to be provided by Teleios represents the best financing currently available to the Corporate Monitorship, and is in the best interests of the Consenting Corporate Defendants, their estates, and their stakeholders.

16. The record before the Court establishes that the Corporate Monitor's prior actions in connection with the marketing process, as it relates to the Centurion Assets, were appropriate and reasonably calculated to lead to the highest and best offer for the Monitor Refi/Sale Process, a process to which Teleios consents subject to the provisions contained in this Bidding Procedures Order.

17. Based on the foregoing, and upon the record made before this Court at the Hearing, and good and sufficient cause appearing therefor,

IT IS THEREFORE ORDERED AND ADJUDGED that:

18. The Motion is **GRANTED** as provided herein.

19. All objections to the relief requested in the Motion that have not been withdrawn, waived, or settled as announced at the Hearing or by stipulation filed with the Court, are hereby **OVERRULED**.

20. The stipulations contained in paragraph 9 of this Bidding Procedures Order are and shall be **BINDING** on the Corporate Monitor, the Corporate Monitorship, the Consenting Corporate Defendants and their estates, any subsequent monitor, responsible person, examiner with expanded powers, receiver, any other estate representative, trustee (including any Chapter 11 or Chapter 7 trustee) and all of their successors-in-interest and assigns.

I. THE BIDDING PROCEDURES:

21. The Bidding Procedures attached hereto as **Schedule “A”** are **APPROVED** in their entirety.

22. The Corporate Monitor is authorized and directed to (x) proceed with the Monitor Refi/Sale Process in accordance with the Bidding Procedures and (y) take any and all actions reasonably necessary or appropriate to implement the Bidding Procedures, in accordance therewith and the timeline set forth therein. The failure to specifically include or reference a particular provision of the Bidding Procedures in this Bidding Procedures Order shall not diminish or impair the effectiveness of such provision as any such provision(s) is incorporated herein in its entirety.

23. The following dates and deadlines regarding the Monitor Refi/Sale Process are hereby **APPROVED**, subject to the right of the Corporate Monitor and Teleios Consent Rights to modify the following dates pursuant to this Bidding Procedures Order.

Event	Date	Description
Initial Indication of Interest Deadline	no later than 5:00 p.m. (prevailing Eastern Time) on _____	Deadline to provide the Corporate Monitor with Potential Bidder’s initial indication of interest in connection with the potential refinance or acquisition of some or all of the Centurion Assets.
Bid Deadline	no later than 5:00 p.m. (prevailing Eastern Time) on _____	Each Potential Bidder must deliver copies of its Qualified Bid and supporting materials described in the Bidding procedures to the Notice Parties; Disputes to be resolved at the Refinance or Sale Hearing
Auction	to be held _____, commencing at 10:00 a.m. (prevailing Eastern Time);	Date than an Auction for the Centurion Assets will be conducted, if necessary

Event	Date	Description
Sale Objection Deadline	on or before 12:00 noon (prevailing Eastern time) on _____	Deadline by which objections to the relief requested in the Motion in respect to the refinance or sale of the Centurion Assets.
Refinance or Sale Hearing	to be held by the Court on _____, at 9:30 a.m. (prevailing Eastern Time)	Date for a hearing at which the Court will consider approving the Refinance/Sale of the Centurion Assets to the Successful Bidder or Backup Bidder and will resolve any disputes or objections to the selection of Qualified Bids, Successful Bids, or Backup Bids.

24. The Corporate Monitor, subject to the Teleios Consent Rights, may amend the Bidding Procedures upon notice to creditors and parties in interest as the Corporate Monitor deems sufficient.

25. The process and requirements associated with submitting a Qualified Bid and selecting a Successful Bid are **APPROVED** in their entirety as fair, reasonable, appropriate, and designed to maximize recoveries for the benefit of the Corporate Monitorship, its creditors, and parties-in-interest in this matter. The Bidding Procedures shall govern the submission, receipt, and analysis of all bids, and any party desiring to submit a higher or otherwise better offer must do so strictly in accordance with the terms of the Bidding Procedures and this Bidding Procedures Order.

26. Each bidder participating at the Auction must be a Qualified Bidder and shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the Monitor Refi/Sale Process, as set forth in the Bidding Procedures.

II. THE MONITOR AUCTION

27. If the Corporate Monitor receives one or more Qualified Bids, the Corporate Monitor is authorized to conduct the Monitor Auction. The Monitor Auction, to the extent that a Monitor Auction is necessary under the Bidding Procedures, shall be conducted no later than **10:00 a.m. (prevailing Eastern Time) on _____, 2022**, by video conference (Zoom) in virtual meeting room(s), or at such other time and place on such dates as the Corporate Monitor shall determine and notify the Qualified Bidders and counsel for Teleios, subject to the Teleios Consent Rights. If the Corporate Monitor receives only one Qualified Bid, or Qualified Bids for non-overlapping Centurion Assets, or no Qualified Bids by the Bid Deadline, the Corporate Monitor may file a notice cancelling the Monitor Auction, provided that the Corporate Monitor shall file a notice of cancellation of the Monitor Auction with the Court. A Monitor Auction (if any) shall be transcribed or recorded.

28. Teleios is permitted to credit bid up to the amount equal to the Release Price (the "Credit Bid") at the Monitor Auction and to interact with MapleLife (including receiving copies of materials prepared by MapleLife) in preparing its Credit Bid. Notwithstanding anything contained to the contrary in the Bidding Procedures, Teleios shall be deemed a Qualified Bidder and Teleios shall not be required to provide any deposit if Teleios submits a Credit Bid.

29. If no Qualified Bids are received by the Bid Deadline, or the Release Price is not paid in full in cash or other immediately available funds to Teleios on or prior to the Outside Date, Teleios shall have the right to exercise remedies, including completing the NYUCC Sale Process

and foreclosing on its Collateral pursuant to an NYUCC Sale and the Entitlement Order (as defined in the Securities Agreement), in each case, in accordance with this Bidding Procedures Order and the Bid Procedures without further order of the Court.

30. Promptly after the conclusion of the Monitor Auction (if any), the Corporate Monitor will file a notice on the Court's docket identifying the existence of the Successful Bidder(s) and any applicable Backup Bidder(s).

31. The Corporate Monitor, subject to the Teleios Consent Rights, may adopt rules for the bidding process at the Auction that, in its discretion (in consultation with MapleLife and Teleios), will best promote the goals of the bidding process and are not inconsistent with any of the provisions of the Bidding Procedures described herein. Nothing herein will prevent the Corporate Monitor and MapleLife from having separate negotiations with bidders during the Auction provided that the announcement of any bids actually made will be made in one room, on an open basis.

III. OBJECTION DEADLINES

32. Objections, if any, to the relief requested in the Motion in respect of the refinance or sale of the Centurion Assets, the determination of which Qualified Bid is the Successful Bid or any other aspect of the Monitor Auction must be (i) in writing, (ii) filed with the Court on or before **12:00 noon (prevailing Eastern time) on _____, 2022** (the "Refi/Sale Objection Deadline"), and (iv) served upon the Notice Parties.

IV. REFINANCE/SALE HEARING

33. The Refinance/Sale Hearing shall be held before this Court on _____ (prevailing Eastern Time) at the _____, 2022, or at such other date, time or method as directed by the Court. The Refinance/Sale Hearing may be adjourned from time to time by the Corporate Monitor, in the exercise of the professional business judgment of the Corporate Monitor, in consultation with his Counsel and Financial Advisors, and with the consent of Teleios, to a later date, subject to the availability of the Court. **For those creditors and parties-in-interest that do not wish to attend the Refinance/Sale Hearing in person, the Refinance/Sale Hearing will also be conducted by video conference using the services of Zoom Video Communications, Inc.**

34. At the Refinance/Sale Hearing, the Corporate Monitor will seek Court approval of the Successful Bid(s) (and may in its discretion present one or more Backup Bids). The Refinance/Sale Hearing shall be an evidentiary hearing on matters relating to the Monitor Refi/Sale Transaction and there will be no further bidding at the Refinance/Sale Hearing.

V. NYUCC SALE PROCESS

35. Notwithstanding any order of this Court, including the Appointment Orders, Teleios shall be authorized to commence the NYUCC Sale Process and consummate a public sale of the Collateral pursuant to the NYUCC Sale.

36. Teleios is authorized to serve a Notice of Disposition of Collateral and any other documents necessary to effectuate the NYUCC Sale Process and NYUCC Sale.

37. If (i) no Qualified Bid is received on or prior to the Bid Deadline, or (ii) the Release Price is not satisfied in full in cash on or prior to the Outside Date, Teleios shall, notwithstanding any order of this Court, including the Appointment Orders, be authorized, without further order of

the Court to: (A) serve a Notice of Event of Default in accordance with Credit Documents, Preferred Unit Documents and Securities Agreement; (B) exercise any and all rights and remedies under the Credit Documents, Preferred Unit Document and Securities Agreement and serve, deliver, or execute any documents in connection therewith, including to cause the Centurion Portfolio and the proceeds thereof on deposit in and credited to the Securities Account to be withdrawn and transferred to a securities account held by Teleios in accordance with the Securities Agreement by delivering an Entitlement Order (as defined in the Securities Agreement) and any other documents as may be necessary to effectuate such remedies, without the authorization, acknowledgment, or consent of any of the Centurion Related Entities and without further order of this Court deliver an Entitlement Order; and (C) foreclose on the Collateral pursuant to the NYUCC Sale, in each case, free and clear of all liens, claims and encumbrances. Upon such exercise of remedies, without further order of the Court, Teleios shall be vested with all right, title, and interest of the Loan Parties in, to, and under the Collateral free and clear of all liens, claims, interests, and encumbrances.

38. Teleios is entitled to recover the full amount owed under the Credit Agreement, including interest at the default rate, costs, fees, and expenses (including attorney's fees and expenses) and the Mandatory Full Redemption and interest due and costs, fees, and expenses (including estimated attorneys' fees and expenses) under the Preferred Unit Documents.

39. Upon Teleios delivering an Entitlement Order and any other documents as may be necessary to effectuate such remedies, foreclosing on the Collateral pursuant to the NYUCC Sale and Teleios receiving written confirmation from the Securities Intermediary that all Policies have been transferred to a Teleios securities account and the securities intermediary acting as custodian and securities intermediary of Teleios holding legal title to the Policies and has custody of the

physical Policies and related documents for the benefit of Teleios, the Lender shall fund within five (5) business days the Teleios Contribution to the Corporate Monitor to be used to pay the fee to MapleLife and otherwise used by the Corporate Monitor in its sole discretion subject to the approval of this Court.

40. If a Qualified Bid is received on or prior to the Bid Deadline, the Lender shall adjourn the NYUCC Sale until no later than the Outside Date. If the Release Price is satisfied in full in cash on or before the Outside Date, the Lender shall cancel the NYUCC Sale Process unless the successful bidder elects to purchase the Centurion Assets pursuant to both the Court approved sale process and the NYUCC Sale Process.

41. Upon receipt by Teleios of either the Release Price or such other amount as Teleios agree, and/or upon the conclusion of the NYUCC Sale, any and all amounts due and owing or any and all financial obligations related to the Indebtedness (as defined in the Credit Documents) due under the Credit Documents are hereby deemed fully satisfied (except that any indemnification obligations and any other provision of the Credit Documents and the Preferred Unit Documents that are stated in the Credit Documents and the Preferred Unit Documents to survive the termination thereof shall so survive the satisfaction of such amounts).

42. In exchange for the valuable consideration provided by Teleios, the Corporate Monitor on behalf of the Corporate Monitorship and the Corporate Consenting Defendants does not have, and hereby forever releases and waives any claims, objections, challenges, counterclaims, causes of action, defenses, setoff rights, obligations, right to subordinate, or any other liabilities arising under applicable law against Teleios or any of its respective affiliates, members, agents, attorneys, advisors, professionals, officers, director, and employees from the beginning of time. The releases contained in this paragraph 42 are and shall be **BINDING** on the

Corporate Monitor, the Corporate Monitorship, the Consenting Corporate Defendants and their estates, any subsequent monitor, responsible person, examiner with expanded powers, receiver, any other estate representative, trustee (including any Chapter 11 or Chapter 7 trustee) and all of their successors-in-interest and assigns.

VI. MAPLELIFE

43. The Corporate Monitor is authorized to employ MapleLife as Exclusive Life Settlement Portfolio Sales and Marketing Agent pursuant to the terms set forth in the *Non-Disclosure and Exclusive Sales and Marketing Agent Agreement* (the “MapleLife Agreement”) referenced in the Motion.

VII. MISCELLANEOUS

44. The Corporate Monitor is authorized and directed to take all actions necessary to effectuate the relief granted pursuant to this Bidding Procedures Order in accordance with the Motion. The Corporate Monitor’s actions under this Bidding Procedures Order are being approved and shall be implemented consistent with the Appointment Orders (which are incorporated herein subject to the provisions of this Bidding Procedures Order that provide other and additional relief than what is provided therein), including without limitation Section XIX thereof.

45. Notwithstanding anything herein to the contrary, MapleLife and Teleios may agree, in their sole and absolute discretion and without further order of the Court, to such other relief as may be necessary. In addition, any party may agree, in its sole and absolute discretion, to relief that is detrimental to such party without further order of the Court.

46. Teleios may, in its sole and absolute discretion and without further order of the Court, reduce the Release Price or agree to extend the Outside Dates. Notwithstanding anything

herein to the contrary, Teleios agree to consider any request by the Corporate Monitor to extend any deadlines set forth in this Bidding Procedures Order, provided that any such extension is subject to the sole and absolute discretion of Teleios.

47. The Corporate Monitor is directed to post this Bidding Procedures Order and related Motion on the Corporate Monitor's website in a conspicuous location.

48. This Bidding Procedures Order shall constitute the Court's findings of fact and conclusions of law and shall take immediate effect upon entry hereof on the Court's docket.

49. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Bidding Procedures Order, including, but not limited to, any matter, claim, or dispute arising from or relating to the Bidding Procedures and the implementation of the Order.

DONE AND ORDERED in Chambers at West Palm Beach, Florida this ____ day of _____, 2022.

BRADLEY HARPER
CIRCUIT COURT JUDGE

Copies to: Counsel of Record and Corporate Monitor

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SCHEDULE "A"
BID PROCEDURES

BIDDING PROCEDURES

By motion dated April __, 2022 (the “**Motion**”), Daniel J. Stermer, as Court-appointed Corporate Monitor (the “**Corporate Monitor**”) for the property, assets, and business of the thirty-two (32) corporate entities pursuant to the *Agreed Order Granting Plaintiff’s Consent Motion for Appointment of Corporate Monitor and Related Injunctive Relief*, dated September 14, 2021, and the *Agreed Order Granting Corporate Monitor, Daniel J. Stermer’s Unopposed Motion to Expand Corporate Monitorship Estate*, dated January 6, 2022, respectfully sought, among other things, approval of certain competitive bidding procedures by which the Corporate Monitor will seek proposals for a transaction or transactions that alone or in combination will allow the Corporate Monitor to maximize the value of its assets (the “**Monitor Refi/Sale Transaction**”). On _____ 2022, the Circuit Court for the Fifteenth Judicial Circuit in and for Palm Beach County, Florida, Case No. 50-2021-CA-008718-XXXX-MB (the “**Court**”) entered its order (the “**Bid Procedures Order**”), which, among other things, authorized and directed the Corporate Monitor to market its assets to one or more persons that may be interested in refinancing or acquiring the Centurion Portfolio, comprised of sixty-one (61) life insurance policies as further described on Exhibit “A” of the Motion (each a “**Policy**” and, collectively, the “**Policies**”) and all other personal property of Centurion Funding SPV II, including any and all other instruments, documents, and agreements executed and or delivered under or in connection with the Policies (collectively, the “**Centurion Assets**”), all under the procedures described below (the “**Bidding Procedures**”).

Important Dates¹

In connection with the solicitation of proposals for refinance or sale of the Centurion Assets, the Corporate Monitor, with the assistance of Maple Life Analytics, LLC, the exclusive sales and marketing agent for the Monitor Refi/Sale Process retained by the Corporate Monitor pursuant to Court order (“MapleLife”), shall:

Assist Potential Bidders (as defined herein) in concluding their respective due diligence investigations, and accept initial indications of interest in connection with the potential refinance or acquisition of some of or all of the Centurion Assets no later than **5:00 p.m.** (prevailing Eastern Time) on _____ (the “**Initial Indication of Interest Deadline**”);

Negotiate first with Potential Bidders and then with Qualified Bidders (as defined herein) in consultation with Teleios LS Holdings V DE, LLC, as secured lender (the “**Lender**”) and Teleios LS Holdings IV DE, LLC, as holder of the Preferred Units (the “**Holder**” and, collectively with the Lender, “**Teleios**”), in preparation for an auction (the “**Auction**”) to be held _____, commencing at **10:00 a.m.** (prevailing Eastern Time) as described herein;

¹ A proposed timeline of events is attached hereto as Exhibit 1.

Deadline for a Potential Bidder to deliver a Bid pursuant to the Bidding Procedures requirements: _____ at 5:00 pm ET (5 weeks from the date of the entry of the Bid Procedure Order

Select the Successful Bidder(s) (as defined herein), after consultation with Teleios, at the conclusion of the Auction (if an Auction occurs), and seek authority to refinance or sell the Centurion Assets, in whole or in part, to such Successful Bidder(s) at a hearing (the “**Refinance or Sale Hearing**”) to be held by the Court on _____, at _____ (a.m./p.m.) (prevailing Eastern Time); and

Close and consummate the Monitor Refi/Sale Transaction with the Successful Bidder(s) in accordance with the APA or Refinance Agreement and Sale Order (each as defined below), unless the Corporate Monitor, in the exercise of his reasonable professional business judgment, including consultation with his Counsel and Financial Advisors, and with the consent of Teleios, in its sole discretion, agrees to a later date.

Marketing Process and Access to Diligence Materials

Contact Parties.

The Corporate Monitor, in consultation with his Counsel, Financial Advisors, MapleLife and Teleios, has developed a set of competitive bidding and sale procedures set forth below that are designed to maximize the value of the Centurion Assets. In addition to the parties who have already contacted the Corporate Monitor with an interest in entering into a Monitor Refi/Sale Transaction with the Corporate Monitor in regard to the Centurion Assets, the Corporate Monitor, through his professionals, is compiling a list of potential third parties who the Corporate Monitor believes may have an interest in acquiring or refinancing the Centurion Assets (each a “**Potential Bidder**”). The Corporate Monitor, with assistance from MapleLife, has established a virtual data room (“**VDR**”) populated with due diligence information regarding the Centurion Assets. The Corporate Monitor, with MapleLife’s assistance, will make the VDR available (i) to those Potential Bidders who sign and return a Non-Disclosure and Confidentiality Agreement (“**NDA**”) and (ii) to Teleios. The form of such NDA shall have been approved by the Corporate Monitor, shall be reasonably acceptable to Teleios, and shall otherwise comply with these Bidding Procedures.

Following the entry of the Bidding Procedures Order, the Corporate Monitor, through his professionals, advisors and agents, including MapleLife, will continue to market the Centurion Assets, continue to identify potentially interested parties for the Centurion Assets, continue to contact and engage Potential Bidders to explore their interest in pursuing a Monitor Refi/Sale Transaction and will continue to discuss and may supplement its list of Potential Bidders throughout the marketing process, as he deems appropriate. Potential Bidders may include parties whom the Corporate Monitor or his advisors have previously contacted regarding a potential transaction, regardless of whether such parties expressed any interest, at such time, in pursuing a Monitor Refi/Sale Transaction.

Access to Diligence Materials and Initial Indications of Interest.

To participate in the bidding process and to receive access to due diligence information, such due diligence information being determined by the Corporate Monitor in his discretion (the “**Diligence Materials**”), a Potential Bidder must deliver to Mapl life an executed NDA which

includes a statement demonstrating to the Corporate Monitor's satisfaction a bona fide interest in refinancing or purchasing all or some of the Centurion Assets and describing the Potential Bidder's proposed transaction(s).

No later than the Initial Indication of Interest Deadline (**5:00 p.m. on _____**), each Potential Bidder shall submit an initial indication of interest in connection with the potential refinance or acquisition of some or all of the Centurion Assets, which shall include (i) an indication of which Centurion Assets the Potential Bidder is interested in refinancing or purchasing; (ii) an indication of value or applicable refinance rate or proposed price that the Potential Bidder is considering for its bid; and (iii) sufficient written evidence, which the Corporate Monitor establishes in consultation with Teleios, that the Potential Bidder has the financial ability to consummate the refinance or purchase of the Centurion Assets, should such Potential Bidder submit the highest and best bid for the refinance or sale of the Centurion Assets. The Corporate Monitor shall promptly provide all initial indications of interest to Teleios; provided that Teleios must treat such initial indications of interest as confidential and shall not publicly disclose such information without the written consent of the Corporate Monitor and the applicable Potential Bidder.

A Potential Bidder who qualifies for access to Diligence Materials, as determined by the Corporate Monitor, may proceed to conduct due diligence for a Monitor Refi/Sale Transaction. All due diligence requests must be directed to MapleLife. Diligence Materials may be provided through access to the VDR, which may be maintained by a third-party provider. All due diligence will end on the Bid Deadline (as defined below). Other than MapleLife, no party, including the Corporate Monitor and any of its other representatives, will have any obligation to furnish any information relating to the Centurion Assets to any party. Neither the Corporate Monitor nor the advisors make any representations or warranties as to the Diligence Materials or otherwise, except to the extent as may be set forth in a definitive agreement between the Corporate Monitor and the Successful Bidder relating to a Monitor Refi/Sale Transaction.

All Potential Bidders and Qualified Bidders are prohibited from communicating with any of the Consenting Corporate Defendants' principals, employees, managers, members, officers, landlords, vendors, suppliers, agents, lenders or any other Potential Bidder or Qualified Bidder with respect to any Bid or a Monitor Refi/Sale Transaction absent the prior written consent of the Corporate Monitor; provided that if such consent is given, a representative of the Corporate Monitor and/or MapleLife shall, at the request of the Corporate Monitor, be present for or a party to any such communications.

Bid Requirements

Delivery of Bids.

No later than **5:00 p.m. (prevailing Eastern Time)** on _____ (the "**Bid Deadline**"), each Potential Bidder interested in maintaining its participation in the bidding process and making a proposal or offer to refinance Teleios' indebtedness or purchase some or all of the Centurion Assets (each a "**Bid**") must deliver copies of the Bid and supporting materials described herein to: (i) Daniel J. Stermer, as Corporate Monitor (DStermer@DSIConsulting.com); (ii) Berger Singerman LLP, c/o Brian Rich, Esq. (email: brich@bergersingerman.com; and (iii) MapleLife c/o Nathan Evans and Mirna Hammoud (Nevans@maplelf.com and

mhammoud@maplelifeanalytics.com) (collectively, the “**Notice Parties**”). The Corporate Monitor shall promptly provide each Bid to Teleios; provided that Teleios must treat each Bid as confidential and shall not publicly disclose such information without the written consent of the Corporate Monitor and the applicable Potential Bidder.

Form and Content of Bid.

A Bid shall consist of a signed letter from a Qualified Bidder stating that:

- a. The Qualified Bidder offers to refinance Teleios’ entire indebtedness and preferred units interests or purchase all or some of the Centurion Assets, in each case, with a commitment to close on or before [___], 2022 (the “**Outside Date**”); and
- b. The Qualified Bidder’s offer is irrevocable until two (2) business days after the closing of the sale or refinancing of the applicable Centurion Assets, if the Qualified Bidder becomes a Successful Bidder or a Back-Up Bidder.

No Bid shall be contingent on obtaining financing or any internal approvals, or on the outcome or review of due diligence.

Required Supporting Materials.

A Qualified Bidder’s Bid for the Monitor Refi/Sale Transaction shall be accompanied (or preceded) by the following:

- a. If the Qualified Bidder proposes a purchase of the Centurion Assets, a signed “clean” version of an asset purchase agreement, substantially in the form proposed by the Corporate Monitor (the “**APA**”),² together with a marked version to reflect any proposed changes to the APA from the form proposed by the Corporate Monitor and detailing all of the terms and conditions of the proposed Monitor Refi/Sale Transaction; provided that all APAs must contain (i) provisions allowing the Corporate Monitor reasonable access to any books and records purchased by the purchaser for the purpose of administering the Corporate Monitorship; (ii) the purchaser’s acknowledgement and representation that the purchaser (A) is purchasing the Centurion Assets on an “as is, where is” basis, (B) has had an opportunity to conduct any and all due diligence regarding the Centurion Assets, (C) has relied solely upon its own independent review, investigation, and/or inspection of all documents and Centurion Assets, and (D) did not rely on any written or oral statements, representations or warranties whatsoever, regarding the assets, except as specifically set forth in the APA; (iii) a requirement that consummation of the sale occur on or before the Outside Date, (iv) that the APA provides for the posting of the full amount of the purchase price in escrow, with a third party financial institution reasonably agreeable to Teleios (the “**Third Party Financial**

² The Corporate Monitor will make available a copy of the APA form in the VDR for submission by a Potential Bidder.

Institution”), upon the entry of the Refinance/Sale Order (as defined below), and (v) a waiver of any requirement that the Refinance/Sale Order be final and non-appealable. Consummation of the Monitor Refi/Sale Transaction shall not be contingent on the purchaser obtaining financing or any internal approvals, or on the outcome or review of due diligence. If the Corporate Monitor selects a Stalking Horse Bidder (as defined below) prior to the Bid Deadline, then other Qualified Bidders must submit a signed “clean” version of the APA comprising the Stalking Horse Bid, together with a marked version to reflect any changes to the Stalking Horse Bid; provided that any such APA submitted by a Qualified Bidder other than the Stalking Horse Bidder may not contain representations and warranties, covenants, termination rights, financing, or due diligence contingencies other than as are included in the Stalking Horse Bid (it being agreed and understood that such Bid shall modify the Stalking Horse Bid as needed to comply in all respects with the Bid Procedures Order (including removing any termination rights in conflict with the Bid Procedures Order) and will remove provisions that apply only to the Stalking Horse Bidder); or

If the Qualified Bidder proposes a refinance of the Teleios Credit Documents and the PUPA, an executed credit agreement detailing all of the terms and conditions of the Monitor Refi/Sale Transaction and complying with all relevant terms listed in subsection (a) above (the “**Refinance Agreement**”); and

- b. Such other documents or information that may be reasonably required by the Corporate Monitor, with the consent of Teleios, to demonstrate a Qualified Bidder’s ability to consummate the transaction(s) that are the subject of its bid(s).

As is/Where is.

The Centurion Assets will be refinanced or sold in its “as is”, “where is” condition and with all faults, with no guarantees or warranties, express or implied. Upon the closing of a Monitor Refi/Sale Transaction, the Centurion Assets will be refinanced or sold free and clear of any and all liens, claims, encumbrances and interests with all such liens, claims, encumbrances and interests to attach to the proceeds of the sale.

Qualified Bid.

A Bid received from a Potential Bidder that meets the requirements set forth above in the Bid Requirements Section (as determined by the Corporate Monitor after consultation with MapleLife and with Teleios) is considered a “**Qualified Bid**” and the Potential Bidder making a Qualified Bid is considered a “**Qualified Bidder.**” The Corporate Monitor reserves the right, subject to the Teleios Consent Rights (defined below), to waive noncompliance with any one or more of such requirements and to deem an otherwise not qualified Bid to be a Qualified Bid. The Corporate Monitor will advise all Qualified Bidders of any such waiver at the Auction.

Notwithstanding anything to the contrary herein, the Corporate Monitor shall not change, alter, modify, or amend without the consent of Teleios (i) the requirement for an APA consistent with these Bid Procedures, (ii) that a Qualified Bid provide for consummation of the refinancing or sale on or before the Outside Date, (iii) the requirement that a Qualified Bid not be contingent on obtaining financing or any internal approvals, or on the outcome or review of due diligence, (iv) any dates or deadlines set forth herein, including the dates of the Auction or the Refinance/Sale Hearing, (v) the requirement that a Qualified Bid include sufficient evidence or information of financial ability to consummate the transaction on or prior to the Outside Date, (vi) the requirement that a Qualified Bid satisfy the Cash Consideration Amount (collectively, (i)–(vi), the “**Teleios Consent Rights**”).

Stalking Horse Bidder, Break Up Fee and Expense Reimbursement

Prior to or after the submission of Bids, the Corporate Monitor, after consultation and with the consent of Teleios, may enter into an agreement (“**Stalking Horse Bid**”), subject to higher and better offers at the Auction (as defined below), providing for a breakup fee (the “**Breakup Fee**”) and/or reimbursement of documented out-of-pocket expenses incurred in connection with the negotiation of the Stalking Horse Agreement (the “**Expense Reimbursement**”), in each case in amounts to be negotiated by the Corporate Monitor in consultation with MapleLife, and subject to the approval of, Teleios and the approval of the Court.

Conduct and Termination of Bidding Process

The Corporate Monitor may, in his reasonable discretion (after consultation with MapleLife and Teleios, and subject to the Teleios Consent Rights): (a) determine whether any Potential Bidder satisfies the requirements specified above to become a Qualified Bidder; (b) coordinate the efforts of Potential Bidders in conducting their respective due diligence investigations regarding the Centurion Assets; (c) determine whether to remove any of the Centurion Assets from the refinance/sale process under these Bidding Procedures; (d) evaluate Bids from Potential Bidders and determine whether any such Bid is a Qualified Bid; (e) negotiate any Bid made to refinance or purchase some or all of the Centurion Assets, and negotiate any related Monitor Refi/Sale Transaction issues; (f) reject any Bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of these Bidding Procedures or (iii) contrary to the best interests of the Corporate Monitorship and its estate; (g) waive any terms and conditions set forth in the APA or Refinance Agreement with respect to all Potential Bidders; (h) impose additional terms and conditions with respect to all Potential Bidders; (i) extend the deadlines set forth herein; (j) continue or cancel the Auction and/or Refinance/Sale Hearing in open court without further notice; and (k) make such other determinations as are provided in these Bidding Procedures.

Auction Participation – Qualified Participants and Baseline Bid

Only a Qualified Bidder that has submitted a Qualified Bid is eligible to participate in the Auction. If the Corporate Monitor receives one or more Qualified Bids, and there is no Stalking Horse Bid, then on or before _____ at **5:00 p.m. (prevailing Eastern Time)**, the Corporate Monitor will select, in its reasonable discretion (after consultation with Teleios), the highest or otherwise best Qualified Bid for a sale of the Centurion Assets or the best Qualified Bid for a refinance of the Centurion Assets (the “**Baseline Bid**”) to serve as the starting point for the

Auction on the basis set forth below. The Corporate Monitor and his Counsel shall preside over and conduct the Auction, in consultation with Teleios. Each Qualified Bidder participating in the Auction must confirm (and by its attendance shall be deemed to have confirmed) that (i) it has not engaged in any collusion with respect to the bidding, sale, or refinancing of the Centurion Assets, (ii) it has complied and will continue to comply with the Bidding Procedures, including, but not limited to, refraining from, after the conclusion of the Auction, either submitting a Bid or seeking to reopen the Auction, and (iii) it waives any substantial contribution claim related to bidding for the Centurion Assets. At the Corporate Monitor's request, each Qualified Bidder shall disclose the direct and indirect legal and beneficial owners of the Qualified Bidder.

The Auction

Time and Place.

If one or more Qualified Bids are received by the Bid Deadline, the Auction will be conducted no later than **10:00 a.m. (prevailing Eastern Time) on _____**, by video conference (Zoom) in virtual meeting room(s), or at such other time and place on such date as the Corporate Monitor shall determine and notify the Qualified Bidders and counsel for Teleios. If the Corporate Monitor receives only one Qualified Bid, or Qualified Bids for non-overlapping Centurion Assets, or no Qualified Bids by the Bid Deadline, the Corporate Monitor may file a notice cancelling the Auction.

If no Qualified Bids are received by the Bid Deadline or the Release Price is not paid in full in cash to Teleios on or prior to the Outside Date, Teleios shall have the right to exercise remedies, including foreclosing on its collateral pursuant to a public sale under Section 9-610 of the New York Uniform Commercial Code, in each case, in accordance with the Bid Procedures Order.

Competitive Bidding.

At the Auction, Qualified Bidders will be permitted to increase or improve their Qualified Bids and will be permitted to bid based only upon the terms of the Baseline Bid or the Stalking Horse Bid, as applicable (except to the extent otherwise authorized by the Corporate Monitor, in consultation with Teleios).

Evaluation of Qualified Bids.

For the purpose of determining the Baseline Bid and whether a Qualified Bid submitted at the Auction is higher or otherwise better for the refinancing of the Centurion Assets or is higher or otherwise better for the sale of the Centurion Assets, the Qualified Bid(s) will be valued based upon factors such as: (a) the purported amount of the Qualified Bid; (b) the fair value to be provided to the Corporate Monitor under the Qualified Bid; (c) the ability to consummate any Monitor Refi/Sale Transaction; (d) the type and nature of any requested changes to the Refinance Agreement or the APA; (e) if there are multiple bids for non-overlapping Centurion Assets, whether the aggregate of such bids meet or exceed the Release Price; and (e) any other factors that the Corporate Monitor may reasonably deem relevant. Upon the submission of any Qualified Bid at the Auction, the Corporate Monitor shall announce to all participants whether the bid

submitted is higher or otherwise better for the sale of the Centurion Asset(s) or otherwise better for the refinancing of the Centurion Assets than the previously submitted Qualified Bid.

Each Bid for the refinance or sale of the Centurion Assets must individually, or together with other Bids for non-overlapping assets, provide cash consideration sufficient to satisfy the payment of not less than \$ [REDACTED] (the amount owing to Teleios as of March 1, 2022), subject to the Adjustments (as defined below) (the “**Release Price**”), plus a minimum aggregate overbid amount equal to at least the sum of (x) \$250,000 plus (y) one percent (1%) of the Release Price to be paid in full in cash (the “**Overbid Amount**” and together with the Release Price, the “**Minimum Cash Consideration Amount**”), prior to the Outside Date. The Release Price is subject to change on account of the following: (i) any Policy proceeds that may be paid to the Lender due to a maturity prior to the Outside Date and thus reduce the amount of indebtedness and Release Price; (ii) any additional funding (to be provided by Lender in its sole discretion), in the case of any delay which would increase the Release Price; (iii) a closing prior to the Outside Date which would reduce interest and could result in reduced fees (including attorneys’ fees and expenses), costs and expenses; (iv) additional maturities prior to the Outside Date which, if paid to the Lender as set forth above, would reduce amounts owing to the Lender at the closing; (v) the impact of the process on the fees (including attorneys’ fees and expenses), costs and expenses that may be incurred which could result in an increase or decrease of the Release Price; (vi) any additional interest owing under the Credit Documents at the default rate and costs, fees, and expenses (including estimated attorneys’ fees and expenses) which will increase the Release Price; or (vii) any additional interest owing and costs, fees, and expenses (including estimated attorneys’ fees and expenses) under the Preferred Unit Documents which will increase the Release Price (collectively, (i)-(vii), the “**Adjustments**”).

For a sale of the Centurion Assets, unless there is a Stalking Horse Bid, the bidding will start at the purchase price and terms proposed in the Baseline Bid, and continue in increments of at least \$100,000.00 in cash or cash equivalents (or such other increment announced by the Corporate Monitor prior to the start of or during the Auction); provided, however, that if there is a Stalking Horse Bid that includes an Expense Reimbursement and/or Breakup Fee, the initial overbid must exceed the approved Expense Reimbursement and Breakup Fee by at least \$100,000.00. Overbids for a sale of the Centurion Assets shall not include non-cash consideration until (i) a minimum amount of cash has been bid to satisfy the Minimum Cash Consideration Amount and (ii) there are no further overbids in the form of cash or reduction to cure costs payable by the Corporate Monitor, but thereafter may include non-cash consideration valued by the Corporate Monitor at not less than \$100,000.00. Any overbid shall remain open and binding on the Qualified Bidder until and unless the Corporate Monitor accepts a higher overbid.

For a refinancing of the Centurion Assets, the bidding will start at the terms proposed in the Baseline Bid and continue until there are no overbids with better rates or terms.

Adoption of Auction Rules.

The Corporate Monitor may adopt rules for the bidding process at the Auction that, in its discretion (in consultation with MapleLife and Teleios), will best promote the goals of the bidding process and are not inconsistent with any of the provisions of the Bidding Procedures described herein. Nothing herein will prevent the Corporate Monitor from having separate negotiations with bidders during the Auction provided that the announcement of any bids actually made will be made

in one room, on an open basis. The Auction shall be transcribed by a court reporter retained by the Corporate Monitor.

Designation of Successful Bidder.

At the conclusion of the Auction, the Corporate Monitor, in consultation with MapleLife and Teleios, will (a) review each Qualified Bid made at the Auction on the basis of financial and contractual terms and such factors relevant to the refinance/sale process, including those factors affecting the speed and certainty of consummating the proposed refinance/sale; (b) in his discretion, either identify the highest and best bid for the sale of the Centurion Assets or the best bid for refinancing the Centurion Assets at the Auction (the “**Successful Bid**”); and (c) notify all Qualified Bidders participating in the Auction if they have made a Successful Bid (the “**Successful Bidder**”).

Backup Bidder.

Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted, the party with the next highest Qualified Bid after the Bid made by the Successful Bidder or otherwise next best Qualified Bid at the Auction, as determined by the Corporate Monitor, in the exercise of his reasonable business judgment and in consultation with Teleios, may be designated as a backup bidder (the “**Backup Bidder**”). If they agree to the designation, the Backup Bidder shall be required to keep open and irrevocable its final Bid (the “**Backup Bid**”) until two (2) business days after the closing of a transaction with the successful Bidder or with the Backup Bidder. Following the Refinance/Sale Approval Hearing, if the Successful Bidder fails to consummate an approved Monitor Refi/Sale Transaction, because of a breach or failure to perform on the part of such Successful Bidder, the Corporate Monitor may designate the Backup Bidder(s) to be the new Successful Bidder, and the Corporate Monitor will be authorized, but not required, to consummate the Transaction with the Backup Bidder(s), without further order of the Court. Within two (2) business days from designation, the Backup Bidder(s) shall be obligated to place in escrow with the Third Party Financial Institution the full amount of the purchase price as set forth in the APA(s).

Notice of Successful Bid.

Promptly after the conclusion of the Auction, the Corporate Monitor will file a notice on the Court’s docket identifying the existence of the Successful Bidder and any applicable Backup Bidder(s).

Presentation of Successful Bids to the Court.

At the Refinance/Sale Hearing, the Corporate Monitor will present each Successful Bid (and may in its discretion present one or more Backup Bids) to the Court for approval.

Consent to Jurisdiction.

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Court and waived any right to a jury trial in connection with any disputes relating to these Bidding Procedures, the Refinance Agreement, the APA, the Auction or the construction and enforcement of any documents delivered in connection with a Bid.

Acceptance of Qualified Bids

The Corporate Monitor presently intends to refinance or sell the Centurion Assets to the Qualified Bidder(s) that submit(s) the best Qualified Bid(s) in accordance with these Bid Procedures. The Corporate Monitor's presentation to the Court for approval of any Successful Bid does not constitute the Corporate Monitor's acceptance of such Qualified Bid. The Corporate Monitor will be deemed to have accepted a Qualified Bid only when it has been approved by the Court at the Refinance/Sale Hearing. If the Successful Bidder does not close the approved refinance or sale(s), then (in addition to any Backup Bid previously approved by the Court), the Corporate Monitor will have the right to present any other Qualified Bid, whether made prior to or at the Auction, to the Court for approval.

Return of Funds Held in Escrow

Any funds held in escrow by the Third-Party Financial Institution pursuant to an APA for a Qualified Backup Bidder(s) shall be returned to any Backup Bidder(s) within two (2) business days after the closing of a transaction(s) with a Successful Bidder(s) that is not such Qualified Backup Bidder.

Reservation of Rights

The Corporate Monitor reserves the right to make changes in these Bidding Procedures to promote the realization of the highest and best offers for the refinance or purchase of some or all of the Centurion Assets as he may determine to be in the best interest of this case or to withdraw the Motion at any time, with or without prejudice, in each case subject to the Teleios Consent Rights. The Corporate Monitor reserves the right, in the exercise of his reasonable professional business judgment, in consultation with his Counsel and Financial Advisors, and with the consent of Teleios, to make one or more continuances of the Auction to, among other things: facilitate discussions between the Corporate Monitor and individual Qualified Bidders; allow individual Qualified Bidders to consider how they wish to proceed; and give Qualified Bidders the opportunity to provide the Corporate Monitor with such additional evidence as the Corporate Monitor in his reasonable professional business judgment may require, that the Qualified Bidder has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed Transaction(s) at the prevailing overbid amounts or refinance rate and terms.

The Refinance/Sale Hearing

The Refinance/Sale Hearing shall be held before this Court on _____ **(prevailing Eastern Time)** at the _____, or at such other date, time or method as directed by the Court. The Refinance/Sale Hearing may be adjourned from time to time by the Corporate Monitor, in the exercise of his reasonable professional business judgment, and with the consent of Teleios, to a later date, subject to the availability of the Court. For those parties-in-interest that do not wish to attend the Refinance/Sale Hearing in person, the Refinance/Sale Hearing will also be conducted by video conference using the services of Zoom Video Communications, Inc.

Objections, if any, to the relief requested in the Motion in respect of the refinance or sale of the Centurion Assets, the determination of which Qualified Bid is the Successful Bid or any other aspect of the Auction must (i) be in writing, (ii) be filed with the Circuit Court on or before **12:00 noon (prevailing Eastern time) on _____** (the “**Sale Objection Deadline**”), and (iv) served upon the Notice Parties. Any responses to such objections may be filed no later than seven (7) days prior to the Refinance/Sale Hearing.

Objections, if any to the Auction or the designation of the Successful Bidder(s) and/or Backup Bidder(s) shall be filed no later than one (1) day prior to the Refinance/Sale Hearing.

If any Successful Bidder is selected by the Corporate Monitor, the Corporate Monitor will seek the entry of an order from the Court at the Refinance/Sale Hearing approving and authorizing the proposed sale to the Successful Bidder(s) on the terms and conditions of the Successful Bid (a “**Sale Order**”).

Miscellaneous

Teleios shall be permitted to credit bid up to the amount equal to the Release Price (the “**Credit Bid**”) at the Auction and to interact with MapleLife (including receiving copies of materials prepared by MapleLife) in preparing its Credit Bid. Notwithstanding anything to the contrary contained in the Bidding Procedures, Teleios shall be deemed a Qualified Bidder and Teleios shall not be required to provide any Good Faith Deposit if Teleios submits a Credit Bid.

EXHIBIT 1

PROPOSED TIME-LINE OF EVENTS

Deadline for Initial Indication of Interest by Potential Bidders: _____ at 5:00 pm ET (2 weeks from the date of the entry of the Bid Procedure Order)

Deadline for a Potential Bidder to deliver a Bid pursuant to the Bidding Procedures requirements: _____ at 5:00 pm ET (5 weeks from the date of the entry of the Bid Procedure Order)

Deadline for selection of highest or otherwise best Qualified Bid if more than one Qualified Bid received and no Stalking Horse Bid: _____ at 5:00 pm ET (within 2 business days after the Bid Deadline)

Auction date and time if one or more Qualified Bids are received by the Bid Deadline: _____ at 10:00 am ET (within 3 business days of the Bid Deadline)

If a Backup Bidder is designated, deadline for the Backup Bidder to place the purchase price in escrow: _____ (2 business days after said designation)

Deadline for filing an objection to the relief requested in the Motion ("Objection(s)") _____ at 12:00 noon ET (14 days before Refinance/Sale Hearing)

Deadline for filing responses to Objection(s): _____ at 12:00 noon ET (7 days before Refinance/Sale Hearing)

Deadline for filing objections to the Auction/Successful Bidder/Backup Bidder: _____ (1 day prior to Refinance/Sale Hearing Date).

Refinance/Sale Hearing date and time to approve Successful Bid: _____ at _____ am/pm ET.

Outside Date: _____, 2022 (60 days from the date of the entry of the Bid Procedure Order).

SCHEDULE "B"
AUCTION AND SALE NOTICE

**IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA
CIVIL DIVISION**

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION,

Plaintiff,

v.

CASE NO.: 50-2021-CA-008718-XXXX-MB

NATIONAL SENIOR INSURANCE, INC.
D/B/A SEEMAN HOLTZ,
MARSHAL SEEMAN,
CENTURION INSURANCE SERVICES GROUP, LLC,
BRIAN J. SCHWARTZ,
EMERALD ASSETS 2018, LLC,
INTEGRITY ASSETS 2016, LLC,
INTERGRITY ASSETS, LLC,
PARA LONGEVITY 2014-5, LLC,
PARA LONGEVITY 2015-3, LLC,
PARA LONGEVITY 2015-5, LLC,
PARA LONGEVITY 2016-3, LLC,
PARA LONGEVITY 2016-5, LLC,
PARA LONGEVITY 2018-3, LLC,
PARA LONGEVITY 2018-5, LLC,
PARA LONGEVITY 2019-3, LLC,
PARA LONGEVITY 2019-5, LLC,
PARA LONGEVITY 2019-6, LLC,
PARA LONGEVITY VI, LLC,
SH GLOBAL, LLC N/K/A PARA LONGEVITY V, LLC,
ALTRAI GLOBAL, LLC A/K/A ALTRAI HOLDINGS, LLC,
VALENTINO GLOBAL HOLDINGS, LLC,
AMERITONIAN ENTERPRISES, LLC,
SEEMAN-HOLTZ CONSULTING CORP.,
CENTURION ISG Holdings, LLC,
CENTURION ISG Holdings II, LLC,
CENTURION ISG (Europe) Limited,
CENTURION ISG SERVICES, LLC,
CENTURION ISG FINANCE GROUP, LLC,
CENTURION FUNDING SPV I LLC,
CENTURION FUNDING SPV II LLC,
GRACE HOLDINGS FINANCIAL, LLC,
PRIME SHORT TERM CREDIT INC.,

Defendants.

THE ESTATE OF ERIC CHARLES HOLTZ,
SEEMAN HOLTZ PROPERTY AND CASUALTY, LLC
F/K/A SEEMAN HOLTZ PROPERTY AND CASUALTY, INC.,
SHPC HOLDINGS I, LLC,

Relief Defendants.

NOTICE OF (A) SOLICITATION OF BIDS TO REFINANCE EXISTING SECURED DEBT OBLIGATIONS OR TO SELL THE CENTURION ASSETS; (B) AUCTION FOR REFINANCE OF EXISTING SECURED OBLIGATIONS OR TO SELL THE CENTURION ASSETS; AND (C) SALE HEARING

PLEASE TAKE NOTICE THAT:

1. Daniel J Stermer, as the Corporate Monitor,¹ is soliciting offers for the refinance of existing secured debt obligations of Centurion Funding SPV II or to sell the Centurion Assets comprised of sixty-one (61) life insurance policies as further described on **Exhibit “A”** of the Motion² and all other personal property of Centurion Funding SPV II, including any and all other instruments, documents, and agreements executed and or delivered under or in connection with the Policies (collectively, the “Offered Centurion Assets”). The Circuit Court of the Fifteenth Judicial Circuit in and for Palm Beach County, Florida (the “Court”) has entered an order dated April __, 2022 (the “Bidding Procedures Order”), approving that certain Monitor Refi/Sale Process (the “Bidding Procedures”) for the Offered Centurion Assets as set forth in the Motion. A copy of the Bidding Procedures is attached hereto as **Exhibit 1**.

¹ Capitalized terms not otherwise defined herein have the meaning given to them in the Motion, Bidding Procedures Order or the Bidding Procedures as applicable. In the event of any inconsistency between this Notice and the Bidding Procedures Order, the Bidding Procedures Order shall govern.

² The Motion For Entry Of An Order Approving (I) A Marketing Process To Refinance Existing Secured Debt Obligation Or Sell Assets, (II) Bid Procedures, (III) The Retention Of Mapleref Analytics, LLC and (IV) The Agreement With Teleios, Including Authorizing Teleios (A) To Commence A Public Foreclosure Process, And (B) To Exercise Certain Remedies filed on April __, 2022 (the “Motion”).

2. The Corporate Monitor has proposed a process (the “Monitor Refi/Sale Process”) to either (a) refinance existing secured obligations owing to the Lender under the Credit Documents and owing to the Holder under the Preferred Unit Documents, or (b) sell some or all of the Centurion Assets, in each case to maximize value for the benefit of the Corporate Monitorship Estate, including Noteholders and other parties in interest, as each are further described in the Motion.

3. The Court has scheduled an auction of the Offered Centurion Assets (the “Monitor Auction”) by video conference (Zoom) in virtual meeting room(s), or at such other time and place on such dates as the Corporate Monitor shall determine and notify the Qualified Bidders and counsel for Teleios, subject to the Teleios Consent Rights and rights of the Corporate Monitor to cancel the Auction as set forth in the Bidding Procedures Order. Participation at the Auction is subject to the Bidding Procedures and the Bidding Procedures Order. All interested parties are invited to submit a Qualifying Bid to purchase the Offered Centurion Assets and participate at the Auction.

Event	Date	Description
Initial Indication of Interest Deadline	no later than 5:00 p.m. (prevailing Eastern Time) on _____	Deadline to provide the Corporate Monitor with Potential Bidder’s initial indication of interest in connection with the potential refinance or acquisition of some or all of the Centurion Assets.
Bid Deadline	no later than 5:00 p.m. (prevailing Eastern Time) on _____	Each Potential Bidder must deliver copies of its Qualified Bid and supporting materials described in the Bidding procedures to the Notice Parties; Disputes to be resolved at the Refinance or Sale Hearing.
Auction	to be held _____, commencing at 10:00 a.m.	Date than an Auction for the Centurion Assets will be

Event	Date	Description
	(prevailing Eastern Time);	conducted, if necessary.
Refinance or Sale Hearing	to be held by the Court on _____, at 9:30 a.m. (prevailing Eastern Time)	Date for a hearing at which the Court will consider approving the Refinance/Sale of the Offered Centurion Assets to the Successful Bidder or Backup Bidder and will resolve any disputes or objections to the selection of Qualified Bids, Successful Bids, or Backup Bids.
Closing	[___], 2022 (i.e., 60 days from the date of the entry of the Bid Procedures Order) (the “Outside Date”)	Outside Date on or before which any closing with respect to the Monitor Refi/Sale Process shall occur and the Release Price shall be paid to Telios in full in cash or other immediately available funds.

4. Teleios has agreed to accept a release price that includes the outstanding principal and interest under the Credit Documents at the default rate and costs, fees, and expenses (including estimated attorneys’ fees and expenses) and the Mandatory Full Redemption Payments and interest due and costs, fees, and expenses (including estimated attorneys’ fees and expenses) under the Preferred Unit Documents as of March 1, 2022, subject to certain Adjustments (the “Release Price”), in full and final satisfaction of the Borrower’s obligations under the Credit Documents and the Preferred Unit Documents, if paid in full in cash to Teleios on or before the Outside Date (except that any indemnification obligations and any other provisions of the Credit Documents and the Preferred Unit Documents that are stated in the Credit Documents and the Preferred Unit Documents to survive the termination thereof shall so survive the satisfaction of such amounts).

5. The Release Price shall be adjusted by the following adjustments (collectively, the “Adjustments”): (i) any Policy proceeds that may be paid to the Lender due to a maturity prior to the Outside Date and thus reduce the amount of indebtedness and Release Price; (ii) any additional funding (to be provided by Lender in its sole discretion), in the case of any delay which would increase the Release Price; (iii) a closing prior to the Outside Date which would reduce interest and could result in reduced fees (including attorneys’ fees and expenses), costs and expenses; (iv) additional maturities prior to the Outside Date which, if paid to the Lender as set forth above, would reduce amounts owing to the Lender at the closing; (v) the impact of the process on the fees (including attorneys’ fees and expenses), costs and expenses that may be incurred which could result in an increase or decrease of the Release Price; (vi) any additional interest owing under the Credit Documents at the default rate and costs, fees, and expenses (including estimated attorneys’ fees and expenses) which will increase the Release Price; or (vii) any additional interest owing and costs, fees, and expenses (including estimated attorneys’ fees and expenses) under the Preferred Unit Documents which will increase the Release Price.

6. Teleios is permitted to credit bid up to the amount equal to the Release Price (the “Credit Bid”) at the Monitor Auction and to interact with MapleLife (including receiving copies of materials prepared by MapleLife) in preparing its Credit Bid. Notwithstanding anything contained to the contrary in the Bidding Procedures, Teleios shall be deemed a Qualified Bidder and Teleios shall not be required to provide any deposit if Teleios submits a Credit Bid.

7. In parallel to the Monitor Refi/Sale Process, Teleios is authorized to commence a public sale process of the Collateral pursuant to Section 9-610 (the “NYUCC Sale Process”) of the New York Uniform Commercial Code (the “NYUCC”) in order to allow Teleios to foreclose on the Collateral in accordance with the Credit Documents, the Preferred Unit Documents and the NYUCC at the completion of the NYUCC Sale Process (the “NYUCC Sale”), including

servicing a Notification of Disposition of Collateral and any other documentation necessary to effectuate the NYUCC Sale Process.

8. If (i) no Qualified Bid is received on or prior to the Bid Deadline, or (ii) the Release Price is not satisfied in full in cash on or prior to the Outside Date, Teleios is authorized, without further order of the Court to: (A) serve a Notice of Event of Default in accordance with Credit Documents, Preferred Unit Documents and Securities Agreement; (B) exercise any and all rights and remedies under the Credit Documents, Preferred Unit Document and Securities Agreement and serve, deliver, or execute any documents in connection therewith, including to cause the Centurion Portfolio and the proceeds thereof on deposit in and credited to the Securities Account to be withdrawn and transferred to a securities account held by Teleios in accordance with the Securities Agreement by delivering an Entitlement Order (as defined in the Securities Agreement) and any other documents as may be necessary to effectuate such remedies, without the authorization, acknowledgment, or consent of the Borrower or any of the Centurion Related Entities and without further order of this Court deliver an Entitlement Order; and (C) foreclose on the Collateral pursuant to the NYUCC Sale, in each case, free and clear of all liens, claims and encumbrances. Upon such exercise of remedies by Teleios, without further order of the Court, Teleios shall be vested with all right, title, and interest of the Loan Parties in, to, and under the Collateral free and clear of all liens, claims, interests, and encumbrances, and no other or further notice of the Bidding Procedures, Auction, or other information contained herein shall be required.

9. If a Qualified Bid is received on or prior to the Bid Deadline, the Lender shall adjourn the NYUCC Sale until no later than the Outside Date. If the Release Price is satisfied in full in cash on or before the Outside Date, the Lender shall cancel the NYUCC Sale Process

unless the successful bidder elects to purchase the Centurion Assets pursuant to both the Court approved sale process and the NYUCC Sale Process.

10. The Court has scheduled a hearing (the “Refinance/Sale Hearing”) to approve the sale of the Offered Centurion Assets to the best and highest bidder on _____ **at 10:00 a.m. (prevailing Eastern Time)** or at such other date, time or method as directed by the Court. The Refinance/Sale Hearing may be adjourned from time to time by the Corporate Monitor, in the exercise of his professional business judgment in consultation with his Counsel and Financial Advisors, and with the consent of Teleios, to a later date, subject to the availability of the Court. The Refinance/Sale Hearing may be adjourned from time to time by the Corporate Monitor, in the exercise of his professional business judgment, and with the consent of Teleios, to a later date, subject to the availability of the Court. **For those creditors and parties-in-interest that do not wish to attend the Refinance/Sale Hearing in person, the Refinance/Sale Hearing will also be conducted by video conference using the services of Zoom Video Communications, Inc.**

11. Objections, if any, to the relief requested in the Motion in respect of the refinance or sale of the Centurion Assets, the determination of which Qualified Bid is the Successful Bid or any other aspect of the Monitor Auction must be (i) in writing, (ii) filed with the Court on or before **12:00 noon (prevailing Eastern time) on _____, 2022** (the “Refi/Sale Objection Deadline”), and (iv) served upon (x) Daniel J. Stermer, as Corporate Monitor (DStermer@DSIConsulting.com); (y) Berger Singerman LLP, c/o Brian Rich, Esq. (email: brich@bergersingerman.com; and (z) MapleLife c/o Nathan Evans and Mirna Hammoud (Nevans@maplelife.com and mhammoud@maplelifeanalytics.com).

Dated: April 6, 2022

Respectfully submitted,

BERGER SINGERMAN LLP

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