

**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,

Case No.: 50-2021-008718-XXXX-MB

v.

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,
AMERIT ONI AN 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 SPVI 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.

**INTERVENORS, EDWIN AND KAREN EZRINE'S RESPONSE TO THE CORPORATE
MONITOR'S MOTION TO CLARIFY THIS COURT'S ORDER
APPOINTING THE CORPORATE MONITOR**

Intervenors, EDWIN EZRINE (“Dr. Ezrine”) and KAREN EZRINE (“Mrs. Ezrine”) (collectively, “the Ezrines”), by and through their undersigned attorneys, hereby file *Intervenors, Edwin and Karen Ezrine’s Response to the Corporate Monitor’s Motion to Clarify this Court’s Order Appointing the Corporate Monitor* (“Response”) in response to *Corporate Monitor, Daniel J. Stermer’s Motion to Clarify September 14, 2021, Order Appointing Corporate Monitor* (“the Motion” or “Motion for Clarification”) and in support state as follows:

INTRODUCTION

1. On August 2, 2022, the Corporate Monitor, Daniel J. Stermer (“Corporate Monitor”), filed his Motion for Clarification which, *inter alia*, requests that the Court enter an order clarifying Paragraph 54 of the Court’s September 14, 2021, *Agreed Order Granting Plaintiff’s Consent Motion for Appointment of Corporate Monitor and Related Injunctive Relief* (“Appointment Order”).

2. The subject of the Motion for Clarification, Paragraph 54 of the Appointment Order, states the following:

The Corporate Monitor shall maintain written accounts, itemizing receipts and expenditures, describing properties held or managed, and naming the depositories of monitorship funds; make such written accounts and supporting documentation available to Plaintiffs and other the Consenting Corporate Defendants investors for inspection, and, within ninety (90) calendar days of the first report and every ninety (90) calendar days thereafter file with this Court and serve on the parties a

report summarizing efforts to marshal and collect assets, administer the monitorship estate, and otherwise perform the duties mandated by the Order.

Doc. No. 8 at page 28.

3. In his Motion for Clarification, the Corporate Monitor states, *inter alia*, the following:

The Corporate Monitor strongly opposes [the Ezrines'] interpretation of Paragraph 54, as granting unfettered access to documents would be contrary to the necessary privacy and confidentiality obligations of the Corporate Monitor and could provide investors' personal investment and/or identifying information to anyone who may wish to request documents from the Corporate Monitor.

Doc. No. 153 at page 9.

4. The Motion for Clarification goes on to assert:

Instead, the Corporate Monitor submits that Paragraph 54's disclosure requirement is specifically limited to the 'written accounts, itemizing receipts, and expenditures, describing properties held or managed, and naming the depositories of the monitorship.' This section does not provide for autonomous, unfettered access to all records, as may be suggested by Mr. Vernon.

Doc. No. 153 at page 9.

5. While the Ezrines certainly disagree with the Corporate Monitor's characterization of their requests for documents as an attempt to gain "autonomous, unfettered access to all records,"¹ the undisputed facts below establish that each of the Ezrine's requests for documents were not only relevant to the underlying lawsuit as is defined by the Florida Rules of Civil Procedure and other applicable Florida law, but further establish that each of the Ezrines' requests directly relate to statements made on the record in this proceeding by, *inter alia*, the Corporate Monitor, Plaintiff, the State of Florida, Office of Financial Regulation ("FOFR"), and/or the Defendants and Relief Defendants.²

¹ See Motion for Clarification, Paragraph 17 (or page 9).

² One request was made in response and is directly related to a court filing which contains mandatory disclosures of information (as required by Rule 26(a)(1), Federal Rules of Civil Procedure) and was made by several of the

6. In light of the foregoing, and for the reasons set forth in more detail below, the Court should deny the relief sought in the Motion for Clarification and, instead, enter an order compelling the Corporate Monitor to provide the Ezrines with the documents they requested as is required by the unambiguous language of Paragraph 54 of the Appointment Order, the Florida Rules of Civil Procedure, and other applicable Florida law.

FACTUAL AND PROCEDURAL BACKGROUND

A. Procedural Background

7. On July 12, 2021, the Plaintiff, FOFR, filed its *Complaint for Temporary and Permanent Injunction, Appointment of Receiver, Restitution, Civil Penalties, and Other Statutory and Equitable Relief* (“Complaint”) against what is now at least thirty-two (32) corporate-entity defendants (“Consenting Corporate Defendants”), two individual defendants, Marshal Seeman and Brian Schwartz (“Individual Defendants”) (collectively, “Defendants”), and three relief defendants, The Estate of Eric Charles Holtz, SHPC Holdings I, LLC, and Seeman Holtz Property and Casualty, LLC (f/k/a “Seeman Holtz Property and Casualty, Inc.”)³ (“SHPC”) (collectively, “Relief Defendants”).

8. Thereafter, on September 9, 2021, approximately fifty-nine (59) days after filing its Complaint,⁴ the FOFR filed its *Consent Motion for Appointment of Corporate Monitor and*

Defendants and Relief Defendants in the federal class action (which, like the OFR’s Complaint, alleges that Defendants engaged in and/or committed securities violations/fraud) currently pending before the United States District Court for the Southern District of Florida. *See Fanny Millstein v. National Senior Insurance, Inc., et al.*, Case No.: 21-cv-61179-RAR (S.D. Fla. Aug. 24, 2021) (Doc. 54). The Defendants and Relief Defendants filing the Rule 26 Disclosures includes, but is not limited to, the following: (1) Marshal Seeman; (2) Brian J. Schwartz; (3) National Senior Insurance, Inc.; (4) Centurion Insurance Services Group, LLC; (5) Para Longevity Holdings VI, LLC; (6) Para Longevity 2014-5; LLC; (7) Para Longevity 2015-3; LLC; (8) Para Longevity 2015-5; LLC; (9) Para Longevity 2016-3; LLC; (10) Para Longevity 2016-5; LLC; (11) Para Longevity 2018-3; LLC; (12) Para Longevity 2018-5; LLC; (13) Para Longevity 2019-3; LLC in the federal class action (which, like the OFR’s Complaint, alleges that Defendants’ committed securities violations/fraud).

⁴ Generally, unless the necessity is of the most urgent character, Florida courts will not appoint a receiver until the defendant is first heard and responds to the application. *See Mirror Lake Co. v. Kirk Securities Corporation*, 124 So. 719 (Fla. 1929); *Apalachicola Northern R. Co. v. Sommers*, 85 So. 361 (Fla. 1920).

Related Injunctive Relief (“Consent Motion”) which, *inter alia*, requested the Court to appoint Daniel J. Stermer as Corporate Monitor over the Consenting Corporate Defendants. *See Doc. No. 6.*

9. Notably, the Consent Motion does not contain any verified allegations and no adversarial hearing was ever held prior to granting the relief sought therein, both of which are generally required before a Florida court will appoint a corporate monitor (akin to a receiver). *See DeSilva v. First Community Bank of America*, 42 So. 3d 285 (Fla. 2d DCA 2010); *Edenfield v. Crisp*, 186 So. 2d 545 (Fla. 2d DCA 1966); *see also Shops of Sunset, Ltd. v. Cohen*, 551 So. 2d 1272 (Fla. 3d DCA 1989) (holding that the trial court erred in appointing a receiver without testimony, sworn pleadings or affidavits submitted in support of application for appointment).

10. On September 14, 2021, this Court entered the Appointment Order which, *inter alia*, effectively appointed Daniel J. Stermer as the Corporate Monitor for what is now over thirty (30) Consenting Corporate Defendants, their affiliates, successors, and assigns *See Doc. No. 8.*⁵ Pursuant to Paragraph 3 of the Appointment Order, the Corporate Monitor was to, *inter alia*: (i) confirm what assets the Consenting Corporate Defendants previously had and currently have; (ii) confirm what the Consenting Corporate Defendants’ investors are currently owed; (iii) take and maintain care, possession, and control over whatever rights, title, or interest the Consenting Corporate Defendants have in said assets to ensure the Consenting Corporate Defendants’ investors are repaid; (iv) marshal, safeguard, and liquidate assets; (v) ensure that preferential

⁵ Pursuant to Paragraph 63 of the Appointment Order, the Corporate Monitor was appointed without bond. *See Doc. No. 8* at page 31. This gives rise to additional concern as Florida courts generally require that a court appointed fiduciary (*i.e.*, a corporate monitor and/or receiver) and/or the party requesting the court to appoint a receiver to post a bond in an amount sufficient to cover costs and damages which may arise as a result of the appointment of a receiver, and particularly so when the handling of large sums of money will be required (such as the case at hand). *See Puma Enterprises Corp. v. Vitale*, 566 So. 2d 1343, 1345 (Fla. 3d DCA 1990); *Belk's Dept. Store, Miami Inc. v. Scherman*, 117 So.2d 845 (Fla. 3d DCA 1960) (receiver required to post bond in adequate amount to be fixed by the court).

payment to investors do not occur at the expense of other investors; (vi) ensure the Consenting Corporate Defendants' investors are repaid in a fair and equitable manner; and (vii) evaluate and file ancillary actions to recover monies or assets for the benefit of the Corporate Defendants' investors. **Doc. No. 8 at pages 3-4.**

11. Furthermore, Paragraph 47 of the Appointment Order states, *inter alia*, that the Corporate Monitor "has a continuing duty to ensure that there are no conflicts of interest between himself and the Consenting Corporate Defendants[.]" **Doc. No. 8 at page 26.**

B. Periodic Reports Filed by Corporate Monitor

12. On October 14, 2021, the Corporate Monitor filed the *Corporate Monitor's Initial Report* ("Initial Report"), which was followed by the *Corporate Monitor's Second Report* ("Second Report"), filed on January 12, 2022, and then the *Corporate Monitor's Third Report* ("Third Report"), filed on April 12, 2022. *See Doc. Nos. 26, 63, and 78.*

13. At the time of filing his Initial Report, the Corporate Monitor was "not yet in a position to propose to the Court 'a claims process for the determination of amounts owed to investors and other creditors, the determination of priorities among such claims, and a distribution plan for the return of funds.'" *See Doc. No. 26 at page 39* (quoting the Court's *Agreed Order Granting Plaintiff's Consent Motion for Appointment of Corporate Monitor and Related Injunctive Relief* ("Agreed Order") at Section 13. D). *See Doc. No. 8 at page 7.*

14. Likewise, the Corporate Monitor's Second Report and Third Report both state that "there are competing interests that claim to be entitled to the proceeds of the life insurance policies" (i.e., the Centurion Life Settlement Portfolio) and "[a]ny such determination as to priority may need to be determined by the Court at a future date." *See Doc. No. 63 at page 15; Doc. No. 78 at page 17.*

15. However, despite the foregoing, on June 27, 2022, the Corporate Monitor filed the following two documents: (1) *Corporate Monitor’s Notice of No Qualified Bids, Cancellation of Auction, and Conclusion of Monitor Refinance/Sale Process* (“Notice of Cancellation”); and (2) *Corporate Monitor, Daniel J. Stermer’s Motion to Approve Stipulation of Settlement with SHPC and Hudson Lender Parties* (“Motion to Approve Settlement”). See **Doc. Nos. 125 and 126**.

16. According to the Notice of Cancellation, none of the bids received by the Corporate Monitor (either alone or in combination) met the qualification under the Bid Procedures Order (Doc. No. 91), and the Corporate Monitor “has been advised by Teleios⁶ that Teleios is not in a position to agree to any further extension” to fund premiums on the life settlements subject of the Monitorship. See **Doc. No. 126 at pages 4-5**.

17. Furthermore, the Notice of Cancellation stated, *inter alia*, that “Teleios is authorized without further order of the Court, among other things, to exercise any and all rights and remedies under the Credit Documents, Preferred Unit Document and Security Agreement and to foreclose on the Collateral pursuant to the NYUCC Sale (defined in the Bid Procedures Order).” See *id.* at page 5. Accordingly, the bulk of the Consenting Corporate Defendants’ assets, if not all, were recently foreclosed upon or otherwise disposed of by the Teleios Parties.

18. Consequently, the value of the Monitorship estate has been significantly reduced, leaving all other creditors and/or Noteholders with far less chance of realizing any meaningful recovery from their investments in and/or through the Consenting Corporate Defendants. Furthermore, the collateral has now been foreclosed on by Teleios outside of this Court’s supervision and without any such determination over competing interest by the Court in

⁶ “Teleios” includes: (1) Teleios Holdings V DE, LLC; and (2) Teleios Holdings IV DE, LLC (“Teleios Parties” or “Teleios”).

contradiction to prior representations by the Corporate Monitor that such determination would occur on a later date.

19. Additionally, on July 1, 2022, the Corporate Monitor filed the *Corporate Monitor's Fourth Report* ("Fourth Report") wherein the Corporate Monitor states, *inter alia*, that "[b]ased upon the present status of the case, the Corporate Monitor anticipates that he will commence extensive discovery prior to the deadline for the next report, including depositions of the significant actors in this case as well as document production and depositions from multiple sources." **Doc. No. 130 at page 15**. However, as of the filing of this Response, not a single deposition has been taken in this case.

20. Notably, according to the Court's *Order Implementing Civil Differentiated Case Management Plan and Designation of this Case to the Streamline Track* ("Case Management Order"), the time in which the parties had to conduct fact and expert discovery, on or before August 21, 2022, has now passed. *See Doc. No. 69*. According to the Case Management Order, the discovery deadline (August 21, 2022) "will be strictly enforced by the Court unless good cause is shown." **Doc. No. 69 at pages 1-2**. Thus, it now appears that, unless good cause can be shown, there will not be deposition testimony of any of the major actors (*i.e.*, Marshal Seeman, Brian Schwartz, etc.), as was previously promised by the Corporate Monitor.⁷

C. The Ezrines' Motion to Intervene and Request for Documents & Information

21. On April 19, 2022, the Ezrines filed *Intervenors Edwin and Karen Ezrine's Motion to Intervene* ("Motion to Intervene") which sought to assert and/or preserve the Ezrine's security interests in certain assets previously subject of the Monitorship Estate. *See generally Doc. Nos.*

⁷ The Corporate Monitor made identical representations (that depositions of significant actors would eventually be taken) in his Third Report. *See Doc. No. 78 at page 7*.

83-84. The Court granted the Ezrine’s Motion to Intervene in April of 2022, thereby effectively joining the Ezrines as formal parties to this litigation.

22. Subsequently, on April 22, 2022, this Court granted the Ezrines Motion to Intervene, and specifically stated that “[a]ll parties rights thereto are preserved.” *See Doc. No. 91 at page 11.* As the Corporate Monitor acknowledges in his Motion for Clarification, the Ezrines’ Motion to Intervene was filed in response to and in connection with the Corporate Monitor’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 “Bid Procedure Motion”).

23. However, on June 27, 2022, the Corporate Monitor filed the *Corporate Monitor’s Notice of No Qualified Bids, Cancellation of Auction and Conclusion of Monitor Refinance/Sale Process* (the “Notice of Cancellation of Sale”) which, among other things, concluded the Monitor Refi/Sale Process and cancelled the Monitor Auction and the Refinance/Sale Hearing. *See Doc. No. 129, ¶¶ 7, 9.*

24. Subsequently, on June 28, 2022, Teleios purportedly served a Notice of Default and held an auction for the Collateral where at “Teleios was the successful bidder for the Collateral pursuant to a Credit Bid of a portion of the outstanding Obligations under the Credit Agreement. The NYUCC Sale closed on June 28, 2022.” *See Doc. No. 149, ¶ 4.*

25. While the primary purpose of the Ezrines’ Motion to Intervene (*i.e.*, to assert and/or preserve the Ezrine’s security interests in certain collateral (and/or proceeds derived therefrom) previously subject of the Monitorship Estate) may no longer be practical to pursue further in the case at hand (due to Teleios’ foreclosure), the Ezrines’ status as formal parties to this action and

investors of the Consenting Corporate Defendants and Relief Defendants remain the same. *See generally* **Doc. Nos. 83-84**.

26. To that end, counsel for the Ezrines, Vernon Litigation Group, requested certain documents and information from the Corporate Monitor to better understand where the Ezrines' money went, who received the benefits therefrom, and similar information related to the alleged Ponzi scheme illegally conducted by the Defendants and Relief Defendants.

27. Specifically, the Ezrines requested copies of the following documents:

- Copies of documents the Corporate Monitor received in response to the following discovery requests:
 - (a) *Subpoena Duces Tecum Without Deposition* and *Supplemental Subpoena Duces Tecum Without Deposition* directed to Wells Fargo Bank, N.A. (Doc. Nos. 20 & 45);
 - (b) *Subpoena Duces Tecum Without Deposition*, *Supplemental Subpoena Duces Tecum Without Deposition*, and *Second Supplemental Subpoena Duces Tecum Without Deposition* directed to First National Bank of Coffee County (Doc. Nos. 21, 37, & 81);
 - (c) *Subpoena Duces Tecum Without Deposition* directed to Coral Gables Collateral Agency, Inc. (Doc. No. 20);
 - (d) *Subpoena Duces Tecum Without Deposition* directed to Brighthouse Life Insurance Co. (Doc. No. 33); and
 - (e) *Subpoena Duces Tecum Without Deposition* directed to AXA Equitable Life Insurance Co. (Doc. No. 18).
- Document(s) showing which of the Centurion Entities first purchased the Collateral;
- Document(s) showing, as of January 1, 2017, which Centurion Entity owned and/or had entitlement to the Collateral;
- Document(s) showing when, if at all, the Centurion Entity originally owning/having entitlement to the Collateral assigned and/or transferred rights in the policy to Centurion Funding SPV II, LLC;

- Document(s) showing which individual(s) and/or entities filed the Articles of Organization with Delaware Secretary of State for Teleios LS Holdings IV DE, LLC, and Teleios Holdings V DE, LLC;
- Document(s) showing who owns Teleios LS Holdings IV DE, LLC, and/or Teleios Holdings V DE, LLC, and what is their relationship to Eric Holtz, Marshal Seeman, and/or Brian Schwartz is;
- Document(s) showing that Teleios is in fact perfected in all sixty-one (61) life insurance policies;
- The Teleios Credit Document(s) and Preferred Unit Purchase Agreement(s) (and amendments thereto); and
- Documents from Wells Fargo and/or any other securities intermediary related to the McDougal Policy.

28. The Corporate Monitor refused to produce to the Ezrines those documents received by the Corporate Monitor from Wells Fargo in response to the *Subpoena Duces Tecum* served by the Corporate Monitor upon Wells Fargo. These documents likely reflect the value of the monitorship estate and would enable the Ezrines to better understand their legal rights and interests.

D. Motions Related to Documents and Information Filed by Corporate Monitor

29. In the Corporate Monitor’s Motion for Clarification, the Corporate Monitor asserts that the Ezrines seek “unfettered access” to documents and information. To be clear, the only party with unfettered access to documents and information (as shown below) is the Corporate Monitor. Furthermore, as the only party with unfettered access, the Corporate Monitor has made the unilateral determination as to what documents the Ezrines are and/or are not entitled to.

30. For example, on December 9, 2022, the Corporate Monitor filed the *Corporate Monitor’s Unopposed Motion for Entry of Stipulated Protective Order Regarding the Production of Documents from Wells Fargo, N.A.* (“Motion for Protective Order”), which, *inter alia*, requested the Court to enter an order restricting access to records and documents produced by Wells Fargo

Bank, N.A., in response to the Corporate Monitor's *Subpoena Duces Tecum*. See Doc. No. 51; see also *Stipulated Protective Order* (granting Corporate Monitor's Motion for Protective Order). **Doc. No. 53.**

31. Furthermore, on January 6, 2022, the Corporate Monitor filed his *Agreed Motion for Authorization to Destroy Inconsequential Records* which, among other things, sought the Court's "authorization for the Corporate Monitor to, in his sole discretion... destroy and/or shred certain inconsequential documents or files located at 301 Yamato Road, Suite 2222, Boca Raton, Florida 33431..." See **Doc. No. 62 at page 1**. The Court granted the aforementioned motion on January 7, 2022. See *id.* According to the record, the Corporate Monitor, in his sole discretion, was permitted to determine which documents and/or records were inconsequential and thus destroyed.

32. Subsequently, on April 6, 2022, the Corporate Monitor filed the *Corporate Monitor's Unopposed Motion for Authorization to Assume Exclusive Authority and Control over Consenting Corporate Defendants' Electronically Stored Information (ESI) and for Authorization to Pay ESI Vendor for Storage Services* which, *inter alia*, sought Court authorization for the Corporate Monitor to have the sole and exclusive authority and control over access to the Consenting Corporate Defendants' ESI. See **Doc. No. 96 at pages 3-4**.

33. Thus, based upon the above motions filed by the Corporate Monitor (and granted by the Court), the Corporate Monitor is the only party in this action with access to and/or control over the vast majority, if not all, vital information. While the Corporate Monitor may have sufficient reason for withholding this information, the Corporate Monitor has not communicated that reason to the Ezrines.

E. Other Facts Giving Rise to Need for Additional Information

34. The Ezrines also requested documents and information from the Corporate Monitor outside of the formal discovery process which are relevant to facts and circumstances that were learned of after the Ezrines' Motion to Intervene was granted.

35. According to records on file with the Delaware Secretary of State, the entity—Centurion Funding SPV III, LLC (“Centurion SPV III”)—was formed on or around April 7, 2018, and appears to be directly related to Consenting Corporate Defendants, Centurion Insurance Services Group, LLC (“Centurion”) and the Centurion Related Entities. However, when the Ezrines inquired with the Corporate Monitor as to Centurion SPV III's relation to Centurion and the Centurion Related Entities, the Corporate Monitor responded that the inquiry was unrelated to the Ezrines' claims and exceeded the scope the information that the Ezrines are entitled to.

36. Additionally, the Ezrines requested documents and information related to Consenting Corporate Defendant, National Senior Insurance, Inc. (“NSI”), and Relief Defendant, Seeman Holtz Property and Casualty, LLC (f/k/a “Seeman Holtz Property and Casualty, Inc.”), because of conflicting information in Court filings in regard to their relationship with one another, as well as their relationship to the case at hand.

37. For example, in his Initial Report, the Corporate Monitor states, *inter alia*, that “the Corporate Monitor sent the [Appointment] Order to insurance agents identified by [Marshal] Seeman as those who may be soliciting NSI's clients in violation [sic] non-solicitation obligations.” **Doc. No. 26 at page 9.** However, it appears that the insurance agents identified by Seeman were in violation of non-solicitation obligations owed to Seeman Holtz Property and Casualty, LLC, and not NSI.

38. Specifically, in the matter of *Seeman Holtz Property and Casualty, LLC v. Schulhofer Ripley, Kelli, et al.*, currently pending in the Palm Beach County Circuit Court, SHPC is suing 12 former employees for, *inter alia*, breach of solicitation obligations. *See Complaint for Injunctive Relief and Damages*, attached hereto as “**Exhibit A.**”

39. Finally, the Ezrines requested copies of documents referenced by the Corporate Monitor in *Corporate Monitor, Daniel J. Stermer’s Motion to Approve Stipulation of Settlement with SHPC and Hudson Lender Parties* (the “Motion for Settlement”) (Docket No. 125) filed on June 27, 2022.

40. Specifically, in Section Five (5) of the Motion for Settlement, the Corporate Monitor states, *inter alia*, that the following non-parties will receive a release from any and all claims, if any, held by one or more of the Consenting Corporate Defendants against them, for “work performed pursuant to written engagement agreements with SHPC[:]” (i) Terance Alan Hodge, Esq.; (ii) the Law Office of Scott Alan Orth, P.A.; (iii) Bryan Cave Leighton Paisner LLP; (iv) Greenspoon Marder; (v) Akerman, LLP; (vi) Shutts & Bowen, LLP; (vii) Morrison Brown Argiz & Farra, LLP; (viii) AG; (ix) Greenberg Traurig; (x) David R. Chase, P.A.; and (xi) Rampell & Rampell, P.A. (collectively, “Restructuring Professionals”); yet, the Motion is devoid of any facts or information related to how the aforementioned Restructuring Professionals are concerned with this action or their relationship to/with the individual Defendants, Marshal S. Seeman and/or Brian J. Schwartz (“Individual Defendants”), Relief Defendants, SHPC and SHPC Holdings, and/or any of the Consenting Corporate Defendants. *See id.* at **Exhibit B, page 7.**

41. For the first time since being appointed Corporate Monitor over nine (9) months ago, the Corporate Monitor mentions the Hudson Loan Parties and Restructuring Professionals by name. Thus, the Ezrines requested information relevant to work performed pursuant to written

engagement agreements with SHPC and the aforementioned non-parties to better understand their role in causing the Ezrines' losses.

42. Notably, attached hereto as "Exhibit B" is an email dated April 16, 2021, and sent to Dr. Ezrine by/from Rose Schindler, an attorney with Greenspoon Marder. The email states, *inter alia*, the following:

Dear Mr. Ezrine:

Thank you for discussing your investment with me. I represent Marshall Seeman and Eric Holtz who are majority owners of Centurion Insurance.

I can assure you there is no Ponzi scheme or any misstatements regarding the use of proceeds as set forth in the offering documents. If the Outside Forensic Auditor had found any wrongdoing, the State would have closed it down immediately and appointed a receiver. That did not happen as you know.

See Exhibit B.

43. The contents of the attached email are concerning for a number a reasons, however, the most obvious reason being that Greenspoon Marder assured Dr. Ezrine that there was no Ponzi scheme just three months prior to the FOFR filing suit alleging that there is in fact a Ponzi scheme or, at the least, Ponzi like payments made by the Defendants and/or Relief Defendants. Furthermore, it appears that Relief Defendant, SHPC, and/or Marshal Seeman, made payments to Greenspoon Marder in January and March of 2021 totaling approximately \$37,780.00

44. Notably, the email refers to an "Outside Forensic Auditor" which, upon information and belief, is Development Specialists Inc. ("DSI"), the same firm that employs the Corporate Monitor.

45. According to documents filed in the United States Bankruptcy Court in and for the Southern District of Florida, in the bankruptcy matter of *In re 1 GC Collections, et al.*, DSI was "engaged in a forensic accounting matter with Relief Defendant, Centurion ISG Holdings, LLC

and its related entities, including Seeman Holtz Property & Casualty, LLC, National Senior Insurance, Inc. d/b/a Seeman Holtz (collectively, the “Company”).” See Exhibit C at page 26.

Specifically, the court filing states, in pertinent part, the following:

DSI is engaged in a forensic accounting matter with Centurion ISG Holdings, LLC and its related entities, including Seeman Holtz Property & Casualty, LLC, National Senior Insurance, Inc. d/b/a Seeman Holtz (collectively, the “Company”). DSI was brought into the engagement through Greenberg Traurig. Greenberg Traurig represents the Company and the following lawyers are involved: Fred Karlinsky, Carl Fornaris, Ben Katz, Frank Sanchez, Tim Stanfield, and Paul Berkowitz.

See Exhibit C at page 26.

46. One of the Greenberg Traurig attorneys that engaged DSI to conduct this forensic accounting of Defendants and Relief Defendants, Carl Fornaris, was recently named partner at the law firm, Winston & Strawn LLP (“Winston & Strawn”), as well as named co-chair of Financial Services Regulatory/Compliance Practice at Winston & Strawn’s new corporate office in Miami, Florida. See Winston & Strawn’s webpage, a copy of which is attached hereto as “**Exhibit D.**”

47. Notably, Winston & Strawn represents the Teleios Parties in this action and adamantly disputed the Ezrines’ (and others’) claims to certain collateral previously subject of the monitorship estate. Furthermore, the pre-existing relationship by and among, *inter alia*, Winston & Strawn, the Teleios Parties, Greenberg Traurig, DSI, and the Corporate Monitor, was never disclosed to the Ezrines or the Court.

48. In light of the foregoing, and for the reasons further identified below, the Court should deny the Corporate Monitor’s Motion for Clarification and instead enter an order that compels the Corporate Monitor to provide the Ezrines with the documents and information previously requested.

MEMORANDUM OF LAW
LEGAL ARGUMENT

49. Although the Motion to Intervene’s primary purpose (*i.e.*, to assert and/or preserve the Ezrine’s security interests in certain collateral (and/or proceeds thereof) previously subject of the Monitorship Estate) may no longer be practical to pursue in the case at hand due to Teleios’ foreclosure, the Ezrines’ status as formal parties to this action and as innocent victims of the Defendants’ and Relief Defendants’ unlawful conduct remains the same. *See generally* Doc. Nos. 83-84.

50. Thus, the Court should deny the Corporate Monitor’s Motion and instead compel the Corporate Monitor to disclose the requested information because the Ezrines, as formal parties to this lawsuit and as victims of the Defendants’ and Relief Defendants’ unlawful conduct, are entitled to the requested information under the Florida Rules of Civil Procedure, the Florida Constitution, and other applicable and controlling Florida law.

A. The Ezrines’ Rights to Documents & Information Under Florida Law

51. Subject to limited exceptions inapplicable in the case at hand, pursuant to Rule 1.230, Florida Rules of Civil Procedure, once a motion to intervene is granted, the same rules govern an intervenor’s rights as those that govern the rights of those who originally sue and defend. *See Bancroft v. Allen*, 174 So. 749, 752-53 (Fla. 1937) (“[a] person who asserts an interest in the subject-matter of litigation and files a petition to intervene *pro interesse suo* in the case thereby makes himself technically a party to the cause which will enable him to take an appeal from an interlocutory adverse ruling to his right to intervene.”).

52. As the Corporate Monitor acknowledges in his Motion for Clarification, the Ezrines’ Motion to Intervene (brought pursuant to Fla. R. Civ. P. 1.230) was granted in April of 2022, and the Ezrines were effectively joined as formal parties to this litigation.

53. Consequently, the same rules that govern the rights of Plaintiff, FOFR, and Defendants and/or Relief Defendants, also govern the rights of the Ezrines as Intervenors. In other words, the same Florida Rules of Civil Procedure governing discovery that apply to Plaintiff and Defendants/Relief Defendants apply to the Ezrines, as well.

54. Accordingly, Rule 1.280, Florida Rules of Civil Procedure, states, *inter alia*, that parties may obtain discovery regarding any matter, not privileged, that is relevant to the subject matter of the pending action, whether it relates to the claim or defense of the party seeking discovery or the claim or defense of any other party, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of any discoverable matter. *See Fla. R. Civ. P. 1.280* (also providing that it is not ground for objection that the information sought will be inadmissible at the trial if the information sought appears reasonably calculated to lead to the discovery of admissible evidence).

55. Thus, in the case at hand, the Ezrines are entitled to discovery regarding any matter, not privileged, that is relevant to the subject matter of this action, whether such discovery relates to the claim or defense brought on behalf of the Ezrines, or the claims that have already been asserted by the Plaintiff, and/or whether it relates to any defenses of Defendants to Plaintiff's claims.

56. Notably, each of the Ezrines' requests for documents and information directly relate to the claims brought by Plaintiff (for wrongs inflicted on Florida (and other) investors, such as the Ezrines) and/or the Defendants' potential defenses to Plaintiff's claims and are thus discoverable under the Florida Rules of Civil Procedure.

57. If the Ezrines' requests call for production of documents that are privileged, such privilege has not been clearly communicated to the undersigned.

CONCLUSION

58. While the Corporate Monitor and the Ezrines may disagree as to the meaning of Paragraph 54 of the Appointment Order, Florida law is clear, the Ezrines are entitled to the information and documents requested as intervenors/parties to this action and victims of Defendants' and Relief Defendants' underlying culpable conduct.

WHEREFORE, Intervenors, EDWIN EZRINE and KAREN EZRINE, request that this Court deny the Corporate Monitor's Motion for Clarification and instead to enter an order compelling the Corporate Monitor to disclose documents and information consistent with the Ezrines' rights under the Florida Rules of Civil Procedure and other applicable Florida law, and for any and all such further relief as this Court deems just and proper under the circumstances.

Respectfully submitted: August 30, 2022.

VERNON LITIGATION GROUP
*Attorneys for Intervenors,
Edwin and Karen Ezrine*

/s/ Bernard Charles Carollo, Jr.

Bernard Charles Carollo, Jr.

Florida Bar No.: 1035487

John J. Truitt, Esq.

Florida Bar No.: 92579

3520 Kraft Road, Suite 203

Naples, FL 34105

Phone: (239) 649-5390

Facsimile: (239) 294-3917

Email: bcarollo@vernonlitigation.com

Email: jtruitt@vernonlitigation.com

Alt. email: nzumaeta@vernonlitigation.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on August 30, 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, including all counsel of record.

By: /s/ Bernard C. Carollo, Jr.
Bernard C. Carollo, Jr.

EXHIBIT

A

Filing # 144075557 E-Filed 02/16/2022 06:02:38 PM

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

CASE NO.:
DIVISION:

SEEMAN HOLTZ PROPERTY AND
CASUALTY, LLC,

Plaintiff,

vs.

KELLI SCHULHOFER RIPLEY; LISA KAY;
ANNE BASILY; ANET OHANESSIAN;
TINA STUMP; STEVE BECK;
PAULA PLUMMER; MCKENZIE CAMPBELL;
JOLENE WILLIAMS; JAMES NIGGLES;
EUNICE GARCIA; CORRIE ZARAKOWSKI; and
THE LIBERTY COMPANY INSURANCE
BROKERS, LLC,

Defendants.

COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES

Plaintiff Seeman Holtz Property and Casualty, LLC f/k/a Seeman Holtz Property and Casualty, Inc. (“SHPC”) sues Defendants Kelli Schulhofer Ripley (“Ripley”), Lisa Kay (“Kay”), Anne Basily (“Basily”), Anet Ohanessian (“Ohanessian”), Tina Stump (“Stump”), Steve Beck (“Beck”), Paula Plummer (“Plummer”), McKenzie Campbell (“Campbell”), Jolene Williams (“Williams”), James Niggles (“Niggles”), Eunice Garcia (“Garcia”), Corrie Zarakowski (“Zarakowski”) (collectively “Individual Defendants”), and The Liberty Company Insurance Brokers, LLC (“Liberty”) (the Individual Defendants and Liberty will be collectively referred to as “Defendants”) for injunctive relief and damages and alleges as follows:

NATURE OF THE ACTION

1. Defendants have wrongfully engaged in a targeted campaign to divert insurance customers from SHPC to Liberty in direct violation of restrictive covenant agreements and with the benefit of confidential information taken from SHPC. Individual Defendants have quickly moved over 100 customers despite agreements to refrain from soliciting and diverting customers upon their departures. Even worse, Defendants stole data on more than 1,000 SHPC customers prior to leaving their SHPC employment, including sensitive customer contact information, policy information, renewal information, and premiums, among other key data points.

2. Prior to Individual Defendants joining Liberty, Liberty feigned interest in purchasing SHPC to acquire key confidential information regarding SHPC's business, including customer and employee information, which was provided under a non-disclosure agreement (NDA). After receiving the information, Liberty ended the purchase talks and immediately targeted several of SHPC's valuable employees for recruitment to Liberty. Those employees took SHPC's confidential information to Liberty and immediately began soliciting SHPC's customers. Worse yet, and while still employed with SHPC, Individual Defendants and Liberty sabotaged SHPC's relationships with its customers through holding-back renewals and failing to provide routine service to accounts.

3. In short, rather than buy the business, Liberty elected to steal it. When SHPC confronted Liberty about its wrongdoing, Liberty's own founder and chairman, Bill Johnson, bragged and stated: "This is a great business model. You should try it."

4. SHPC seeks immediate equitable relief from the Defendants' wrongful acts, the return of its misappropriated information, and a cessation of the improper solicitation and service

of its customers, as well as damages (including destruction of business and lost profits) and disgorgement, and attorneys' fees and costs.

THE PARTIES

5. SHPC is a Delaware limited liability company registered to do business in Florida. SHPC provides insurance brokerage services, including, as relevant to this case, personal and commercial insurance lines for individuals and businesses across the nation. SHPC converted from a Florida corporation to a Delaware limited liability company in October, 2018.

6. Liberty is a Delaware limited liability company engaging in substantial and not isolated activity within Florida. Liberty competes with SHPC in the personal and commercial insurance brokerage business, including in Palm Beach County, Florida, and has offices in Florida.

7. Ripley is a resident of North Carolina and is otherwise *sui juris*. Ripley is a former employee of SHPC who joined SHPC in November 2016 via SHPC's asset acquisition of National Insurance Solutions, Inc. ("National Insurance"), and served as an SHPC Regional Director, having oversight and management responsibility over SHPC employees based in California, including each of the Individual Defendants. As a regional director, SHPC imbued Ripley with a heightened level of trust and confidence, which she willingly accepted. Ripley resigned from SHPC and is a current employee of Liberty.

8. Beck is a resident of California and is otherwise *sui juris*. Beck is a former employee who joined SHPC in November, 2016 via SHPC's asset acquisition of National Insurance and served as an insurance producer. As a producer, Beck had regular direct contact with SHPC customers. Beck executed a Confidentiality and Non-Solicitation Agreement with SHPC ("Beck Agreement"), attached hereto as **Exhibit "A."** Beck resigned from SHPC and is a current employee of Liberty.

9. Garcia is a resident of California and is otherwise *sui juris*. Garcia is a former employee of SHPC who joined SHPC in November 2016 via SHPC's asset acquisition of National Insurance and served as a Branch Manager, having oversight and management responsibility over SHPC employees based in California. As a branch manager, SHPC imbued Garcia with a heightened level of trust and confidence, which she willingly accepted. Garcia executed a Confidentiality and Non-Solicitation Agreement with SHPC ("Garcia Agreement"), attached hereto as **Exhibit "B."** Garcia resigned from SHPC and is a current employee of Liberty.

10. Kay is a resident of California and is otherwise *sui juris*. Kay is a former employee of SHPC who joined SHPC in November 2016 via SHPC's acquisition of National Insurance and served as an insurance producer. As a producer, Kay had regular direct contact with SHPC customers. Kay executed a Confidentiality and Non-Solicitation Agreement with SHPC ("Kay Agreement"), attached hereto as **Exhibit "C."** Kay resigned from SHPC and is a current employee of Liberty.

11. Ohanessian is a resident of Tennessee and is otherwise *sui juris*. Ohanessian is a former employee of SHPC who joined SHPC in 2016 via SHPC's acquisition of National Insurance and served as an account manager regularly interacting with SHPC customers. Ohanessian executed a Confidentiality and Non-Solicitation Agreement with SHPC ("Ohanessian Agreement"), attached hereto as **Exhibit "D."** Ohanessian resigned from SHPC and is a current employee of Liberty.

12. Zarakowski is a resident of California and is otherwise *sui juris*. Zarakowski is a former employee of SHPC who joined SHPC in October 2018 via SHPC's asset acquisition of Direct Choice Insurance Services, Inc. and served as an account manager regularly interacting with SHPC customers. Zarakowski executed a Confidentiality and Non-Solicitation Agreement with

SHPC (“Zarakowski Agreement”), attached hereto as **Exhibit “E.”** Zarakowski resigned from SHPC and is a current employee of Liberty.

13. Stump is a resident of Nevada and is otherwise *sui juris*. Stump is a former employee of SHPC who joined SHPC in November 2016 via SHPC’s asset acquisition of National Insurance and served as a customer service representative regularly interacting with SHPC customers. Stump executed a Confidentiality and Non-Solicitation Agreement with SHPC (“Stump Agreement”), attached hereto as **Exhibit “F.”** Stump resigned from SHPC and is a current employee of Liberty.

14. Plummer is a resident of California and is otherwise *sui juris*. Plummer is a former employee of SHPC who joined SHPC in November 2016 via SHPC’s asset acquisition of National Insurance and served as a customer service representative regularly interacting with SHPC customers. Plummer executed a Confidentiality and Non-Solicitation Agreement with SHPC (“Plummer Agreement”), attached hereto as **Exhibit “G.”** Plummer resigned from SHPC and is a current employee of Liberty.

15. Campbell is a resident of California and is otherwise *sui juris*. Campbell is a former employee of SHPC who joined SHPC in March 2019 via SHPC’s asset acquisition of Kaercher Campbell & Associates Insurance Brokerage, LLC, and served as an account manager regularly interacting with SHPC customers. Campbell executed a Confidentiality and Non-Solicitation Agreement with SHPC (“Campbell Agreement”), attached hereto as **Exhibit “H.”** Campbell resigned from SHPC and is a current employee of Liberty.

16. Williams is a resident of California and is otherwise *sui juris*. Williams is a former employee of SHPC who joined SHPC in March 2019 via SHPC’s asset acquisition of Kaercher Campbell and served as an account manager regularly interacting with SHPC customers. Williams

executed a Confidentiality and Non-Solicitation Agreement with SHPC (“Williams Agreement”), attached hereto as **Exhibit “I.”** Williams resigned from SHPC and is a current employee of Liberty.

17. Basily is a resident of California and is otherwise *sui juris*. Basily is a former employee of SHPC who joined SHPC in April 2017 via SHPC’s asset acquisition of A&J Insurance Agency, Inc. and assisted with various accounting matters relating to SHPC customers. Basily executed a Confidentiality and Non-Solicitation Agreement with SHPC (“Basily Agreement”), attached hereto as **Exhibit “J.”** Basily resigned from SHPC and is a current employee of Liberty.

18. Niggles is a resident of California and is otherwise *sui juris*. Niggles is a former employee of SHPC who joined SHPC in November 2016 via SHPC’s asset acquisition of National Insurance and served in an administrative role with respect to the servicing and maintenance of SHPC clients. Niggles executed a Confidentiality and Non-Solicitation Agreement with SHPC (“Niggles Agreement”), attached hereto as **Exhibit “K.”** Niggles resigned from SHPC and is a current employee of Liberty.

JURISDICTION AND VENUE

19. SHPC brings this action for injunctive relief and for damages in excess of \$30,000, exclusive of interest, costs, and attorneys’ fees.

20. SHPC’s corporate headquarters and principal place of business is located in Palm Beach County, Florida.

21. When the Individual Defendants accepted their positions with SHPC, they were aware that SHPC was headquartered and operated in Florida. To that end, each of the Individual Defendants executed a Confidentiality and Non-Solicitation Agreement (collectively

“Employment Agreements”) where the Individual Defendants agreed that any enforcement action related to the Employment Agreements would be governed by and construed in accordance with Florida law, without regard to conflicts of law principles, and that any action shall be brought in the United States District Court for the Southern District of Florida or in any court of the State of Florida sitting in Palm Beach County. Individual Defendants further expressly waived any objection to being haled into a Florida court with respect to conduct relating to their SHPC employment obligations. *See, e.g.*, Exh. A, Beck Agreement, ¶ 12.8.

22. In addition, each of the Individual Defendants had frequent and extensive contacts with SHPC in Florida during their SHPC employment, including but not limited to the following:

- a. SHPC’s human resources (HR) department is located in and managed out of Palm Beach County, Florida. The Individual Defendants’ employment, salary, and benefits were managed by the HR department in Palm Beach County. The Individual Defendants sent all employment forms to Palm Beach County, and their employment files were maintained in Palm Beach County. The HR department developed and implemented policies applicable to the Individual Defendants, which governed their work for SHPC, including for remote work as a result of the pandemic. Each of the Individual Defendants were required to comply with the policy directions from the HR department in Palm Beach County, Florida. Notably, when the Individual Defendants jointly resigned on the exact same day on November 15, 2021, all of the resignation letters were sent to SHPC’s HR department in Palm Beach County.
- b. SHPC’s information technology (IT) department is located in Palm Beach County. Each of the Individual Defendants was issued a company computer that was set-

up, administered and maintained by SHPC's IT department in Palm Beach County. Furthermore, the key technology that drove SHPC's California office was originated, supported and managed by SHPC's IT department in Palm Beach County.

- c. SHPC's accounting department is located in Palm Beach County. When the Individual Defendants submitted expense reports, they submitted them to SHPC's accounting department in Palm Beach County. Moreover, all of the Individual Defendants' paychecks were issued by SHPC's accounting department located in Palm Beach County.
- d. SHPC's email servers are located in Palm Beach County. The Individual Defendants had SHPC company email addresses that were hosted with servers in Palm Beach County and maintained by SHPC's IT department in Palm Beach County.
- e. SHPC's internal document and client management system, EZLynx (software specifically designed for insurance brokerages to manage client data), is operated through a master services agreement based in Florida, and is managed by SHPC's IT department in Florida. The Florida-based master services agreement, and code, was then relied on by each of the Individual Defendants, other than Williams and Campbell, when accessing EZLynx.
- f. SHPC's marketing work is also located in Palm Beach County. SHPC's marketing department developed marketing initiatives in Florida, which were disseminated to and utilized by the Individual Defendants in California, other than Williams and Campbell, to support their efforts to solicit, acquire and retain clients.

- g. SHPC's internal online employee portal was operated and maintained in Palm Beach County. The Individual Defendants accessed this online portal for key information related to their employment.

23. The Individual Defendants were ultimately supervised from Palm Beach County, Florida. Ripley managed the operations of SHPC's California offices where the Individual Defendants worked. Ripley worked as an operations manager for SHPC's office in Palm Beach County, Florida from approximately late-2017 to late-2019. She also resided in Palm Beach County, Florida during that time. While Ripley resided in Florida and worked for SHPC in Florida, Ripley had continuous and systematic contacts with SHPC's office in Florida, including but not limited to training sessions, meetings, and general work duties. Furthermore, while Ripley resided in Florida and worked for SHPC in Florida, SHPC disseminated to Ripley confidential and proprietary information, including but not limited to, business strategies and information, plans, policies and tools developed at SHPC's Palm Beach County headquarters. Ripley also served as a lead negotiator for SHPC's insurance carrier relationships while employed in Florida, including with respect to Florida-based carriers who provided coverage to Florida-based consumers.

24. While Ripley resided in Florida and worked for SHPC in Florida, Ripley supervised and managed the operations of SHPC's California offices, which included supervising and managing the other Individual Defendants.

25. In 2019, Ripley temporarily relocated to California to continue to supervise, manage, and operate SHPC's California offices based on her training and experience in Florida, before she moved to North Carolina. When Ripley moved to California to operate the California offices and supervise and manage the other Individual Defendants, Ripley's ultimate supervisor was located in Palm Beach County. Ripley received regular and frequent supervision, direction,

and control from her ultimate supervisor in Palm Beach County. For example, Ripley was in constant communication with SHPC's management team in Florida, including frequent calls, which ranged from weekly to monthly, with team members in Florida to discuss prospects, sales, business plans, strategies, and other SHPC proprietary information. During these calls, business strategies and information, plans, policies and tools developed at SHPC's headquarters in Palm Beach County were disseminated to Ripley, who would then disseminate those plans and strategies to the other Individual Defendants, all of whom she managed and supervised. In short, key strategy and industry information provided to Individual Defendants to support their service, solicitation or retention of clients originated from Palm Beach County, Florida.

26. Ultimately, all of the Individual Defendants were subject to frequent supervision, direction, and control from SHPC in Palm Beach County.

27. Individual Defendants and Liberty are causing harm to SHPC in Palm Beach County, including through their misappropriation and misuse of SHPC confidential and/or trade secret information which was generated in, and stolen from, SHPC servers and management systems located in Florida.

28. This Court has jurisdiction over the subject matter of this action and over the Individual Defendants, including both specific and general jurisdiction.

29. This Court has general jurisdiction over the Individual Defendants pursuant to Florida Statute Section 48.193(2) because they have engaged in substantial and not isolated activity within Florida.

30. This Court has general jurisdiction over Liberty pursuant to Florida Statute Section 48.193(2) because Liberty has engaged in substantial and not isolated activity within Florida.

31. In addition, this Court has specific jurisdiction over the Individual Defendants pursuant to Florida Statute Section 48.193(1)(b) because the claims herein arise from their commission of a tort within Florida that injured SHPC in Florida.

32. Venue is proper in Palm Beach County, Florida pursuant to Florida Statute Section 47.011.

GENERAL ALLEGATIONS

A. Liberty Uses Fake Interest in Purchasing SHPC as Means of Acquiring and Misusing SHPC Confidential and/or Trade Secret Information.

33. SHPC and Liberty compete in the personal and commercial insurance brokerage industry, providing insurance services and consultation nationally to individuals and businesses.

34. In August 2021, SHPC was marketing itself for sale. Liberty presented itself as a potential buyer of SHPC, entered into negotiations with SHPC regarding a potential purchase and sale, and agreed to keep confidential, and to not use in any manner in the event a purchase deal did not occur, any information learned about SHPC and its customers and employees.

35. On August 26, 2021, representatives of SHPC and Liberty met in New York to discuss Liberty's interest in the potential purchase. At that meeting, and to induce SHPC to provide Liberty with its confidential and proprietary information, Bill Johnson ("Johnson") of Liberty emphasized that Liberty was interested in making an aggressive offer to purchase SHPC.

36. Shortly thereafter, SHPC and Liberty negotiated an NDA that required Liberty to maintain as confidential and to not use for its own purposes any information it learned about SHPC during sale negotiations, including any information regarding SHPC's customers or employees.

37. Once Liberty and SHPC executed the NDA, SHPC provided confidential and proprietary information for Liberty's review in connection with the potential purchase, including information regarding the Individual Defendants' employment with SHPC and their clientele.

38. After reviewing SHPC's confidential and proprietary information, and in a span of only eight (8) days from the initial meeting between the parties, Liberty proposed a purchase price that was so low that it was clear that Liberty did not intend to make a good faith offer to acquire the business. In fact, the offer was so low that it became evident that Liberty used its access to SHPC's confidential and proprietary information as a means to gather information to target SHPC's employees and clients, rather than in connection with a genuine interest to acquire SHPC.

39. Indeed, upon information and belief, either prior to Liberty's fabricated interest in purchasing SHPC or shortly after accessing SHPC's confidential and/or trade secret information through the pre-textual sale negotiations, Liberty contacted Ripley and other Individual Defendants regarding employment at Liberty in direct violation of the NDA. Liberty then conspired with the Individual Defendants to steal SHPC's confidential and proprietary information, violate the Employment Agreements, and violate other duties owed by the Individual Defendants to SHPC.

B. Liberty and Individual Defendants Coordinate Their Resignations From SHPC and the Theft of Confidential and/or Trade Secret Information, and Work to Sabotage SHPC's Relationship With Customers.

40. On November 15, 2021, all twelve of the Individual Defendants tendered their resignations to SHPC, through the same law firm, effective immediately. Each employee resigned to work for Liberty.

41. Over a period of months, including while still employed by SHPC and acting as double-agents for Liberty, Individual Defendants, along with encouragement and backing by Liberty, conspired to steal trade secret and confidential information from SHPC, sabotage client relationships, and steal business.

42. For example, on October 15, 2021, exactly one month before their abrupt departures from SHPC, and six weeks after discussions with Liberty ended, Ripley, the regional director in

charge of all California-based employees for SHPC, downloaded a master client list with extensive client data from SHPC's client management system, EZLynx. EZLynx is protected by several layers of passwords, and is only accessible to SHPC personnel with the necessary credentials. Client data can only be accessed in connection with the employee's work for SHPC.

43. The client data Ripley downloaded from EZLynx contained information on thousands of SHPC clients, including client contact information and other client information SHPC deems confidential and/or trade secret to its business, customer name and contact information, line of business information, policy information, expiration/renewal dates of policies, premium information, and more. Indeed, SHPC's client data is the lifeblood of its business.

44. Ripley's downloading of the client data was highly unusual for her; as a manager, Ripley did not have direct involvement in day-to-day client issues that would have required her to view a client list, **nor had she run a query to view a client list in the preceding months**. Worse yet, Ripley did not merely view the client data but instead extracted the confidential information therein, allowing her to print, save the data to external drives or software, email the data, or otherwise misappropriate the data from SHPC.

45. Additionally, Ripley expanded the client list to view and download additional fields relevant to SHPC's relationship with each client. In other words, the stock list was not enough—she needed to expand the fields to steal additional confidential and/or trade secret information.

46. Shortly after Ripley downloaded the SHPC client data, Garcia also downloaded client data that further expanded on Ripley's initial list. Though Garcia, as branch manager, would have some reason to view client data, it was not her prior practice to extract the information from those lists. Instead, she would simply view the lists on SHPC's client management system. But on October 26, 2021 and November 8, 2021 (one week prior to the resignations), Garcia extracted

the information from **four** client lists , in addition to the list Ripley had already taken. Like Ripley, Garcia expanded the fields of the report so that additional information could be viewed and stolen.

47. Upon information and belief, and while the theft of SHPC's confidential and/or trade secret information was ongoing, Ripley and Garcia, both managers, and while still employed with SHPC, worked as double-agents for Liberty to recruit as many SHPC employees as they could to join them at Liberty, including each of the remaining Individual Defendants. Worse yet, upon information and belief, those employees were then asked to reduce the work they performed for their SHPC accounts to sabotage SHPC's relationship with its clients.

48. Shortly after Ripley downloaded the client data, the Individual Defendants began to neglect their customer accounts and delay renewals, so once they defected to Liberty, the Individual Defendants could attempt to persuade SHPC's clients to transfer to Liberty due to supposed poor service from SHPC—the intentional poor service manufactured by the Individual Defendants.

49. On or about November 1, 2021, the Individual Defendants demonstrably began to service the customer accounts assigned to them with bare minimum effort. The drop in performance by the Individual Defendants was part of the agreement among the Defendants, that was orchestrated by Liberty. Later the Individual Defendants would contact and solicit SHPC's customers, through the customer lists stolen by Ripley and Garcia, and attempt to persuade the SHPC customers to switch to Liberty because of SHPC's (which was actually the Individual Defendants') alleged neglect of the customer accounts.

50. For example, a number of SHPC commercial accounts were set to renew their insurance policies in the first week of November 2021. The insurance carriers provided the renewal rates to the Individual Defendants, but the Individual Defendants never communicated these rates

to SHPC's customers so that the renewals could be processed. After November 1, 2021, the Individual Defendants failed to log necessary endorsement information for processing client requests regarding coverage into SHPC's internal system, which created a risk for coverage gaps for SHPC's customers, created confusion, and sabotaged relationships.

51. Furthermore, the Individual Defendants failed to process certain billing questions, resulting in several policy cancellations due to lack of payment.

52. The neglect and sabotage of the customer accounts was caused by the Individual Defendants and, as explained further below, was part of their conspiracy with Liberty to steal SHPC's confidential and proprietary information, violate the Employment Agreements, violate duties owed by the Individual Defendants to SHPC, and tortiously interfere with both the Employment Agreements and customer contracts.

C. The Employment Agreements and Restrictions, and SHPC's Legitimate Business Interests in Enforcing its Agreements.

53. Each of the Individual Defendants entered into the Employment Agreements with SHPC. *See* Exhs. A through K.

54. The Employment Agreements contain, among other things, restrictive covenants prohibiting certain conduct, including direct or indirect unauthorized use of SHPC's confidential and/or trade secret information; direct or indirect solicitation and servicing of SHPC customers post-employment; and, direct or indirect solicitation of SHPC's employees to leave their SHPC employment (the "Restrictions").

55. Specifically, the Individual Defendants understood and agreed that they had a continuing duty to maintain the confidentiality of SHPC's trade secret and/or confidential business information, and to not disclose such information to any third party or use such information for their own benefit or the benefit of any third party. *See* Exhs. A through K, § 3. Individual

Defendants agreed that SHPC's trade secret and/or confidential business included, but was not limited to, the following categories of information: (a) the identity of any client; (b) the identity, authority, and responsibilities of key contacts at each client; (c) the service cost burden with respect to each client; (d) carrier information; (e) the types of insurance coverage and other services provided to each client; (f) internal company policies relating thereto; (g) the specific insurance policies purchased by or for any client; (h) the expiration dates, commission rates, fees, premiums, and other terms and conditions of such policies; (i) the risk specifications and other characteristics, and claims loss histories of any client; (j) programs and plans developed for any client; (k) operations manuals, business strategies, techniques, and methodologies; (l) financial information, including information set forth in internal records, files, and ledgers, or incorporated in profit and loss statements, fiscal reports, and business plans; (m) business plans and implementations, know-how; and (n) other information constituting a trade secret under the governing trade secrets laws, among other things ("Confidential Information").

56. The Individual Defendants also understood from the date their employment began and for a period of three (3) years following termination of employment, for any reason whatsoever, they were prohibited from relying on SHPC's Confidential Information, **including client names**, to solicit, accept business from, or otherwise divert any SHPC customer.

Specifically, they agreed they would not, directly or indirectly:

....use, act upon, or rely on Confidential Information or any other trade secrets of the Company, including but not limited to the identities of any clients or prospective clients of the Company or any of its Affiliates, to: (a) solicit or attempt to solicit any Client to transact any Business, or otherwise contact or cause to be contacted, or engage in any form of oral, verbal, written, recorded, transcribed, or electronic communication with, any Client for the purposes of or in furtherance of transacting Business; (b) provide to or transact with any Client, or accept any request from any Client to provide or transact, any Business; (c) cause, induce, request, advise, or encourage, or attempt to cause, induce, request, advise, or encourage, any Client or any Carrier to cease or refrain from doing business with, to not renew existing

business with, or to reduce the quantity or frequency of business that such Client or Carrier has customarily done or is reasonably expected to do with, or divert or attempt to divert business from, the Company or any of the Company's Affiliates or any of their respective successors or assignees; or (d) in any way interfere with the relationship between the Company or any of the Company's Affiliates (or any of their respective successors or assignees) and any Client or any Carrier.

*See Exhs. A through K, § 4.*¹ “Client” is defined in the Employment Agreements to include any client of SHPC while the Individual Defendants were employees of the Company.

57. Additionally, the Individual Defendants, other than Campbell and Williams, agreed that from the date their employment began and for a period of three (3) years following termination of employment, for any reason whatsoever, they were prohibited from recruiting or inducing any employee of SHPC to leave their SHPC employment. *See Exhs. A through K, § 5.*

58. The Restrictions in the Employment Agreements are reasonably necessary to protect SHPC’s legitimate business interests, including, among other things, SHPC’s Confidential Information, substantial relationships with SHPC’s customers, and SHPC’s customer goodwill.

59. The Restrictions in the Employment Agreements are reasonable in scope and time.

60. SHPC’s substantial relationships with its customers, including customer goodwill, its Confidential Information, and its employees, are the backbone of SHPC’s business. Protecting these legitimate business interests is crucial to SHPC, and SHPC therefore requires key employees, such as Individual Defendants to sign agreements prohibiting the solicitation, servicing, diversion, and/or acceptance of business from SHPC’s customers, prohibiting the solicitation of SHPC’s employees to leave SHPC as described in the Employment Agreements, and prohibiting the use or disclosure of SHPC’s Confidential Information.

¹ The Campbell and Williams Employment Agreements vary slightly from the above, but restrict the same conduct.

61. The Individual Defendants also agreed that SHPC has a legitimate business interest in subjecting its employees to these reasonable Restrictions, specifically that SHPC has a legitimate business interest in protecting, for a reasonable period of time following the termination of employment, SHPC's customer relationships; recognized that SHPC's employees are a valuable resource to SHPC; and agreed that SHPC is entitled to injunctive relief and the re-payment of its attorneys' fees and costs upon a violation of any restrictive covenant contained in the Employment Agreements. Exhs. A through K, §§ 3, 4, 5, 7, 10, 12.12.

62. Furthermore, in connection with their roles at SHPC, SHPC gave each Individual Defendant the opportunity to develop valuable and substantial business relationships with SHPC's clients. SHPC supported the Individual Defendants in their work, including through providing them with marketing assistance and the resources needed to service the SHPC client accounts to which they were assigned. The Individual Defendants thus had significant client contact, or were privy to SHPC confidential and/or trade secret information regarding SHPC's clients, while employed at SHPC, and SHPC assisted each in developing new clients, building upon existing client relationships, or in managing employees with client-building responsibilities.

63. Additionally, SHPC provided the Individual Defendants with access to SHPC's clients and to SHPC's valuable Confidential Information. SHPC's Confidential Information allows it to better compete, cultivate substantial customer relationships, and develop customer goodwill.

64. SHPC also provided the Individual Defendants with personnel and other support that each relied on to assist in servicing the SHPC accounts to which they were assigned, further justifying the need for the Restrictions.

D. Defendants Violate the Employment Agreements and Steal Business.

65. Immediately upon tendering their November 15, 2021 resignations, the Individual Defendants' and Liberty's coordinated attack on SHPC began to take shape. As an initial matter, the Individual Defendants all submitted their resignations through a near-identical resignation letter that came from the same law firm. The resignation letters are attached hereto as **Composite Exhibit "L."**

66. Each resignation letter specifically noted that the Individual Defendant was "not subject to any enforceable restrictive covenants that limit [his or her] right or ability to ply [his or her] trade elsewhere." *Id.*

67. Furthermore, each resignation letter specifically noted that the Individual Defendant was "aware of [his or her] obligations to comply with the applicable state and federal trade secrets laws, and is not taking any trade secret, confidential or proprietary information belonging to Seeman Holtz with [him or her]. To that end, [Individual Defendant] has confirmed that [he or she] has not sent any items belonging to Seeman Holtz to [his or her] personal email." *Id.*

68. Upon information and belief, these statements were false.

69. Notably, the narrow language of the resignation letters results in more questions than answers. Indeed, the resignation letters did not state that the Individual Defendants did not send any of SHPC's Confidential Information to Liberty, nor did the resignation letters state that the Individual Defendants did not take SHPC's Confidential Information in a way other than sending such information to their personal emails.

70. Indicative also that the Individual Defendants stole SHPC's Confidential Information is that the moment the Individual Defendants defected to Liberty, and with full knowledge of the Individual Defendants' agreements restricting them from soliciting, diverting or

servicing SHPC's clients for a period of time, Defendants nonetheless solicited, diverted, and/or serviced the restricted clients.

71. Within a few weeks of leaving SHPC, Defendants stole over 100 SHPC clients, each of which was a client the Individual Defendants agreed not to solicit or otherwise divert (hereinafter referred to as the "Lost Accounts"). Upon information and belief, Defendants had the necessary contact information and policy information for these stolen accounts through misusing and relying on SHPC's Confidential Information.

72. For example, in blatant violation of her contractual obligations to SHPC, Defendant Zarakowski has repeatedly solicited SHPC customers for their business.

73. In one instance in early January 2022, Zarakowski called an SHPC customer and asked her to sign a "broker of record" letter ("BOR") to allow Zarakowski to continue servicing her accounts. (A BOR notifies an insurance carrier that a customer has elected a change in brokerage services, and requests that the carrier deal only with the new broker of choice, including with respect to the payment of commissions.) Zarakowski followed-up the telephone solicitation by sending the SHPC customer a BOR to sign through DocuSign with the message:

"Hi Robin, I just spoke with your husband advising him that I was sending over this form to sign. I have moved agencies and still want to be able to service your policies. Please let me know if you have any questions or just sign the form and everything will be moved over automatically. Thank you."

74. The customer rejected Zarakowski's solicitation attempts, but undeterred, Zarakowski continued contacting the SHPC customer as well as her husband. In fact, Zarakowski re-sent the exact same DocuSign message after the SHPC customer turned down her advances.

75. In another instance in early January 2022, Zarakowski sent another SHPC customer a BOR to sign through DocuSign with the message, "Hi Belinda, this is form to sign so i can continue to service your policy. Please contact me with any questions. Thank you." Zarakowski,

however, did not service this customer's account while at SHPC. Worse, the SHPC customer thought this was a scam because she did not know Zarakowski nor had ever dealt with Zarakowski. Upon information and belief, Zarakowski only knew of this account through her and the Defendants reliance on and misuse of the stolen SHPC client data.

76. Zarakowski is by no means acting alone. For example, Beck caused an SHPC customer to end its relationship with SHPC and move his insurance business to Liberty because Beck told the account that "SHPC is being sold," insinuating that SHPC would no longer be a good fit for the customer's needs, and that the customer should instead join Beck at Liberty.

77. SHPC has also received troves of BORs from various insurance carriers naming Liberty, through the Individual Defendants, as the new broker of record for these stolen accounts. Thus, numerous additional solicitations by the Defendants is believed to have occurred.

78. Upon information and belief, Defendants have repeatedly deceived customers by sending SHPC customers emails to their confidential email addresses that include a DocuSign requiring them to sign to avoid a loss in coverage, without notifying the customer that signing the BOR would result in a change of brokerages or that no coverage would in fact be lost if they did not sign the BOR with Liberty.

79. All in all, SHPC has received numerous customer complaints about Defendants' solicitations, and has lost numerous customers. Those client complaints have confirmed that the solicitations were being made by one or more the of the Individual Defendants. To stop the bleeding, SHPC contacted Ripley to inquire about the alarming trend of lost business. In response, Ripley joined Liberty's Bill Johnson to the conversation, who stated: "This is a great business model. You should try it."

80. SHPC understood Johnson to be referring to Liberty and the Individual Defendants' conspiracy to steal SHPC's confidential and proprietary information, violate the Employment Agreements, violate duties owed by the Individual Defendants to SHPC, and tortiously interfere with both the Employment Agreements and customer relationships.

81. SHPC had valuable and substantial relationships with each of these stolen and diverted accounts. SHPC introduced the Individual Defendants to many of these accounts, or paid substantial sums to acquire the accounts, and trusted the Individual Defendants to service these accounts for SHPC's benefit; instead, the Individual Defendants broke that trust and solicited these customers to join Liberty. Liberty induced the Individual Defendants to do so.

82. Not only are the Individual Defendants' successful thefts of SHPC customers damaging SHPC's business, but also many of the unsuccessful thefts are damaging SHPC's reputation with its customers. SHPC has also faced reputational damage as a result of the Defendants' aforementioned sabotage when they ceased servicing accounts in anticipation of their move to Liberty. Indeed, when the customers became concerned about their renewals, and after the Individual Defendants had resigned from SHPC to join Liberty, the customers contacted the Individual Defendants, and the Individual Defendants expressly told the customers not to worry about the renewal and that the renewal would be taken care of so long as they signed the BOR to Liberty. The Individual Defendants did not explain, to at least some of the customers, that the customer was agreeing to a change in broker.

83. Instead, the Defendants used deceptive methods to steal customers from SHPC, including but not limited to, lying to them that if they did not sign the BORs to Liberty, then their coverage would be cancelled, relying upon their own deliberate sabotage while at SHPC to convince the customers that SHPC was neglecting their accounts.

84. Essentially, Individual Defendants and Liberty orchestrated a mass employee departure and scheme that was designed to inflict the maximum damage possible to SHPC. With encouragement and backing by Liberty, the Individual Defendants continue to violate the Employment Agreements, subjecting SHPC to irreparable harm. Indeed, the Individual Defendants are regularly servicing the stolen, restricted accounts while at Liberty and continuing to solicit SHPC's customers in violation of the Restrictions. Because violations are ongoing, SHPC is entitled to an equitable extension of the Individual Defendants' Employment Agreements to provide three years free from wrongful solicitation, servicing, and/or interference as bargained for in the Employment Agreements.

85. SHPC is entitled to recover attorneys' fees and costs for bringing this action as provided in the Employment Agreements and under Florida law.

86. SHPC has retained the services of the undersigned law firm and has agreed to pay reasonable attorneys' fees and costs in connection with this matter.

87. All conditions precedent to bringing this action, if any, have been performed, excused, or otherwise waived.

COUNT I
(Breach of Garcia Agreement – against Garcia)

88. SHPC restates the allegations in paragraphs 1 through 87.

89. SHPC and Garcia agreed to the terms, conditions, and covenants of the Garcia Agreement.

90. Garcia signed the Garcia Agreement.

91. The restrictive covenants in the Garcia Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential

Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

92. Garcia breached the Garcia Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

93. Garcia's breach of the Garcia Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

94. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Garcia Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Garcia for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT II
(Breach of Beck Agreement – against Beck)

95. SHPC restates the allegations in paragraphs 1 through 87.

96. SHPC and Beck agreed to the terms, conditions, and covenants of the Beck Agreement.

97. Beck signed the Beck Agreement.

98. The restrictive covenants in the Beck Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

99. Beck breached the Beck Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

100. Beck's breach of the Beck Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

101. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Beck Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Beck for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT III
(Breach of Kay Agreement – against Kay)

102. SHPC restates the allegations in paragraphs 1 through 87.

103. SHPC and Kay agreed to the terms, conditions, and covenants of the Kay Agreement.

104. Kay signed the Kay Agreement.

105. The restrictive covenants in the Kay Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

106. Kay breached the Kay Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or

frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information. Kay's breach of the Kay Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

107. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Kay Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Kay for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT IV
(Breach of Basily Agreement – against Basily)

108. SHPC restates the allegations in paragraphs 1 through 87.

109. SHPC and Basily agreed to the terms, conditions, and covenants of the Basily Agreement.

110. Basily signed the Basily Agreement.

111. The restrictive covenants in the Basily Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

112. Basily breached the Basily Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to

leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

113. Basily's breach of the Basily Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

114. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Basily Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Basily for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT V
(Breach of Ohanessian Agreement – against Ohanessian)

115. SHPC restates the allegations in paragraphs 1 through 87.

116. SHPC and Ohanessian agreed to the terms, conditions, and covenants of the Ohanessian Agreement.

117. Ohanessian signed the Ohanessian Agreement.

118. The restrictive covenants in the Ohanessian Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one

or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

119. Ohanessian breached the Ohanessian Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

120. Ohanessian's breach of the Ohanessian Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

121. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Ohanessian Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Ohanessian for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT VI
(Breach of Stump Agreement – against Stump)

122. SHPC restates the allegations in paragraphs 1 through 87.

123. SHPC and Stump agreed to the terms, conditions, and covenants of the Stump Agreement.

124. Stump signed the Stump Agreement.

125. The restrictive covenants in the Stump Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

126. Stump breached the Stump Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

127. Stump's breach of the Stump Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

128. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Stump Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Stump for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT VII
(Breach of Plummer Agreement – against Plummer)

129. SHPC restates the allegations in paragraphs 1 through 87.

130. SHPC and Plummer agreed to the terms, conditions, and covenants of the Plummer Agreement.

131. Plummer signed the Plummer Agreement.

132. The restrictive covenants in the Plummer Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

133. Plummer breached the Plummer Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or

encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

134. Plummer's breach of the Plummer Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

135. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Plummer Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Plummer for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT VIII
(Breach of Campbell Agreement – against Campbell)

136. SHPC restates the allegations in paragraphs 1 through 87.

137. SHPC and Campbell agreed to the terms, conditions, and covenants of the Campbell Agreement.

138. Campbell signed the Campbell Agreement.

139. The restrictive covenants in the Campbell Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

140. Campbell breached the Campbell Agreement by directly or indirectly, and among other things: (a) soliciting or attempting to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

141. Campbell's breach of the Campbell Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

142. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Campbell Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Campbell for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT IX
(Breach of Williams Agreement – against Williams)

143. SHPC restates the allegations in paragraphs 1 through 87.

144. SHPC and Williams agreed to the terms, conditions, and covenants of the Williams Agreement.

145. Williams signed the Williams Agreement.

146. The restrictive covenants in the Williams Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

147. Williams breached the Williams Agreement by directly or indirectly, and among other things: (a) soliciting or attempting to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

148. Williams's breach of the Williams Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

149. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Williams Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Williams for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT X
(Breach of Niggles Agreement – against Niggles)

150. SHPC restates the allegations in paragraphs 1 through 87.

151. SHPC and Niggles agreed to the terms, conditions, and covenants of the Niggles Agreement.

152. Niggles signed the Niggles Agreement.

153. The restrictive covenants in the Niggles Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

154. Niggles breached the Niggles Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

155. Niggles' breach of the Niggles Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

156. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Niggles Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

157. WHEREFORE, SHPC demands judgment against Niggles for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT XI
(Breach of Zarakowski Agreement – against Zarakowski)

158. SHPC restates the allegations in paragraphs 1 through 87.

159. SHPC and Zarakowski agreed to the terms, conditions, and covenants of the Zarakowski Agreement.

160. Zarakowski signed the Zarakowski Agreement.

161. The restrictive covenants in the Zarakowski Agreement are enforceable under Florida Statute § 542.335 because they are reasonable in time and scope; and are supported by one or more of SHPC's legitimate business interests, including, among other things, SHPC's Confidential Information, substantial relationships with existing clients and employees, and SHPC's customer goodwill.

162. Zarakowski breached the Zarakowski Agreement by directly or indirectly, and among other things: (a) using, acting upon, or relying on SHPC's Confidential Information to solicit or attempt to solicit SHPC customers, or otherwise contacting or causing to be contacted SHPC customers to leave SHPC in favor of Liberty; (b) using, acting upon, or relying on SHPC's Confidential Information to provide to or transact any business with any SHPC customer; (c) using, acting upon, or relying on SHPC's Confidential Information to cause, induce, request, advise, or

encourage or attempt to cause, induce, request, advise, or encourage any SHPC customer or insurance carrier to cease or refrain from doing business with, to not renew existing business with, or to reduce the quantity or frequency of business that such SHPC customer or insurance carrier has customarily done with SHPC or to divert or attempt to divert business from SHPC; (d) interfering with SHPC's relationship with its customers or any insurance carrier; and/or (e) using or disclosing to another person SHPC's Confidential Information.

163. Zarakowski's breach of the Zarakowski Agreement has caused SHPC to suffer damages, including lost profits and the destruction of business damages.

164. SHPC is entitled to its attorneys' fees and costs incurred in connection with this action pursuant to section 12.12 of the Zarakowski Agreement, Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds.

WHEREFORE, SHPC demands judgment against Zarakowski for breach of contract and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT XII
(Tortious Interference with the Employment Agreements – against Liberty)

165. SHPC restates the allegations in paragraphs 1 through 87.

166. SHPC has a binding contractual relationship with the Individual Defendants through the Employment Agreements that govern the conduct of the Individual Defendants during and after termination of their SHPC employment.

167. Liberty had knowledge of, or should have known of, the Employment Agreements. At a minimum, Liberty knows or has reason to know that such agreements are common in the industry, and/or likely utilizes similar agreements in its own business.

168. Despite being aware of the Employment Agreements, Liberty induced the Individual Defendants to breach the Employment Agreements and/or procured the breach of the Employment Agreements.

169. Liberty's interference with the Employment Agreements was intentional, unjustifiable and/or done with malice and/or without privilege. As a result of the interference, the Individual Defendants breached the Employment Agreements. SHPC would have continued its contractual relationships with the Individual Defendants, or those contracts would not have been breached, had Liberty not interfered.

170. As a direct and proximate result of Liberty's tortious interference, SHPC has suffered damages, including but not limited to lost investment, income, profits, and business opportunities, and will continue to suffer damages if Defendants are not enjoined.

171. In addition to the equitable relief sought herein, SHPC is entitled to recover those damages, which have been caused as a direct and proximate result of Liberty's interference with the Employment Agreements. SHPC is further entitled to recovery of its reasonable attorneys' fees and costs pursuant to the Wrongful Act Doctrine.

WHEREFORE, SHPC demands judgment against Liberty for tortious interference with the Employment Agreements, and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT XIII

(Tortious Interference with the Employment Agreements – against Ripley)

172. SHPC restates the allegations in paragraphs 1 through 87.

173. SHPC has a binding contractual relationship with the Individual Defendants (other than Ripley) through the Employment Agreements that govern the conduct of the Individual Defendants (other than Ripley) during and after termination of their SHPC employment.

174. Ripley had knowledge of, or should have known of, the Employment Agreements.

175. Moreover, Ripley is aware that such agreements are common in the industry.

176. Despite being aware of the Employment Agreements, Ripley induced the Individual Defendants (other than Ripley) to breach the Employment Agreements and/or procured the breach of the Employment Agreements.

177. Ripley's interference with the Employment Agreements was intentional, unjustifiable and/or done with malice and/or without privilege. As a result of the interference, the Individual Defendants (other than Ripley) breached the Employment Agreements. SHPC would have continued its contractual relationships with the Individual Defendants (other than Ripley), or those contracts would not have been breached, had Ripley not interfered.

178. As a direct and proximate result of Ripley's tortious interference, SHPC has suffered damages, including but not limited to lost investment, income, profits, and business opportunities, and will continue to suffer damages if Defendants are not enjoined.

179. In addition to the equitable relief sought herein, SHPC is entitled to recover those damages, which have been caused as a direct and proximate result of Ripley's interference with the Employment Agreements.

WHEREFORE, SHPC demands judgment against Ripley for tortious interference with the Employment Agreements, and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT XIV

(Tortious Interference with Business Relationships – against All Defendants)

180. SHPC restates the allegations in paragraphs 1 through 87.

181. SHPC had or has valuable business relationships with the Lost Accounts.

182. Defendants had knowledge of, or should have known of, SHPC's business relationships with the Lost Accounts.

183. Despite being aware of these business relationships, Defendants intentionally interfered with SHPC's business relationships with the above clients, including through improperly using or relying on SHPC Confidential Information, and soliciting and servicing the above-referenced restricted accounts in violation of certain agreements, fiduciary duties, and Florida law.

184. Defendants' interference with SHPC's business relationship with the Lost Accounts, including the above-referenced clients, was unjustifiable and/or done with malice and/or without privilege. As a result of the interference, SHPC either lost its business relationships with the client, or SHPC's relationship with the client was damaged.

185. SHPC would have continued its business relationship with the Lost Accounts, or the business relationship would not have been damaged, had Defendants not interfered.

186. As a direct and proximate result of Defendants' tortious interference, SHPC has suffered damages, including but not limited to lost investment, income, profits, disgorgement and business opportunities.

187. In addition to the equitable relief sought herein, SHPC is entitled to recover those damages which have been caused as a direct and proximate result of Defendants' interference with SHPC's business relationships with its clients or prospective clients.

WHEREFORE, SHPC demands judgment against Defendants for tortious interference with the SHPC customer agreements and relationships identified herein, and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT XV
(Breach of Fiduciary Duty – against Ripley)

188. SHPC restates the allegations in paragraphs 1 through 87.

189. During Ripley's employment with SHPC, SHPC placed trust and confidence in Ripley; Ripley undertook such trust and assumed a duty to protect SHPC and its interests.

190. As a result of SHPC providing Ripley with Confidential Information and access to its customer accounts, Ripley had a duty to protect such information—both during and after employment with SHPC. This duty owed by Ripley to SHPC included, without limitation, the duty to preserve SHPC's customer relationships and accounts and SHPC's relationships with its employees. The duty owed by Ripley to SHPC also included the duty not to sabotage SHPC's customer relationships and accounts for the benefit of a SHPC competitor and to the detriment of SHPC, and to protect SHPC's Confidential Information.

191. In addition, Ripley owed a duty of loyalty to SHPC. The fiduciary duty of loyalty owed by Ripley to SHPC included the duty to protect SHPC's relationships with its employees and customers while Ripley was employed by SHPC, and to protect SHPC's Confidential Information.

192. Ripley breached her fiduciary duty to SHPC by scheming to solicit and/or divert SHPC customers and employees away from SHPC and toward a SHPC competitor while still employed by SHPC, including through interfering with SHPC's customer accounts by acting on behalf of Liberty and through priming SHPC clients to leave SHPC in favor of Liberty upon her planned departure from SHPC, and through stealing the client data and relying on SHPC Confidential Information to benefit Liberty.

193. Ripley further breached her fiduciary duty to SHPC by soliciting or encouraging SHPC employees, including the Individual Defendants, to leave SHPC in favor of Liberty.

194. SHPC has suffered damages as a direct and proximate result of Ripley's breaches of her fiduciary duties owed to SHPC. These damages include, but are not limited to, lost profits, damage to goodwill, loss of clients, loss of employees, the impairment of future earning capacity, and the disgorgement of earnings paid to Ripley while she was in breach of her duties owed to SHPC.

WHEREFORE, SHPC demands judgment against Ripley for breaching her fiduciary duties owed to SHPC, and for all damages, interest, costs and attorneys' fees, and other relief deemed proper by this Court.

COUNT XVI
(Breach of Fiduciary Duty – against Garcia)

195. SHPC restates the allegations in paragraphs 1 through 87.

196. During Garcia's employment with SHPC, SHPC placed trust and confidence in Garcia; Garcia undertook such trust and assumed a duty to protect SHPC and its interests.

197. As a result of SHPC providing Garcia with Confidential Information and access to its customer accounts, Garcia had a duty to protect such information—both during and after employment with SHPC. This duty owed by Garcia to SHPC included, without limitation, the duty to preserve SHPC's customer relationships and accounts and SHPC's relationships with its employees. The duty owed by Garcia to SHPC also included the duty not to sabotage SHPC's customer relationships and accounts for the benefit of a SHPC competitor and to the detriment of SHPC, and to protect SHPC's Confidential Information.

198. In addition, Garcia owed a duty of loyalty to SHPC. The fiduciary duty of loyalty owed by Garcia to SHPC included the duty to protect SHPC's relationships with its employees and customers while Garcia was employed by SHPC, and to protect SHPC's Confidential Information.

199. Garcia breached her fiduciary duty to SHPC by scheming to solicit and/or divert SHPC customers and employees away from SHPC and toward a SHPC competitor while still employed by SHPC, including through interfering with SHPC's customer accounts by acting on behalf of Liberty and through priming SHPC clients to leave SHPC in favor of Liberty upon her planned departure from SHPC, through stealing client data and relying on SHPC Confidential Information to benefit Liberty.

200. Garcia further breached her fiduciary duty to SHPC by soliciting or encouraging SHPC employees, including the Individual Defendants, to leave SHPC in favor of Liberty.

201. SHPC has suffered damages as a direct and proximate result of Garcia's breaches of her fiduciary duty owed to SHPC. These damages include, but are not limited to, lost profits, damage to goodwill, loss of clients, loss of employees, the impairment of future earning capacity, and the disgorgement of earnings paid to Garcia while she was in breach of her duties owed to SHPC.

WHEREFORE, SHPC demands judgment against Garcia for breaching her fiduciary duties owed to SHPC, and for all damages, interest, costs and attorneys' fees, and other relief deemed proper by this Court.

COUNT XVII

(Aiding and Abetting Breach of Fiduciary Duty – against Liberty)

202. SHPC restates the allegations in paragraphs 1 through 87.

203. During Ripley's and Garcia's employment with SHPC, SHPC placed trust and confidence in Ripley and Garcia; Ripley and Garcia undertook such trust and assumed a duty to protect SHPC and its interests.

204. Liberty had actual knowledge of the fiduciary duties that Ripley and Garcia owed to SHPC.

205. Ripley and Garcia breached their fiduciary duties owed to SHPC as described in Counts XV and XVI above.

206. Liberty had actual knowledge that Ripley and Garcia breached their fiduciary duties owed to SHPC because Liberty knew that Ripley and Garcia diverted or sought to divert SHPC clients away from SHPC and toward Liberty while they remained employed by SHPC, that Ripley and Garcia intended to steal and misuse SHPC Confidential Information while still employed by SHPC, and that Ripley and Garcia intended to and did solicit other SHPC employees, including the other Individual Defendants, to leave SHPC in favor of Liberty.

207. Liberty intentionally induced, encouraged and provided substantial assistance to Ripley and Garcia to breach their fiduciary duties owed to SHPC.

208. SHPC has suffered damages as a direct and proximate result of Liberty's conduct in aiding and abetting Ripley's and Garcia's breaches of their fiduciary duties as set forth herein. These damages include, but are not limited to, lost profits, damage to goodwill, loss of clients and the impairment of future earning capacity, and all compensation, including salary, bonuses, and benefits paid to Ripley and Garcia while they worked to benefit Liberty at SHPC's expense.

WHEREFORE, SHPC demands judgment against Liberty for aiding and abetting Ripley's and Garcia's breaches of their fiduciary duties owed to SHPC, and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

COUNT XVIII

(Misappropriation of Trade Secrets – against all Defendants)

209. SHPC restates the allegations in paragraphs 1 through 87.

210. SHPC's Confidential Information constitutes trade secrets.

211. SHPC's trade secrets derive independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from their disclosure or use, particularly its direct competitors.

212. SHPC has taken reasonable steps to maintain the secrecy of its trade secrets.

213. Individual Defendants agreed that they would maintain the confidentiality of SHPC's Confidential Information.

214. During their employment with SHPC, Individual Defendants had access to and in fact gained knowledge of SHPC's trade secrets.

215. Defendants, at all times relevant to this action, knew that the trade secrets were proprietary to SHPC.

216. Defendants misappropriated SHPC's trade secrets, including, without limitation, by Ripley and Garcia taking SHPC's clients lists and/or other trade secret information, distributing those clients lists and/or other trade secret information internally at Liberty, including to the other Individual Defendants, by using such information as Liberty employees, by Individual Defendants bringing SHPC's trade secrets to Liberty when they became full-time employees, and by, directly or indirectly, taking, possessing, using, disclosing, disseminating, and/or removing from SHPC's offices or systems SHPC's Confidential Information for purposes other than as required to discharge their duties owed to SHPC and/or failing to return to SHPC all of SHPC's Confidential Information.

217. Defendants misappropriated SHPC's trade secrets to benefit themselves and to use SHPC's trade secrets to help Liberty.

218. In misappropriating SHPC's trade secrets, Ripley, Garcia, and Individual Defendants were acting for the benefit of Liberty and as Liberty's employees and managers.

Liberty acknowledged that Individual Defendants would act on its behalf when hiring them, and Individual Defendants accepted this undertaking. Liberty controlled the day-to-day activities of Individual Defendants at the relevant time. As such, Individual Defendants acted as agents of Liberty, and Liberty is vicariously liable for their actions. Alternatively, Liberty is vicariously liable for the misappropriation of its employees, including, Ripley and Garcia, done for Liberty's benefit or at its direction.

219. Defendants continue to possess SHPC's trade secrets.

220. Through the course of their employment with Liberty, Individual Defendants have or will, either intentionally or unavoidably, disclose, disseminate, and/or use SHPC's trade secrets for the benefit of themselves, and/or for the benefit of Liberty. Accordingly, Liberty will have acquired and used SHPC's trade secrets by virtue of its employment of Individual Defendants while knowing (or with reason to know) that, at a minimum, Ripley and Garcia had acquired the trade secrets by improper means.

221. Such conduct is in direct violation of § 688.002, Florida Statutes and has damaged SHPC.

222. Defendants' misappropriation of SHPC's trade secrets is in bad faith or was willful and malicious, and SHPC is entitled to its reasonable attorneys' fees pursuant to Section 688.005 of the Florida Statutes, as well as exemplary damages pursuant to Section 688.004(2).

223. Since Defendants will continue to disclose and use, or inevitably will disclose and use, SHPC's trade secrets in competing with SHPC, SHPC has no adequate remedy at law for the damage caused to it by Defendants.

224. Defendants' acts have damaged SHPC in an amount to be determined at trial. In addition, Defendants' acts are irreparably harming SHPC because disclosure and use of SHPC's trade secrets can destroy SHPC's business and goodwill.

225. Therefore, in addition to monetary damages, SHPC is entitled to injunctive relief against Defendants to protect its trade secrets under Section 688.003, including from actual, potential, or threatened disclosure. In addition, the injunctive relief would prohibit Individual Defendants from working, directly or indirectly, with Liberty until Defendants demonstrate that all Confidential Information has been returned to SHPC and for an additional reasonable period to minimize the potential damage caused by disclosure of the trade secrets. Finally, and separate and apart from their Employment Agreements, the injunctive relief should prohibit Defendants from soliciting, directly or indirectly, customers or employees of SHPC regarding whom they took Confidential Information for a reasonable period to minimize the potential damage caused by disclosure of the trade secrets.

WHEREFORE, SHPC respectfully requests that: (a) Defendants desist and refrain from using, disclosing, possessing, or disseminating, directly or indirectly, any Confidential Information of SHPC; (b) Defendants immediately return all Confidential Information of SHPC (including all copies) to undersigned counsel with a sworn statement in writing that he/she/it has returned all Confidential Information; (c) Defendants preserve all documents, emails, electronic documents, or other records relevant to this action, and they shall not destroy, delete, modify, or alter any such records; (d) Defendants make available for SHPC's inspection all computers, cell-phones, devices, and email accounts to which any emails or documents containing SHPC's Confidential Information was sent, accessed, opened, or saved; (e) Individual Defendants and SHPC's corporate representative sit for immediate, limited depositions to address the stolen Confidential Information

and confirm its return; (f) Individual Defendants refrain from working with Liberty, directly or indirectly, on any former SHPC customer account for a reasonable period to minimize the potential damage by disclosure of the trade secrets; (g) Defendants refrain from soliciting, directly or indirectly, customers and employees of SHPC for a reasonable period to minimize the potential damage by disclosure of the trade secrets; and (h) judgment be entered against Defendants for compensatory damages, exemplary damages, attorneys' fees, costs of suit, and pre- and post-judgment interest and other relief deemed proper by this Court.

COUNT XIX
(Temporary and Permanent Injunction – against all Defendants)

226. SHPC restates the allegations in paragraphs 1 through 87.

227. This is an action for a temporary and permanent injunction pursuant to Rule 1.610, Florida Rules of Civil Procedure, Florida Statutes, § 542.335, and other applicable law.

228. The Individual Defendants agreed to the Employment Agreements in consideration of their employment, compensation, and benefits with SHPC.

229. The Individual Defendants breached the Employment Agreements.

230. Under Florida Statute § 542.335, irreparable harm is presumed in this case because the Individual Defendants breached enforceable restrictive covenants. Moreover, the loss of a client is irreparable harm. Defendants' conduct has caused and continues to cause SHPC irreparable harm, for which it has no adequate remedy at law.

231. SHPC has a substantial likelihood of success on the merits against Defendants.

232. Entry of an injunction will serve the public interest, and will not run afoul of public health, safety, or welfare.

233. SHPC has a clear legal right to a temporary and permanent injunction against Defendants.

234. The Individual Defendants specifically acknowledged and agreed that injunctive relief is an appropriate remedy for the irreparable harm SHPC will suffer as a result of a breach of the Employment Agreements. *See* Exhs. A through K, § 10.

235. Unless Defendants are restrained and enjoined from further breaches of the Employment Agreements or otherwise disclosing SHPC's Confidential Information, SHPC will continue to be irreparably harmed in the conduct of its business, including through continued unlawful solicitations of customer accounts.

WHEREFORE, SHPC requests that this Court enter a temporary and permanent injunction against Defendants as follows:

- A. an order enjoining and restraining the Individual Defendants for a period of three years post-breach from directly or indirectly:
 - i. soliciting, placing, marketing, accepting, aiding, counseling or consulting in the renewal, discontinuance or replacement of any insurance (including self-insurance) by, or handle self-insurance programs, insurance claims, risk management services or other insurance administrative or service functions or provide any insurance brokerage, consulting, or administration services, including with respect to personal and commercial lines insurance, for any SHPC account, whether on behalf of Liberty or otherwise;
 - ii. soliciting, inducing, or recruiting SHPC employees to join a competitor, including Liberty, or otherwise leave SHPC; and/or
 - iii. using or disclosing SHPC's Confidential Information in any way, and requiring the return of all SHPC Confidential Information.

- B. an order requiring the Individual Defendants to immediately cease doing any business with any SHPC clients that they are restricted from soliciting or servicing per their Employment Agreements, including those clients identified herein, for a period of three years from the date of the order;
- C. an order preventing the Individual Defendants from sharing, using, or otherwise disclosing any of SHPC's Confidential Information with any third parties, including Liberty;
- D. an order requiring Defendants to reimburse SHPC for all attorneys' fees and costs incurred in connection with this action pursuant to Florida Statute § 542.335, and all other applicable statutory and/or contractual grounds;
- E. an order enjoining Liberty, and any of its employees, agents, or representatives from interfering with the Employment Agreements; and
- F. any such other and further relief in law and/or equity that the Court deems just and proper.

COUNT XX
(Conspiracy –against all Defendants)

236. SHPC restates the allegations in paragraphs 1 through 87.

237. SHPC had or has valuable business relationships with the Lost Accounts. Defendants had knowledge of, or should have known of, SHPC's business relationships with the Lost Accounts.

238. Despite being aware of these business relationships, Liberty worked together with the Individual Defendants to intentionally interfere with SHPC's business relationships with the Lost Accounts, and took several, wrongful, and actionable, overt acts in furtherance of their conspiracy to interfere. Those overt acts included, but were not limited to: (a) improperly taking,

using or relying on SHPC's client data to improperly solicit SHPC customers, including the Lost Accounts; (b) sabotaging SHPC's relationship with its customers, including the Lost Accounts, by performing bare-minimum work on those accounts in the weeks leading up to the Individual Defendants' departures from SHPC; (c) making misrepresentations, omissions, and false statements to SHPC clients, including the Lost Accounts, relating to a potential sale of SHPC and SHPC's ability to service the accounts; and (d) inducing SHPC clients to execute BORs without informing the clients that executing the BOR would result in a change in brokerages. Defendants undertook these acts individually, and collectively, as part of their conspiracy to steal business.

239. As a result of the Defendants' acts taken in furtherance of their conspiracy, SHPC lost the value of its Confidential Information relating to such lost or interfered with accounts, and lost or damaged its business relationships with clients and/or employees.

240. As a direct and proximate result of Defendants' acts in furtherance of the conspiracy, SHPC has suffered damages, including but not limited to lost investment, income, profits, and business opportunities, and destruction of business damages.

241. In addition to the equitable relief sought herein, SHPC is entitled to recover those damages which have been caused as a direct and proximate result of Defendants' conspiracy.

WHEREFORE, SHPC demands judgment against Defendants, jointly and severally, for conspiracy, and for all damages, interest, costs and attorneys' fees and other relief deemed proper by this Court.

RESERVATION OF RIGHTS

SHPC reserves the right to amend this pleading once its investigation into Defendants' wrongdoings and violations of applicable law has been completed; and reserves the right to seek all other applicable damages, including punitive damages.

Dated: February 16, 2022

Respectfully submitted,

HOLLAND & KNIGHT LLP
Counsel for Plaintiff
777 South Flagler Drive
Suite 1900 – West Tower
West Palm Beach, FL 33401
561.833.2000 telephone
561.650.8399 facsimile

/s/ Matthew Zimmerman

Matthew Z. Zimmerman
Florida Bar Number: 011484
matthew.zimmerman@hklaw.com
Seth J. Welner
Florida Bar Number: 099214
seth.welner@hklaw.com
Benjamin A. Taormina
Florida Bar Number: 106731
benjamin.taormina@hklaw.com

NOT A CERTIFIED COPY

EXHIBIT

B

Centurion Insurance

From: Rose Schindler ([REDACTED]gmlaw.com)

To: [REDACTED]@yahoo.com

Cc: marshal@seemanholtzpc.com; eric@seemanholtz.com; bschwartz@centurion-life.com

Date: Friday, April 16, 2021, 02:33 PM EDT

Dear Mr. Ezrine:

Thank you for discussing your investment with me. I represent Marshall Seeman and Eric Holtz who are majority owners of Centurion Insurance.

I can assure you there is no Ponzi scheme or any misstatements regarding the use of proceeds as set forth in the offering documents. If the Outside Forensic Auditor had found any wrongdoing, the State would have closed it down immediately and appointed a receiver. That did not happen as you know.

We are close to a settlement with the State of Florida and as part of that settlement agreement, Eric, Marshal and Brian are all promising to make every investor whole. The Seeman Holtz P&C is undergoing a recapitalization in order to make sure the collateral is there to cover the outstanding investments. Until the settlement is finalized, Centurion, Marshal, Brian and Eric's hands are tied from raising additional funds.

If you have any other questions, please feel free to reach out to me.

Greenspoon Marder LLP

Rose M. Schindler, Esq.

Of Counsel

2255 Glades Road

[REDACTED]

Boca Raton, FL 33431

(561) 994-2212 ext. 1809 *office*

([REDACTED]) *direct*

(561) 807-7529 *direct fax*

Rose.schindler@gmlaw.com

GREENSPOON MARDER LLP LEGAL NOTICE

The information contained in this transmission may be attorney/client privileged and confidential. It is intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by reply e-mail.

Unless specifically indicated otherwise, any discussion of tax issues contained in this e-mail, including any attachments, is not, and is not intended to be, "written advice" as defined in Section 10.37 of Treasury Department Circular 230.

A portion of our practice involves the collection of debt and any information you provide will be used for that purpose if we are attempting to collect a debt from you.

8/26/2021

Find messages, documents, photos or people

Compose

To [Redacted]@nlaw.com



Inbox

CC brian schwartz Marshal Seeman

AD

Unread

Starred

Drafts 2

Sent

Archive

Spam

Trash

^ Less

Views

Hide

Photos

Documents

Subscriptions

Groceries

Deals

Receipts

Travel

Folders

Hide

+ New Folder

BILLS

birddog

climate change 17

Drafts

EZRINE BROS

israel

keeps

LLC

martin

Notes

NR1A

orders

SH

SUREFIRE

TRUMP

BCC Karen Ezrine Ed Schifman

Ed Ezrine

Rose M. Schindler, Esq
Greenspoon Marder LLP

Dear Ms Schindler

You might remember that we spoke on April 16, 2021 at the suggestion of Brian Schwartz.

At that time, you assured me that there was "no Ponzi scheme or misstatements regarding the use of proceeds" by SeemanHoltz.

I was on the call Wednesday from SeemanHoltz but the call didn't provide any information in regard to what is happening going forward. No indication of when the interest payments will start, when the past due interest payments will be sent or when the investments that are past due will be paid.

My situation is such that I use the payments from Centurion to get my Required Minimum Distribution and to pay taxes, as well as use the interest from Para Longevity to pay other obligations.

I spoke to Brian Schwartz earlier this week and he informed me that he was extremely limited in what information he could provide on advise from he Council.

I think you could understand me situation.

I do not want to engage an attorney or engage in litigation (this is not a threat), but I just need to get an idea what will be happening going forward. If necessary, I will speak to my attorney.

I would appreciate any suggestions to obtain information.

I can be reached at 443-604-7188.

Regards

Ed

EDWIN EZRINE, DDS

[Redacted]

[Redacted] (home)

[Redacted] (mobile)

Send



EXHIBIT

C

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov

In re:

1 GC COLLECTIONS, *et al.*,¹
Debtors.

Chapter 11

Case No. 18-19121-RAM
(Jointly Administered)

**LIQUIDATING TRUSTEE’S APPLICATION REQUESTING AUTHORITY
TO RETAIN AND EMPLOY DEVELOPMENT SPECIALISTS, INC. AS
FINANCIAL ADVISOR *NUNC PRO TUNC* TO THE EFFECTIVE DATE**

James S. Cassel, as liquidating trustee (the “**Liquidating Trustee**”) of the 1 GC Collections Creditors’ Liquidating Trust (the “**Trust**”), hereby submits this application (the “**Application**”) for the entry of an order, substantially in the form attached hereto as **Exhibit A** (the “**Proposed Order**”), authorizing the Liquidating Trustee to retain and employ Development Specialists, Inc. (“**DSI**”) as financial advisor *nunc pro tunc* to November 21, 2019 (the “**Effective Date**”). In support of the Application, the Liquidating Trustee submits the declaration of Joseph J. Luzinski, Senior Managing Director at DSI (the “**Luzinski Declaration**”), a copy of which is attached hereto as **Exhibit B** and incorporated by reference herein. In further support of this Application, the Liquidating Trustee respectfully states as follows:

BACKGROUND

1. On July 27, 2018 (the “**Petition Date**”), 1 Global Capital LLC and 1 West Capital LLC (collectively, the “**Debtors**”) commenced the bankruptcy cases (the “**Chapter 11 Cases**”) by

¹ The Debtors in the Chapter 11 Cases, along with the business addresses and the last four (4) digits of each Debtor’s federal tax identification number, if applicable, are: 1 GC Collections, c/o Development Specialists, Inc., 500 West Cypress Creek Road, Suite 400, Fort Lauderdale, Florida 33309 (9517); and 1 West Collections, c/o Development Specialists, Inc., 500 West Cypress Creek Road, Suite 400, Fort Lauderdale, Florida 33309 (1711).

filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “**Bankruptcy Code**”), in the United States Bankruptcy Court for the Southern District of Florida (the “**Court**”).

2. On July 22, 2019, the Debtors and the Committee filed the *First Amended Joint Plan of Liquidation of 1 Global Capital LLC and 1 West Capital LLC Under Chapter 11 of the Bankruptcy Code Proposed by the Debtors and the Official Committee of Unsecured Creditors* (as it may be further amended, supplemented or modified from time to time, the “**Plan**”) [ECF No. 805].²

3. On September 20, 2019, the Court entered the *Order Confirming First Amended Joint Plan of Liquidation of 1 Global Capital LLC and 1 West Capital LLC Under Chapter 11 of the Bankruptcy Code Proposed by the Debtors and the Official Committee of Unsecured Creditors* [ECF No. 1197] (the “**Confirmation Order**”), confirming the Plan, directing the execution of the 1 GC Collections Creditors’ Liquidating Trust Agreement (the “**Liquidating Trust Agreement**”), and approving the appointment of the Liquidating Trustee as the liquidating trustee of the Trust.

4. On November 21, 2019, the Effective Date of the Plan occurred. *See Notice of (A) Effective Date of Chapter 11 Plan and (B) Administrative Claims Bar Date* [ECF No. 1586].

5. Pursuant to the Liquidating Trust Agreement, the Liquidating Trustee may retain attorneys, financial advisors, accountants or other professionals and employees. Liquidating Trust Agreement ¶ 3.9. Any such retention shall be made upon application to the Court in accordance with Rule 2014 of the Federal Rules of Bankruptcy Procedure. *Id.*

² All capitalized terms used in the Application but not defined herein shall have the meanings set forth for such terms in the Plan.

JURISDICTION, VENUE AND STATUTORY PREDICATES

6. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

7. The statutory and legal predicates for the relief requested herein are sections 327 and 328 of the Bankruptcy Code and Rule 2014 of the Federal Rules of Bankruptcy Procedure.

RELIEF REQUESTED

8. By this Application, the Liquidating Trustee seeks entry of an order authorizing and approving the retention and employment of DSI as financial advisors *nunc pro tunc* to the Effective Date, pursuant to the terms and conditions set forth in the engagement agreement entered into between the Liquidating Trustee and DSI, dated December 12, 2019 (the “**DSI Engagement Agreement**”), attached hereto as **Exhibit C**. The Liquidating Trustee believes it is necessary to retain and employ DSI as financial advisor to assist the Liquidating Trustee in the proper administration of the Trust and collecting, distributing, and liquidating the Assets for the benefit of the Beneficiaries.

RETENTION APPLICATION

A. DSI’s Qualifications

9. For over thirty (30) years, DSI has been a leading provider of management consulting and financial advisory services, including turnaround consulting, fiduciary roles, financial restructuring, litigation support, wind-down oversight and forensic accounting services. DSI’s clients include business owners, corporate boards of directors, financial services institutions, secured lenders, bondholders, unsecured creditors and creditor committees.

10. As one of the first turnaround firms in the United States, DSI has expanded from its headquarters in Chicago, Illinois, to include a significant national footprint with offices in South Florida, New York, Los Angeles, San Francisco, Philadelphia and Columbus, Ohio. Internationally, DSI has a representative office in London.

11. DSI has significant qualifications and experience in bankruptcy matters, including post-confirmation matters, and has an excellent reputation for providing high quality, specialized management and financial advisory services to debtors, creditors, and post-confirmation trustees.

12. DSI offers a broad spectrum of services as it has amassed a diverse group of professionals with financial, accounting, legal and regulatory expertise. The DSI team includes, Certified Public Accountants, Certified Insolvency and Restructuring advisors, Certified Financial Forensic Accountants and Certified Internal Auditors. Additionally, DSI has a diverse background with respect to its consultants, including commercial and investment bankers.

13. As set forth in the DSI Engagement Agreement, DSI's engagement will be led by Joseph J. Luzinski, who will be assisted by several other well-qualified individuals who will provide various other critical support services to the Liquidating Trustee (the "**Additional Personnel**").

14. Mr. Luzinski is a Senior Managing Director at DSI. Before the Effective Date, he served as the Debtors' Deputy Chief Restructuring Officer in the Chapter 11 Cases. He has over thirty (30) years of insolvency, restructuring, crisis management advisory and fiduciary experience in numerous industries, settings and situations. He has held several management and fiduciary roles including Director, Officer, CEO, CFO, CRO, Chapter 11 Trustee, and Post-Confirmation Trustee. Mr. Luzinski won M&A Advisor's Annual Turnaround Award for his work on HearUSA, Inc. in 2012 and again in 2013 for his work on Ruden McClosky, P.A. Additionally, Mr. Luzinski has been

recognized as a Top Financial Professional by the South Florida Legal Guide for each year from 2012 through 2015.

15. In light of Mr. Luzinski's experience on these Chapter 11 Cases and expertise, as well as the knowledge and experience of the Additional Personnel, DSI is uniquely positioned to assist the Liquidating Trustee in successfully administering the Trust for the benefit of the Beneficiaries in an efficient and timely manner.

B. Services to be Provided

16. DSI has agreed to provide certain services to the Liquidating Trustee in accordance with the terms and conditions set forth in the DSI Engagement Agreement. Pursuant to the DSI Engagement Agreement and subject to further orders of the Court, the Liquidating Trustee anticipates that DSI will perform the following financial advisory services as requested by the Liquidating Trustee, including, without limitation:³

- a. Manage the Liquidating Trustee's staff;
- b. Manage the collections operations in-house and support collections counsel providing legal collection services;
- c. Coordinate the creditor claims process with analysis, assessment, investigation and reconciliation and negotiation of claims, management of the disputed claim reserve and coordination with the claims agent on interim distributions;
- d. Provide analysis and support the pursuit of the prosecution of potential litigation claims against third parties;
- e. Assist the Liquidating Trustee in the preparation of financial disclosures required by the Court, including Quarterly Operating Reports;
- f. Advise and assist the Liquidating Trustee, the Liquidating Trustee's legal counsel and other professionals in responding to governmental and third-party requests;

³ The description of the services to be provided herein is a summary. The full description of the services is provided in the DSI Engagement Agreement.

- g. Attend meetings and assist in communications with parties in interest and their professionals, including the Trust Oversight Committee;
- h. Provide litigation support and advisory services with respect to litigation matters, along with expert witness testimony on case-related issues;
- i. Attend Court hearings and Court mandated mediations; and
- j. Render such other general business consulting or such other assistance as the Liquidating Trustee may deem necessary and as consistent with the role of a financial advisor and not duplicative of services provided by other professionals in this case.

C. Professional Compensation

17. The Liquidating Trustee understands that DSI intends to apply to the Court for allowance of compensation and reimbursement of expenses for the financial advisory services performed for the Liquidating Trustee in accordance with the applicable provisions of the Bankruptcy Code, Bankruptcy Rules, and Local Rules, as well as pursuant to any additional procedures that may be established by the Court.

18. Subject to the Court’ approval, DSI will be compensated consistent with the terms and conditions contained in the DSI Engagement Agreement; *provided* that, in light of the public interest concerning these Chapter 11 Cases, DSI has agreed with the Securities and Exchange Commission, solely in and for purposes of provides services relating to the Chapter 11 Cases, that DSI’s blended hourly rate shall not exceed \$450.

19. The DSI personnel presently designated to represent the Liquidating Trustee and their current standard hourly rates are as follows:

Professional	Hourly Rate
Joseph J. Luzinski	\$ 620.00
Yale Bogen	\$ 500.00
Shelly L. Cuff	\$ 360.00
Junior Staff	\$ 230.00

20. The hourly rates set forth above are subject to periodic adjustment from time to time to reflect economic and other conditions. Other personnel may from time to time serve the Liquidating Trustee in connection with the matters herein described.

21. In addition to compensation for services rendered by DSI's professionals, DSI will receive reimbursement for reasonable and necessary expenses incurred, including, but not limited to, travel, meals, lodging, postage, telephone, document reproduction, telecopy and computer charges and database access fees and any reasonable fees and expenses of counsel, consultants and advisors retained, in connection with DSI's engagement.

22. The Liquidating Trustee believes that the fees and expenses described above are reasonable, within the market for similar services, and designed to fairly compensate DSI for its work and to cover fixed and routine overhead expenses.

D. Indemnification

23. As part of the overall compensation payable to DSI under the terms of the DSI Engagement Agreement, the Liquidating Trustee has agreed to include certain indemnification language in the DSI Engagement Agreement. For the avoidance of doubt, the Liquidating Trustee will not indemnify DSI for any losses, claims, damages, or liabilities incurred by DSI to the extent that a court of competent jurisdiction determines such losses, claims, damages, or liabilities result from bad faith, willful misconduct, or gross negligence.

24. The terms of the DSI Engagement Agreement and the indemnification provisions were fully negotiated at arm's length. The Liquidating Trustee respectfully submits that the indemnification provisions are reasonable and in the best interests of the Liquidating Trustee and its Beneficiaries.

E. DSI's Disinterestedness

25. DSI has reviewed its electronic database and, to the best of its knowledge and except to the extent disclosed herein or in the Luzinski Declaration, determined that it neither holds nor represents an interest adverse to the Liquidating Trustee, nor has a connection to the Liquidating Trustee, the Trust, or related parties, and believes it is a “disinterested person” as defined by section 101(14) of the Bankruptcy Code.

26. DSI will periodically review its files to ensure that no conflicts or other disqualifying circumstances exist or arise. To the extent that DSI discovers any new relevant facts or relationships bearing on the matters described herein during the period of DSI's retention, DSI will use reasonable efforts to promptly submit a supplemental declaration with the Court.

BASIS FOR RELIEF REQUESTED

A. The Liquidating Trustee Should be Permitted to Retain and Employ DSI on the Terms Set Forth in the DSI Engagement Agreement.

27. Section 327(a) of the Bankruptcy Code authorizes a trustee to employ professionals that “do not hold or represent an interest adverse to the estate, and that are disinterested persons.” 11 U.S.C. § 327(a).

28. Section 328(a) of the Bankruptcy Code authorizes the employment of a professional person “on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis” 11 U.S.C. § 328(a). Section 328 of the Bankruptcy Code permits the compensation of professionals on more flexible terms that reflect the nature of their services and market conditions.

29. Bankruptcy Rule 2014(a) requires that an application for retention include:

[S]pecific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for

compensation, and, to the best of the applicant's knowledge, all of the [firm's] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

Fed. R. Bankr. P. 2014.

30. As discussed above and in the Luzinski Declaration, DSI satisfies the disinterestedness standard in section 327(a) of the Bankruptcy Code and retention of DSI pursuant to section 328(a) of the Bankruptcy Code is appropriate in these circumstances. DSI has extensive experience and an excellent reputation for providing high-quality services, and is well qualified to serve as financial advisor to the Liquidating Trustee.

31. The Liquidating Trustee believes that the retention and employment of DSI as financial advisor to the Liquidating Trustee is necessary and essential to the Liquidating Trustee's efforts to collect, distribute, and liquidate the Assets for the benefit of the Beneficiaries in accordance with the terms of the Liquidating Trust Agreement and the Plan.

32. Having served as Deputy CRO to the Debtors, Mr. Luzinski is intimately familiar with the Assets and the Trust and is in a unique position to provide efficient, timely, and cost-effective services to the Liquidating Trustee. Mr. Luzinski and the Additional Personnel also have extensive experience in supporting post-confirmation trustees like the Liquidating Trustee.

33. The services to be provided by DSI are critical to appropriately administering the Trust. Accordingly, the Liquidating Trustee requests that the Court approve the DSI Engagement Agreement and submits that the terms and conditions of the DSI Engagement Agreement, including the proposed compensation terms, are reasonable and in keeping with the terms and conditions typical for engagements of this size and character.

B. Employment and Retention of DSI Should be Effective *Nunc Pro Tunc* to the Effective Date

34. The Liquidating Trustee requests that the retention of DSI be approved *nunc pro tunc* to the Effective Date. The Liquidating Trustee believes that *nunc pro tunc* relief is warranted under the circumstances because DSI should be appropriately compensated for the valuable services it has provided prior to the entry of an order regarding DSI's retention. Further, the Liquidating Trustee believes that no party in interest will be prejudiced by the granting of the *nunc pro tunc* employment because DSI has provided in the interim period, and will continue to provide, valuable services to the Liquidating Trustee.

CONCLUSION

WHEREFORE, for the reasons set forth herein and in the Luzinksi Declaration, the Liquidating Trustee requests that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as the Court deems appropriate.

Dated: February 19, 2020

GREENBERG TRAURIG, LLP

/s/ John R. Dodd

Paul J. Keenan Jr.
Fla. Bar No. 0594687
keenanp@gtlaw.com

John R. Dodd
Fla. Bar No. 38091
doddj@gtlaw.com

333 S.E. 2nd Avenue, Suite 4400
Miami, Florida 33131
Tel: 305-579-0500
Fax: (305) 579-0717

Proposed Counsel for the Liquidating Trustee

EXHIBIT A

Proposed Order

(Attached)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION**
www.flsb.uscourts.gov

In re:

1 GC COLLECTIONS, *et al.*,¹
Debtors.

Chapter 11

Case No. 18-19121-RAM

(Jointly Administered)

**ORDER APPROVING LIQUIDATING TRUSTEE'S APPLICATION REQUESTING
AUTHORITY TO RETAIN AND EMPLOY DEVELOPMENT SPECIALISTS, INC. AS
FINANCIAL ADVISOR NUNC PRO TUNC TO THE EFFECTIVE DATE**

THIS MATTER came before the Court on _____, 2020, at _____ a.m. in
Miami, Florida, upon the *Liquidating Trustee's Application Requesting Authority to Retain and
Employ Development Specialists, Inc. as Financial Advisor Nunc Pro Tunc to the Effective Date*

¹ The Debtors in the Chapter 11 Cases, along with the business addresses and the last four (4) digits of each Debtor's federal tax identification number, if applicable, are: 1 GC Collections, c/o Development Specialists, Inc., 500 West Cypress Creek Road, Suite 400, Fort Lauderdale, Florida 33309 (9517); and 1 West Collections, c/o Development Specialists, Inc., 500 West Cypress Creek Road, Suite 400, Fort Lauderdale, Florida 33309 (1711).

[ECF No. __] (the “**Application**”)² filed by James S. Cassel, as liquidating trustee (the “**Liquidating Trustee**”) of the 1 GC Collections Creditors’ Liquidating Trust (the “**Trust**”), seeking an order authorizing the retention and employment of Development Specialists, Inc. (“**DSI**”) as financial advisor to the Liquidating Trustee.

The Court has considered the Application, Joseph J. Luzinski’s declaration in support of the Application (the “**Luzinski Declaration**”) attached to the Motion as **Exhibit B**, the agreement between Liquidating Trustee and DSI (the “**DSI Engagement Agreement**”) attached to the Application as **Exhibit C**, and the statements made in support of the relief requested at a hearing before this Court. Based on the foregoing, the Court finds and concludes that (i) this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); (iii) venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409; (iv) proper and adequate notice of the Application has been given and no other and further notice is necessary; (v) DSI is “disinterested” as that term is defined in section 101(14) of the Bankruptcy Code; and (vi) DSI’s retention as financial advisor to the Liquidating Trustee is necessary and in the best interests of the Liquidating Trustee and all parties in interest.

Based upon the above findings and conclusions, and good and sufficient cause appearing therefor, it is **ORDERED** that:

1. The Application is granted as set forth herein.
2. The Liquidating Trustee is authorized, effective as of the Effective Date, to employ and retain DSI on the terms set forth in the DSI Engagement Agreement.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Application.

3. DSI shall be compensated in accordance with the procedures set forth in the Application, sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and further Orders of this Court.

4. In addition to compensation for professional services rendered by DSI's personnel, DSI is entitled to seek reimbursement for reasonable and necessary expenses incurred in connection with its retention as financial advisor to the Liquidating Trustee.

5. The U.S. Trustee and other parties in interest retain all rights to object to DSI's compensation reports (including expense reimbursement) on all grounds including, but not limited to, the reasonableness standard provided for in 11 U.S.C. § 330.

6. To the extent this Order is inconsistent with the DSI Engagement Agreement, the terms of this Order shall govern.

7. Notwithstanding any applicability of Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

8. The Liquidating Trustee and DSI are authorized to take such actions as may be necessary and appropriate to implement the terms of this Order.

9. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

###

Submitted by:

John R. Dodd, Esq.
GREENBERG TRAURIG, LLP
333 S.E. 2nd Avenue, Suite 4400
Miami, Florida 33131
Tel: 305-579-0500
Fax: (305) 579-0717
doddj@gtlaw.com

(Epiq is directed to serve a copy of this Order upon all interested parties upon receipt and file a Certificate of Service.)

EXHIBIT B

Luzinski Declaration

(Attached)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION
www.flsb.uscourts.gov

In re:

1 GC COLLECTIONS, *et al.*,¹
Debtors.

Chapter 11

Case No. 18-19121-RAM

(Jointly Administered)

**DECLARATION OF JOSEPH J. LUZINSKI IN SUPPORT OF
LIQUIDATING TRUSTEE'S APPLICATION REQUESTING AUTHORITY
TO RETAIN AND EMPLOY DEVELOPMENT SPECIALISTS, INC. AS
FINANCIAL ADVISOR NUNC PRO TUNC TO THE EFFECTIVE DATE**

I, Joseph J. Luzinski, hereby declare the following is true to the best of my knowledge, information, and belief:

1. I am a Senior Managing Director at Development Specialists, Inc. ("**DSI**"), which maintains an office at 500 West Cypress Creek Road, Suite 400, Ft. Lauderdale, Florida 33309.

2. I am authorized to make this declaration on behalf of DSI and in support of the *Liquidating Trustee's Application Requesting Authority to Retain and Employ Development Specialists, Inc. as Financial Advisor Nunc Pro Tunc to the Effective Date* [ECF No. __] (the "**Application**")² filed by James S. Cassel, as liquidating trustee (the "**Liquidating Trustee**") of the 1 GC Collections Creditors' Liquidating Trust (the "**Trust**"), seeking an order authorizing the retention and employment of Development Specialists, Inc. ("**DSI**") as financial advisor to the Liquidating Trustee.

¹ The Debtors in the Chapter 11 Cases, along with the business addresses and the last four (4) digits of each Debtor's federal tax identification number, if applicable, are: 1 GC Collections, c/o Development Specialists, Inc., 500 West Cypress Creek Road, Suite 400, Fort Lauderdale, Florida 33309 (9517); and 1 West Collections, c/o Development Specialists, Inc., 500 West Cypress Creek Road, Suite 400, Fort Lauderdale, Florida 33309 (1711).

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Application.

3. Except as otherwise noted, I have personal knowledge of the matters set forth herein.

DSI'S QUALIFICATIONS

4. For over thirty (30) years, DSI has been a leading provider of management consulting and financial advisory services, including turnaround consulting, fiduciary roles, financial restructure, litigation support, wind-down oversight and forensic accounting services. DSI's clients include, but are not limited to, business owners, corporate boards of directors, financial services institutions, secured lenders, bondholders, unsecured creditors and creditor committees.

5. As one of the first turnaround firms in the United States, DSI has expanded from its headquarters in Chicago, Illinois, to include a significant national footprint with offices in South Florida, New York, Los Angeles, San Francisco, Columbus, and Wilmington. Internationally, DSI has a representative office in London.

6. DSI has significant qualifications and experience in bankruptcy matters, including post-confirmation matters, and has an excellent reputation for providing high quality, specialized management and restructuring advisory services to debtors, creditors, and investors in complex chapter 11 cases and other restructurings, both in and out of court.

7. DSI offers a broad spectrum of services as it has amassed a diverse group of professionals with financial, accounting, legal and regulatory expertise. The DSI team includes Masters of Professional Accountancy, Certified Public Accountants, Certified Insolvency and Restructuring advisors, Certified Financial Forensic Accountants and Certified Internal Auditors. DSI furthermore shines due to the diverse background of many of our consultants, including commercial and investment bankers.

8. As set forth in the DSI Engagement Agreement, I will lead DSI's engagement, and I will be assisted by several other well-qualified individuals who will provide various other critical advisory and support services to the Liquidating Trustee (the "**Additional Personnel**").

9. I have over thirty (30) years of insolvency, restructuring, crisis management advisory and fiduciary experience in numerous industries, settings and situations. I have held several management and fiduciary roles including Director, Officer, CEO, CFO, CRO, Chapter 11 Trustee, and Post-Confirmation Trustee, and before the Effective Date, I served as the Debtors' Deputy Chief Restructuring Officer in the Chapter 11 Cases.

PROFESSIONAL COMPENSATION

10. DSI will be compensated consistent with the terms of the DSI Engagement Agreement; *provided* that, in light of the public interest concerning these Chapter 11 Cases, DSI has agreed with the Securities and Exchange Commission, solely in and for purposes of these cases, that DSI's blended hourly rate shall not exceed \$450. The DSI personnel presently designated to represent the Liquidating Trustee and their current standard hourly rates are:

Professional	Hourly Rate
Joseph J. Luzinski	\$ 620.00
Yale Bogen	\$ 500.00
Shelly L. Cuff	\$ 360.00
Junior Staff	\$ 230.00

11. The hourly rates set forth above are subject to periodic adjustments to reflect economic and other conditions. Other personnel may from time to time serve the Liquidating Trustee.

12. In addition to compensation for services rendered by DSI's professionals, DSI will receive reimbursement for reasonable and necessary expenses incurred, including, but not limited to, travel, meals, lodging, postage, telephone, document reproduction, telecopy and computer

charges and database access fees and any reasonable fees and expenses of counsel, consultants and advisors retained, in connection with DSI's engagement.

INDEMNIFICATION

13. As part of the overall compensation payable to DSI under the terms of the DSI Engagement Agreement, the Liquidating Trustee has agreed to include certain indemnification language in the DSI Engagement Agreement.

14. DSI understands that the Liquidating Trustee will not indemnify DSI for any losses, claims, damages, or liabilities incurred by DSI to the extent that a court of competent jurisdiction determines such losses, claims, damages, or liabilities result from bad faith, willful misconduct, or gross negligence.

DSI'S DISINTERESTEDNESS

15. DSI undertook a lengthy conflicts analysis process to determine whether it had any conflicts or other relationships that might cause it to hold or represent an interest adverse to the Liquidating Trustee. Specifically, to check and clear potential conflicts of, DSI reviewed its client relationships to determine whether it had any relationships with the parties-in-interest listed on Schedule 1 attached hereto, which were provided to DSI by the Liquidating Trustee (collectively, the "**Interested Parties List**").

16. DSI's review, completed under my supervision, consisted of a query of the Interested Parties List within an internal computer database containing names of individuals and entities that are present or recent former clients of DSI. A summary of such relationships that DSI identified during this process is set forth on Schedule 2 to this Declaration.

17. Based on the results of its review, except as otherwise discussed herein and Schedule 2, DSI does not have a relationship with any of the parties on Schedule 1, other than the

Debtors and the Liquidating Trustee. In addition, before the Effective Date, Bradley D. Sharp and I served, respectively, as the Debtors' Chief Restructuring Officer and Deputy Chief Restructuring Officer, and DSI provided restructuring and management services to the Debtors.

18. As part of its diverse practice, DSI appears in numerous cases, proceedings, and transactions involving many different attorneys, accountants, investment bankers, and financial consultants, some of whom may represent claimants and parties in interest in the Chapter 11 Cases. Further, DSI has in the past, and may in the future, be represented by several attorneys and law firms, some of whom may be involved in the Chapter 11 Cases. In addition, DSI has been in the past, and likely will be in the future, engaged in matters unrelated to the Debtors, the Liquidating Trustee, or the Chapter 11 Cases in which it works with or against other professionals involved in these cases. To the best of my knowledge, information, and belief, insofar as I have been able to ascertain after reasonable inquiry, none of these business relations constitute interests adverse to the Liquidating Trustee.

19. Further, to the best of my knowledge, information, and belief, insofar as I have been able to ascertain after reasonable inquiry, neither I nor any of DSI's professional employees (a) have any connection with the Liquidating Trustee, the Debtors, their creditors, any other parties on the Interested Parties List, or their respective attorneys or accountants, or (b) are related or connected to any United States Bankruptcy Judge for the Southern District of Florida, the U.S. Trustee, or any employee in the Office of the U.S. Trustee.

20. If DSI discovers any additional information that requires disclosure, DSI will file promptly a supplemental declaration with the Court.

21. To the best of my knowledge, information, and belief, insofar as I have been able to ascertain after reasonable inquiry, DSI has not been retained to assist any entity or person other than

the Liquidating Trustee and the Debtors on matters relating to, or in direct connection with, the Chapter 11 Cases or the Trust.

22. No agreement presently exists to share with any other person or firm any compensation received by DSI for its services in these cases. If any such agreement is entered into, DSI will undertake to amend and supplement this Declaration to disclose the terms of any such agreement.


23. No promises have been received by DSI, or by any employee thereof, as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code.

24. I am generally familiar with the Bankruptcy Code and the Federal Rules of Bankruptcy Procedures, and DSI will comply with them, subject to the orders of this Court.

[The remainder of this page is intentionally blank.]

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: December ~~18~~ 17, 2019



Joseph J. Luzinski, Senior Managing Director
Development Specialists, Inc.

Schedule 1

Interested Parties List

1 Global Capital, LLC
1 West Capital, LLC
Steven A. Schwartz
Darice Lang
Carl Ruderman
BRR Block
Ganador Enterprises
Travis Portfolio
Collins Asset Group
Digi Shouth
Pay Now Direct
Oliphant Financial
James Cassel

Schedule 2

Specific Disclosures

DSI is engaged in a forensic accounting matter with Centurion ISG Holdings, LLC and its related entities, including Seeman Holtz Property & Casualty, LLC, National Senior Insurance, Inc. d/b/a Seeman Holtz (collectively, the “**Company**”). DSI was brought into the engagement through Greenberg Traurig. Greenberg Traurig represents the Company and the following lawyers are involved: Fred Karlinsky, Carl Fornaris, Ben Katz, Frank Sanchez, Tim Stanfield, and Paul Berkowitz. DSI does not believe that this forensic accounting engagement or the connection to Greenberg Traurig presents an interest adverse to the Liquidating Trustee, but is disclosing this information out of an abundance of caution.

EXHIBIT C

DSI Engagement Agreement

(Attached)



December 12, 2019

Mr. James S. Cassel
Liquidating Trustee
1 GC Collections Creditors' Liquidating Trust
C/o Cassel Salpeter & Co.
801 Brickell Avenue, Suite 1900
Miami, FL 33131

Re: Development Specialists, Inc. ("DSI")
Retention and Letter of Engagement

Dear Mr. Cassel:

Please accept this letter as our firm's formal written agreement (the "Agreement") to retain DSI as Financial Advisor to the Liquidating Trustee of the 1 GC Collections Creditors' Liquidating Trust (the "Company" or the "Trustee"), effective upon the confirmed Chapter 11 Plan of Reorganization Effective Date. DSI shall provide restructuring support services to the Company, as described herein and modified from time to time.

This Agreement is subject to the approval of the United States Bankruptcy Court for the Southern District of Florida.

Section 1 – Scope of Work

DSI will provide the following services (the "Services") to the Company:

- a. As directed by the Trustee, DSI will be responsible for the day-to-day management of the Liquidating Trust including:
 - i. Managing Company staff;
 - ii. Managing the collections operations in-house and supporting collections counsel providing legal collection services;
 - iii. Coordinating the creditor claims process with analysis, assessment, investigation and reconciliation and negotiation of claims, management of the disputed claim reserve and coordination with the claims agent on interim distributions;
 - iv. Providing analysis and support of the prosecution of potential litigation claims against third parties;

MIAMI/FT. LAUDERDALE

500 West Cypress Creek Road, Suite 400 • Fort Lauderdale, FL 33309 • Telephone: 305.374.2717 • Fax: 305.374.2718 • www.DSIConsulting.com

NEW YORK • LOS ANGELES • CHICAGO • WILMINGTON • SAN FRANCISCO • COLUMBUS • LONDON

1 GC Collections Creditors' Liquidating Trust
December 12, 2019
Page 2

- v. Assisting the Company in the preparation of financial disclosures required by the Court, including Quarterly Operating Reports;
 - vi. Advising and assisting the Trustee, the Trustee's legal counsel and other professionals in responding to governmental and third party requests;
 - vii. Attending meetings and assisting in communications with parties in interest and their professionals, including the Trust Oversight Committee.
 - viii. Providing litigation support and advisory services with respect to litigation matters, along with expert witness testimony on case-related issues.
- b. In consultation with the Trustee, DSI will attend Court hearings and Court mandated mediations.
- c. DSI will render such other general business consulting or other assistance as the Company may deem necessary and as consistent with the role of a financial advisor and not duplicative of services provided by other professionals in this case.

DSI will submit its evaluations and analyses pursuant to this Agreement in periodic oral and written reports. Such reports are intended to and shall constitute privileged and confidential information and shall constitute Company property.

Section 2 – Rates, Invoicing and Retainer

A number of DSI's personnel have experience in providing restructuring support services and may be utilized by DSI as directed by Joseph Luzinski, who will lead this engagement. Although others of our staff may also be involved, we have listed below certain of the DSI personnel (along with their corresponding billing rates) who would likely constitute the core group for this matter. The individuals are:

Joseph J. Luzinski	\$620.00/hr.
Yale Bogen	\$500.00/hr.
Shelly L. Cuff	\$360.00/hr.
Junior Staff	\$230.00/hr.

The above rates are adjusted as of January 1 of each year to reflect advancing experience, capabilities, and seniority of our professionals as well as general economic factors. Any such adjustments shall be discussed with the Company prior to January 1 of each year, and are subject to approval of the independent manager(s). Notwithstanding the foregoing, DSI agrees not to exceed the blended rate cap of \$450.00 per hour.

1 GC Collections Creditors' Liquidating Trust
December 12, 2019
Page 3

DSI will furnish monthly billing statements to the Company, in form and content consistent with prior case practices in this Chapter 11. DSI agrees to be subject to the yet finalized procedures to allow interim monthly compensation with notice and fee application requirements. DSI's then-prospective obligations shall be contingent upon such approval in a form and manner and upon terms and conditions acceptable to DSI and the Company.

DSI also will be entitled to reimbursement for its reasonable costs and expenses. Such costs and expenses may include, among others, charges for messenger services, photocopying, travel expenses, long distance telephone charges, postage and other charges customarily invoiced by consulting firms. Airfare for international flights will be charged at the business class fare.

Section 3 – Termination

Either the Company or DSI may terminate this Agreement for any reason with five (5) business days' written notice; provided, however, the Company shall be obligated, in accordance with any orders of or procedures established by the Court, to pay and/or reimburse DSI all fees and expenses accrued under this Agreement as of the effective date of the termination.

Section 4 – Relationship of the Parties, Confidentiality

DSI will provide services to and for the Company, with select members of DSI assigned to specific roles for the benefit of the Company. These members will remain as DSI employees during the pendency of this case. Specifically, the parties intend that an independent contractor relationship will be created by this Agreement. Employees of DSI are not to be considered employees of the Company and are not entitled to any of the benefits that the Company provides for the Company's employees.

The Company acknowledges that all advice (written or oral) given by DSI to the Company in connection with this Agreement is intended solely for the benefit and use of the Company and the Trustee considering the transaction to which it relates, and that no third party is entitled to rely on any such advice or communication. DSI will in no way be deemed to be providing services for any person not a party to this Agreement.

DSI agrees that all information not publicly available that is received by DSI from the Company in connection with this engagement or that is developed pursuant to this Agreement, will be treated as confidential and will not be disclosed by DSI, except as required by Court order, or other legal process, or as may be authorized by the Company. DSI shall not be required to defend any action to obtain an order requiring disclosure of such information, but shall instead give prompt notice of any such action to the Company, so that it may seek appropriate remedies, including a protective

1 GC Collections Creditors' Liquidating Trust
December 12, 2019
Page 4

order. The Company shall reimburse DSI for all costs and fees (including reasonable attorney's fees) incurred by DSI relating to responding to (whether by objecting to or complying with) any subpoenas or requests for production of information or documents.

Section 5 – Indemnity, Limitation of Liability

To the fullest extent permitted under applicable law, the Company shall indemnify, hold harmless and defend DSI, and each and every one of the personnel employed by DSI who provides Services pursuant to this Agreement, as well as DSI officers, directors, employees and agents (the "DSI Parties") from and against any and all claims, liability, loss, cost, damage or expense (including reasonable attorney's fees) asserted against it or any of its individual personnel, or incurred by DSI or its personnel, including addressing or responding to a subpoena or court order, arising out of or in connection with this Agreement, or performance under this Agreement, except where it is determined in a final judgment by a court of competent jurisdiction (not subject to further appeal) that such claim, liability, loss, cost, damage or expense is the direct result of the willful misconduct, dishonesty, fraudulent act or omission, or gross negligence of any DSI personnel. Such indemnity shall survive the expiration or termination by either party of this Agreement.

The DSI Parties shall not be liable to the Company, or any party asserting claims on behalf of the Company, except for direct damages found in a final determination by a court of competent jurisdiction (not subject to further appeal) to be the direct result of the bad faith, self-dealing or intentional misconduct of DSI. The DSI Parties' aggregate liability, whether in tort, contract or otherwise, is limited to the amount of fees paid to DSI for the Services (the "Liability Cap"). The Liability Cap is the total limit of the DSI Parties' aggregate liability for any and all claims or demands by anyone pursuant to this Agreement, including liability to the Company, to any other parties hereto, and to any others making claims relating to the work performed by DSI pursuant to this Agreement.

Section 6 – Conflicts

DSI has made diligent inquiries to determine whether it or any of its professionals have any connections with the Company, creditors, or other parties in interest in this case. Based on that review, the review of DSI's conflict files and responses to inquiries from DSI's professional staff, neither DSI nor its professionals have any known conflicts with the parties in this case. DSI will separately provide its connections to parties in this case and/or their professionals.

Section 7 – No Audit

The Company acknowledges that it is hiring DSI to assist and advise the Company in business planning and operations. DSI's engagement shall not constitute an audit, review or compilation,

1 GC Collections Creditors' Liquidating Trust
December 12, 2019
Page 5

or any other type of financial statement reporting engagement that is subject to the rules of AICPA or other such state and national professional bodies.

Section 8 – Non-Solicitation

The Company agrees not to solicit, recruit or hire any employees or agents of DSI for a period of two (2) years subsequent to the completion and/or termination of this Agreement.

Section 9 – Survival

The provisions of this Agreement relating to indemnification, the non-solicitation or hiring of DSI employees, and all other provisions necessary to the enforcement of the intent of this Agreement will survive the termination or expiration of this Agreement.

Section 10 – Entire Agreement, Amendment


This Agreement contains the entire understanding of the parties relating to the subject matter of this Agreement and supersedes and is intended to nullify any other agreements, understandings or representations relating to the subject of this Agreement. This Agreement may not be amended or modified except in a writing signed by the parties.

If you are in agreement with the foregoing terms and conditions please indicate your acceptance by signing an original copy of this Agreement on the signature lines below, then returning one fully-executed Agreement to DSI's office. The Agreement will become effective upon execution by duly authorized representatives of the respective parties.

Very truly yours,


Development Specialists, Inc.

AGREED AND ACKNOWLEDGED:


By: _____
Name: James S. Cassel
Title: Liquidating Trustee
1 GC Collections Creditors' Liquidating Trust

EXHIBIT

D

North America

With strong North American roots originating in Chicago in 1853, Winston & Strawn serves businesses—from Fortune 500 corporations and financial institutions to small and midsize companies—from across America. In the 1970s, our law firm began expanding beyond Chicago and today has offices in Charlotte, Dallas, Houston, Los Angeles, Miami, New York, San Francisco, Silicon Valley, and Washington, D.C.

Our established presence across North America allows our attorneys to efficiently and effectively meet our clients' legal needs. With the most recent openings in Dallas and Silicon Valley to serve clients in intellectual property, commercial litigation, and corporate and financial matters, to expanding our presence in New York to better assist clients with their financial services needs, we have the experience to advance our clients' business objectives in the United States and abroad.

With nearly 900 attorneys across the United States, we work together to resolve challenging deals and complex cases. We are proud of our people, the interesting matters we handle, and the impressive clients we serve.

MIAMI

Winston & Strawn LLP
200 South Biscayne Boulevard
Miami, FL 33131
(305) 910-0500
(305) 910-0505
Enrique J. Martin
Partner

PROFESSIONALS



Elisa H. Baca
Associate Miami
+1 305-910-0537



David
Par
+1 :



Carl Fornaris Partner
Miami
+1 305-910-0626



Adam M. Foslid
Partner Miami
+1 305-910-0646



Paul W
Of Cour
+1 305-



Jared R. Kessler
Partner Miami
+1 305-910-0654

NEWS FROM NORTH AMERICA

Jennifer Golinveaux Speaks at the Intellectual Property Law Institute 2022
10/17/22 - 10/18/22

IMN's ESG in Structured Finance Conference 2022
09/08/22

Honduran Human Rights Activist Is Granted Asylum
08/29/22

Winston & Strawn Recognized in IFLR1000 2022
08/25/22

The Future of Small Business Bankruptcies and Creditors' Committees After the SBRA: *In re Bonert and In re Lear Capital*
08/24/22

Window on Washington: Dr. OSRA
08/24/22

Diane Costigan Speaks on Mental Health and Wellness Support in the Workplace
08/23/22

Jones Act Moon Shot
08/23/22

Nicholas Rodriguez Teaches M&A Transactional Skills Course at the University of Miami School of Law
08/22/22

Winston & Strawn Featured in Secondaries Investor's 2022 Law Firm Survey
08/22/22