

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

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION,

Plaintiff,

v.

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

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

Defendants.

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

Relief Defendants.

**CORPORATE MONITOR, DANIEL J. STERMER'S MOTION TO DISMISS EDWIN
AND KAREN EZRINE, INTERVENORS, AS PARTIES TO THIS ACTION**

Daniel J. Stermer, as Court-appointed Corporate Monitor (the "Corporate Monitor") for the property, assets, and business of the thirty-two (32) corporate entities¹(the "Consenting Corporate Defendants") pursuant to the *Agreed Order Granting Plaintiff's Consent Motion for Appointment of Corporate Monitor and Related Injunctive Relief*, dated September 14, 2021, and the *Agreed Order Granting Corporate Monitor, Daniel J. Stermer's Unopposed Motion to Expand Corporate Monitorship Estate*, dated January 6, 2022, respectfully moves for entry of an order dismissing Edwin and Karen Ezrine, as intervenors, as parties to this action. In support of this Motion, the Corporate Monitor states as follows:

1. On September 10, 2021, the Plaintiff, State of Florida, Office of Financial Regulation (the "Plaintiff" or "OFR") filed a *Consent Motion for Appointment of Corporate*

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

Monitor, seeking the appointment of the Corporate Monitor for the property, assets, and business of the Consenting Corporate Defendants, as well as a temporary injunction against the Consenting Corporate Defendants and two natural-person Defendants, Marshal Seeman and Brian J. Schwartz (the “Consenting Individual Defendants”):

1. NATIONAL SENIOR INSURANCE, INC. D/B/A SEEMAN HOLTZ,
2. CENTURION INSURANCE SERVICES GROUP, LLC,
3. EMERALD ASSETS 2018, LLC,
4. INTEGRITY ASSETS 2016, LLC,
5. INTERGRITY ASSETS, 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,
14. PARA LONGEVITY 2019-5, LLC,
15. PARA LONGEVITY 2019-6, LLC,
16. PARA LONGEVITY VI, LLC,
17. SH GLOBAL, LLC N/K/A PARA LONGEVITY V, LLC,
18. VALENTINO GLOBAL HOLDINGS, LLC,
19. AMERITONIAN ENTERPRISES, LLC,
20. SEEMAN-HOLTZ CONSULTING CORP.,
21. CENTURION ISG Holdings, LLC,
22. CENTURION ISG Holdings II, LLC,
23. CENTURION ISG (Europe) Limited,
24. CENTURION ISG SERVICES, LLC,
25. CENTURION ISG FINANCE GROUP, LLC,
26. CENTURION FUNDING SPV I LLC, and
27. CENTURION FUNDING SPV II LLC,

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

3. On January 6, 2022, the Court entered an *Agreed Order Granting Corporate Monitor, Daniel J. Stermer's Unopposed Motion to Expand Corporate Monitorship Estate*, thereby expanding the scope of the corporate monitorship created in this case to include the following five additional entities:

- a. Para Global 2019, LLC, a Georgia limited liability company;
- b. Alloy Assets, LLC, a Florida limited liability company;
- c. Seeman Holtz Wealth Management, Inc., a Florida corporation;
- d. Agency Acquisition Funding, LLC, a Delaware limited liability company;
and
- e. America's Favorite Insurance Services LLC, a Delaware limited liability company.

INTRODUCTION

4. During the pendency of this case, two separate families of investors have sought to intervene. First, on April 19, 2022, Dr. Edwin and Karen Ezrine (the "Ezrines") moved to intervene (the "Ezrine Intervention Motion"). Their intervention motion 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").

5. The second investor that sought to intervene was Tom Echolds, who is represented by the same counsel representing the Ezrines, the Vernon Litigation Group. The Court conducted a hearing on the Echolds' Intervention Motion and quickly entered an order denying the motion.

6. The WHEREFORE clause of the Ezrine Intervention Motion sets forth that the motion as filed seeks to “allow them to intervene as plaintiffs in the above styled litigation in order to determine their respective rights and interest in certain collateral that will necessarily be affected” Essentially, the Ezrines’ contended that they had a security interest in a life insurance policy that was the subject of the Bid Procedure Motion.²

7. The Court, within the Order granting the Bid Procedure Motion, granted the Ezrine Intervention Motion as to the relief requested therein. Their concern, as set forth in the Ezrine Intervention Motion, was resolved through paragraphs 19 and 36 of the Order granting the Bid Procedure Motion which preserved the Ezrines’ rights to any proceeds in the identified life insurance policies. **No other additional limited rights were granted to the Ezrines and counsel for the Ezrines’ participated in and approved of the language in the Order.**

8. The Corporate Monitor has been in consistent communication with counsel for the Ezrines and Echolds – Mr. Christopher Vernon, Esq and his colleagues. Mr. Vernon has had numerous discussions with the Corporate Monitor and undersigned counsel during the course of this case. Most of these discussions have focused on requests for information, documents, and other data related to the case. The information requested has been broad-based and not generally related solely to the individual claims of the Ezrines as relates to the specific insurance policy that they alleged they has a security interest in. The Corporate Monitor and his counsel have tried to be responsive to Mr. Vernon and his colleagues, but the requests for information grew in intensity and breadth.

9. On August 2, 2022, the Corporate Monitor filed his *Motion to Clarify the*

² Tom Echolds (“Echolds”) filed in the Intervenor Tom Echolds’ Limited Objection to Refinance or Sale of Centurion Assets and Motion to Intervene and Incorporated Memorandum of Law (the “Echolds’ Intervention Motion”) and his reply. The Court conducted a hearing on the Echolds’ Intervention Motion and entered an order denying the motion.

September 14, 2021 Order Appointing Corporate Monitor (the “Motion”)³ in response, *inter alia*, to the ever increasing and overreaching demands from the Ezrines and Mr. Vernon to provide essentially full access to any and all documents records and information that the Corporate Monitor may have, whether or not the Ezrines are entitled to them or whether or not it is information that the Corporate Monitor deems privileged or otherwise contradictory to the privacy rights of other noteholders and investors or obtained pursuant to confidentiality agreement/protective orders. The Ezrines have tried to use their status as “intervenor” to obtain information they should not have access to and to disrupt the process by lodging unfounded innuendo, unsupported and factually inaccurate accusations, improper collateral attacks on the Corporate Monitor, and final orders of this Court.⁴

10. On September 6, 2022, this Court held its hearing on the Motion and on September 12, 2022, this Court entered its Order Granting Motion to Clarify the September 14, 2022 Order Appointing Corporate Monitor wherein the Court ruled:

Paragraph 54 of the September 14, 2021 Order is amended and restated to provide 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 Plaintiff and other 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 this Order. **The Corporate Monitor fulfills his obligation to provide documents and information to the Consenting Corporate Defendants’ investors pursuant to this Order by filing and serving the quarterly reports referenced above herein. Any request(s) for additional information or documents by any investor or party, except as provided in Paragraph. 13 EE., shall be in the form of a motion or requests for discovery filed with this Court, with all objections thereto preserved.**

³ Capitalized terms undefined herein shall have the same meaning as they are defined in the Motion.

⁴ Despite the Court inviting the Ezrines at the hearing on July 26, 2022, to file a motion articulating any grievances they may have with the Corporate Monitor or this process, the Ezrines’ have filed no such motion.

11. The Corporate Monitor is very sympathetic to the Ezrines (and all noteholders, their families, and other creditors) and the position that they find themselves in as creditors/victims in this case. However, the Ezrines (and/or their counsel) should not be permitted to utilize this case and their status as “intervenor” to distract the Trustee and his professionals from achieving a recovery for them and all those similarly situated or to pursue alternative remedies or otherwise impede the main aspects of this case. Further, the Ezrines should not be able to use their status as “intervenor” to gain rights above and beyond those of the other 1,200 investors that find themselves in the same situation. The Corporate Monitor and his professionals are working hard every day to achieve a recovery for them and all those similarly situated, and no benefit is derived from the Ezrine’s continued participation in this case as intervenors.

12. As part of his efforts, the Corporate Monitor commenced a Noticing and Claims Administration Process (with the Claims Bar Date being August 31, 2022) (the “Claims Process”). The Ezrines have participated in this process and filed claims on August 14, 2022. Since the Ezrines never produced any evidence of their secured claim, and such issue is now moot, the Ezrines should respect the court approved process and pursue their claim against the Monitorship estate through the Claims Process. To the extent the Ezrines have claims against third parties, they can pursue them in the appropriate forums, outside of this case. There is no longer a justification to permit the Ezrines’ to intervene in this case as parties thereto. The Ezrines assert themselves as creditors, as such, further participation in this case should be solely through the Claims Process.

RELIEF REQUESTED

13. “[A]nyone claiming an interest in pending litigation may at any time be permitted to assert a right by intervention, but the intervention shall be in subordination to, and in recognition of, the propriety of the main proceeding, unless otherwise ordered by the court in its discretion.”

Fla. R. Civ. P. 1.230. In order for a party to intervene, its interest “must be in the matter in litigation, and of such a direct and immediate character that the intervenor will either gain or lose by the direct legal operation and effect of the judgment.” *Union Cent. Life Ins. Co. v. Carlisle*, 593 So.2d 505, 507 (Fla.1992). See Omni Nat'l Bank v. Georgia Banking Co., 951 So. 2d 1006, 1007 (Fla. Dist. Ct. App. 2007); see also Bondi v. Tucker, 93 So. 3d 1106, 1111 (Fla. Dist. Ct. App. 2012) (A court has discretion in imposing any conditions on the intervenor necessary to preserve the original parties' rights, inasmuch as “the rights of an intervenor are subordinate to the rights of the parties.”).

14. While the Ezrines’ asserted an interest in the case, proclaiming that they had a security interest in one specific life insurance policy (the McDougal Policy ending 1005), they failed to provide any evidence of their secured status (*i.e.* documents that would evidence a security interest and a security interest that was superior to Teleios). The Ezrines never substantively responded to such requests of the Corporate Monitor (made multiple times) or produced any documents which would evidence that position, because none exists. That leaves them in the position of an unsecured creditor in this case, similarly situated with the other investors.

15. To the extent that they asserted an (unfounded) secured claim in the McDougal policy, their concern was resolved though paragraphs 19 and 36 of the Order granting the Bid Procedure Motion which preserved the Ezrines’ rights to any proceeds in the identified life insurance policies. Further, pursuant to the Bid Procedure Motion, which counsel for the Ezrines participated in preparing, Teleios foreclosed upon the McDougal Policy, thus the limited rights and remedies the Ezrines and their counsel agreed to is no longer at issue in this case. As Intervenor, the Ezrines may not inject a new issue into the case that was not raised by the parties. See Env't Confederation of Sw. Fla., Inc. v. IMC Phosphates, Inc., 857 So. 2d 207, 211 (Fla. Dist.

Ct. App. 2003)(Intervention is a dependent remedy in the sense that an intervenor may not inject a new issue into the case).

16. As such, the Ezrines' interest in the case is no longer of "direct and immediate character" and no further purpose is served by their continued intervention. See *Id.* The remaining rights of the Ezrines have been preserved through the Court-approved Claims Process which the Ezrines have already participated in by filing claims on August 14, 2022. The Ezrines' claim is preserved against the Monitorship estate through the Claims Process and their claim will be treated similarly as to all other investors.

CONCLUSION

Through this Motion, the Corporate Monitor while remaining sympathetic to their position as claimants, is seeking to dismiss the Ezrines', pursuant to the Ezrine Intervention Motion, from this case as a party to the extent that the relief they requested in the Ezrine Intervention Motion is now moot, pursuant to the Order granting the Bid Procedure's Motion and the foreclosure of the McDougal policy by Teleios. Any remaining interest of the Ezrines should be pursued and processed pursuant to the Claims Process as approved by the Court, similarly to all other investors. To the extent the Ezrines are considered "intervenors" as creditors, pursuant to the Claims Process, such rights are subordinate to the parties in this action and on equal footing with all other creditors.

WHEREFORE, Daniel J. Stermer, as Corporate Monitor, respectfully requests this Court enter an order granting the Motion and entering such other and additional relief as the Court deems

just and proper.

Dated: October 4, 2022

Respectfully submitted,

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By: /s/ Brian G. Rich

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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that on October 4, 2022, the foregoing was filed using the Florida Court's E-Filing Portal, which served a copy of the foregoing electronically upon all electronic service parties. I further certify that a true and correct copy of the foregoing was served by electronic transmission upon all parties on the attached Service List.

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

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