

**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.

RECEIVER'S FOURTH REPORT

Pursuant to Paragraph 64 of the May 12, 2023, *Order Appointing Receiver* (the “**Receivership Order**”), the Court-appointed Receiver, Daniel J. Stermer (the “**Receiver**”), hereby submits this fourth report (“**Report**” or “**Receiver’s Fourth Report**”) summarizing the efforts of the Receiver to marshal and collect assets, administer the receivership estate, and otherwise perform the duties mandated by the Receivership Order, and states:

The Receiver prepared and filed his *Receiver’s First Report* (the “**Receiver’s First Report**”) on June 23, 2023; the *Receiver’s Second Report* (the “**Receiver’s Second Report**”) on October 20, 2023; and on February 7, 2024, the *Receiver’s Third Report* (the “**Receiver’s Third Report**”). The Receiver’s First Report, the Receiver’s Second Report, and the Receiver’s Third Report were distributed to all Noteholders and other Parties in Interest as contained in the Receiver’s email distribution list, and the three Reports were and remain posted on the Receiver’s website: <http://nationalseniormonitorship.com/> (the “**Receiver’s Website**”).

A. Fraudulent Transfer Demand Letters/Complaints

As set forth in the Receiver’s Third Report, and in connection with the Receiver’s efforts to marshal the assets of the Receivership Defendants and pursue claims against individuals and entities that owe the Receivership Defendants money or received fraudulent or otherwise improper transfers from the Receivership Defendants, the Receiver issued seventeen demand letters (the “**Demand Letters**”) to various individuals seeking the recovery of varying amounts in fraudulent

transfers. The Receiver and his counsel received responses to certain of the Demand Letters and have been in discussions with representative(s) of those served with Demand Letters in an effort to resolve the disputes with those who received Demand Letters.

As set forth in the Receiver's Third Report, on October 25, 2023, the Receiver commenced five actions (the "**Fraudulent Transfer Actions**") in the Circuit Court in and for Palm Beach County, Florida, seeking to recover fraudulent transfers made to certain individuals by the Receivership Entities prior to the commencement of this OFR enforcement action and other causes of action. The Fraudulent Transfer Actions, and other proceedings filed by the Receiver, are subject to certain case procedures and schedule established by the *Order Establishing Procedures Governing Recovery Actions to Be commenced by the Receiver* entered in the OFR enforcement action on September 9, 2023 (the "Procedures Order"). The status of the Fraudulent Transfer Actions commenced on October 25, 2023, is set forth below:

I. Daniel J. Stermer, Receiver v. Jason Sussman, Case No. 50-2023-CA-015245-XXXAMB

On October 25, 2023, the Receiver filed a complaint against Jason Sussman alleging multiple counts of Fraudulent Transfer pursuant to Florida Statutes seeking the recovery of \$2,686,122.00. Pursuant to the Procedures Order, mediation between the Receiver and Jason Sussman was held and the mediator filed his report indicating that no settlement was reached.

On May 9, 2024, the Receiver filed an Amended Complaint against Jason Sussman and added eleven (11) additional Defendants to the already pending matter: Scott Genad, Daniel Cucuiat, Joseph Corozza, Anthony Lombardo, Darrin Carlomagno, Melody Wilder, Andrea Matthews, Daryl Kutner, Kim Skidmore, Joseph Paluzzi, and Peter Beck (collectively, the "SH Defendants"), alleging claims of Fraudulent Transfers to each of the Defendants, Aiding and Abetting Fraud, Aiding and Abetting Breach of Fiduciary Duty, and Unjust Enrichment

(Collectively, the “Amended Complaint”). The Amended Sussman Complaint can be reviewed on the Receiver’s Website.

The Amended Complaint alleges Jason Sussman sold over \$221,732,333 of unregistered Notes to innocent investors and that the Receiver is able to identify Sussman received at least \$2,857,122 in the form of payroll, commissions, bonuses, or other compensation from one or more of the Receivership Entities for his involvement with the Para Longevity Scheme (as defined in the Amended Complaint). The Amended Complaint also alleges the remaining SH Defendants sold approximately \$90,000,000 of unregistered Notes to innocent investors and that the SH Defendants received at least \$3,138,997 in the form of payroll, commissions, bonuses, or other compensation from one or more of the Receivership Entities for his involvement with the Para Longevity Scheme.

The Amended Sussman Complaint alleges and details the alleged fraud and misrepresentation of the Para Longevity Scheme and the alleged actions of the Para Longevity Scheme Advisors as named in the Amended Complaint and alleges that the Para Longevity Scheme is a Ponzi scheme.

The Receiver is in discussions regarding resolution of this litigation with some of the SH Defendants and will be scheduling additional mediations, as necessary, and as required by the Procedures Order. Should the mediations fail to be successful, then litigation against the SH Defendants will proceed.

II. *Daniel J. Stermer, Receiver v. Jeffrey Abramson, Case No. 50-2023-CA-015224-XXXAMB*

On April 26, 2024, the Receiver filed a *Motion to Approve Settlement Agreement between (I) Receivership Parties; and (II) Defendant, Jeffrey Abramson*. On May 23, 2024, the Court entered an Order approving the Settlement Agreement. A copy of the redacted settlement

agreement may be found on the Receiver's website.¹

III. Daniel J. Stermer, Receiver v. Dean Emmets, Case No. 50-2023-CA-015250XXXAMB

On April 10, 2024, a mediation was conducted by Roy S. Kobert, mediator. Based upon a review of Mr. Emmets financial disclosures and current circumstances, the Parties agreed to the entry of a *Stipulation and Consent to Final Judgment Against Defendant* in the amount of \$100,000.00.

IV. Daniel J. Stermer, Receiver v. Daniel Tepper, Case No. 50-2023-CA-15241XXXAMB

On April 10, 2024, a mediation was conducted by Roy S. Kobert, mediator. The Parties were unable to reach a resolution of the matter and the Mediator declared an *Impasse*. The Receiver is continuing the litigation pursuant to the Procedures Order and is reviewing this matter in light of the filing of the Sussman Amended Complaint.

V. Daniel J. Stermer, Receiver v. Antonio Dicembrino, Case No. 50-2023-CA-015228XXXAMB

On April 10, 2024, a mediation was conducted by Roy S. Kobert, mediator. The Parties were unable to reach a resolution of the matter and the Mediator declared an *Impasse*. The Receiver is continuing the litigation pursuant to the Procedures Order and is reviewing this matter in light of the filing of the Sussman Amended Complaint.

The Receiver also negotiated and scheduled mediations with other individuals and entities who were served with Demand Letters as to their participation in the Para Longevity Scheme, but where complaints had not yet been filed. With the assistance of mediators, Roy Kobert and Keith Appleby, the Receiver entered into four additional pre-suit settlement agreements with David

¹ On May 21, 2024, the Court entered an Order Granting the Receiver's *Motion to Determine Confidentiality of Court Records and for Approval to File Unredacted Settlement Agreements Under Seal*. The Settlement Agreements attached to each of the Motion to Approve Settlements contain redacted financial terms to protect the Receiver's work product and efforts in future mediations.

Coyman, Ian Bossie, Richard Donoff, and Richard Huling. These settlements have been approved pursuant to motions filed in this OFR enforcement matter. Copies of the motions to approve these settlement agreements and the redacted settlement agreements can be found on the Receiver's website as well as the orders entered approving each of the settlements.

B. Additional Fraudulent Transfer Claims (Non-SH Defendant Claims)

Additionally, the Receiver entered into and received approval of Settlement Agreements with the following individuals and entities, who the Receiver claimed received fraudulent transfers from the Receivership Entities:

I. *Motion to Approve Settlement Agreement between (I) Receivership Parties; and (II) Peter Katchis, Randall Katchis, Stuart Katchis, and Victoria Katchis (collectively, the "Katchis Family") (the "Katchis Settlement").*

The Katchis Settlement was approved on April 3, 2024. Pursuant to the Katchis Settlement, the Katchis Family collectively agreed to repay \$900,000.00 of the alleged fraudulent transfers received by them from the Receivership Entities and the \$900,000.00 has been received by the Receiver.

II. *Motion to Approve Settlement Agreement and Mutual General Release with Fifth Avenue Physicians Services, LLC ("Fifth Avenue") (the "Fifth Avenue Settlement").*

The Fifth Avenue Settlement was approved on May 29, 2024. Pursuant to the Fifth Avenue Settlement, Fifth Avenue agreed to repay \$300,000.00 of the alleged fraudulent transfers received by them from the Receivership Entities.

The Receiver is in the process reviewing documents and negotiating with other individuals and entities in order to make a determination as to whether any additional fraudulent transfer action(s) are warranted. Additionally, discovery and analysis is ongoing regarding other potential Demand Letters to be sent and/or causes of action to be commenced by the Receiver.

C. Other Litigation

On May 9, 2024, the Receiver filed a Complaint against Wells Fargo Bank, N.A., asserting claims of: Aiding and Abetting Breach of Fiduciary Duties; Aiding and Abetting Fraud; Negligence; and Unjust Enrichment (the “Wells Fargo Complaint”). The Receiver alleges that Wells Fargo had a bird’s eye view of the Ponzi Scheme and that it knew (or should have known) and failed to stop the operators of the Ponzi scheme from using funds raised from new investors to pay off old investors. A copy of the Wells Fargo Complaint can be found on the Receiver’s Website.

On May 9, 2024, the Receiver filed a Complaint against Pelican Capital Management, LLC (“Pelican”) asserting claims of Fraudulent Transfer and Unjust Enrichment (the “Pelican Complaint”). The Pelican Complaint alleges that the money received by Pelican was obtained from innocent investors involved in the Para Longevity Scheme (as defined therein), orchestrated by Marshall Seeman and Eric Holtz resulting in the loss of more than \$300 million to more than 1,000 elderly, retired, and unaccredited investors. The Pelican Complaint alleges that Pelican received over \$1,200,000 from the Para Longevity Scheme for no value given. A copy of the Pelican Complaint can be found on the Receiver’s Website.

The Receiver also continued discussions with additional potential defendants to provide the Receiver and his professionals with additional time to review documents and information and determine whether viable claims exist against said Defendants. The Receiver will continue to investigate these claims and bring any viable claims in the near future.

On May 6, 2024, the Receiver filed a *Motion for Approval to Enter into Stipulation For Entry of Judgment As to Liability* (the “Consent Judgment Motion”), seeking approval to enter into a stipulated Consent Judgment between the Receivership Defendants and the OFR as to the issue of liability emanating from the OFR’s enforcement action complaint. The Consent Judgment

permanently enjoins the Receivership Defendants from engaging in any acts which are or may be deemed violations of Florida Statutes § 517.301(1)(a)1, 2, 3, § 517.12(1), § 517.12(4), and/or § 517.07(1). On May 29, 2024, the Court entered an Order approving the Consent Judgment Motion and on May 31, 2024, the Court entered the Final Judgment as to Liability against the Receivership Defendants.

D. Millstein, et al. v. Wells Fargo – 24-cv-22142

On June 4, 2024, Fannie Millstein, on behalf of herself and all others similarly situated (all Noteholders) filed a putative class action Complaint against Wells Fargo alleging causes of action including: (i) Aiding and Abetting Breach of Fiduciary Duties; (ii) Aiding and Abetting Fraud; and (iii) Unjust Enrichment. This matter has been assigned to United States District Court Judge Darrin Gayles and is pending at this time.

Noteholders may be contacted by Class Counsel with regard to this matter which is separate and apart from the Receiver's litigation commenced against Wells Fargo.

E. Summary of Cash Activity

As of May 31, 2024, the Receiver's book cash balance is \$2,426,944. Attached is the Receivership Cash Flow Summary for the period from the inception of the Corporate Monitorship Estate and now Receivership Estate through May 10, 2024 – see **Exhibit A**.

F. Communications

The Receiver continues to upload all filings with the Court to the Website in a dedicated section entitled Court Documents so that Noteholders and all parties in interest have access to same in one centralized location.

The Receiver will continue to update the Website with court filings, news and updates, Reports from the Receiver, answers to frequently asked questions, important dates and deadlines, and other pertinent information. Additionally, the Receiver has and will continue to respond

promptly to inquiries received from Noteholders and other parties in interest in the Receiver's Inbox seeking answers to questions on various issues/concerns impacting Noteholders and other creditors and parties in interest in this matter.

RECEIVER'S CERTIFICATION

I, Daniel J. Stermer, this Court's Receiver, hereby certify, under the penalties of perjury, that the foregoing Receiver's Fourth Report is true and accurate to the best of my personal knowledge and belief.

/s/ Daniel J. Stermer

Daniel J. Stermer

Dated: June 6, 2024

Respectfully submitted,

BERGER SINGERMAN LLP

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By: */s/ Brian G. Rich*

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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that on June 6, 2024, the foregoing was filed using the Florida E-Portal Filing System, which will serve a copy of the foregoing electronically upon all electronic service parties indicated on the attached Service List.

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

SERVICE LIST

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EXHIBIT A
RECEIVERSHIP CASH FLOW SUMMARY

NSI - Receivership Cash Flows

	Actual Cash Receipt and Disbursement Activity										Cumulative Total
	2021	2022	2023	Jan-24	Feb-24	Mar-24	Apr-24	May-24	1-Month	1-Month	
	4-Months	12-Months	12-Months	1-Month	1-Month	1-Month	1-Month	1-Month			
Cash Receipts											
Insurance Commissions	63,402	117,550	109,321	6,320	5,894	4,923	6,659	4,291			318,361
Settlement/Litigation Proceeds	-	2,250,000	1,621,337	-	-	-	904,000	6,900			4,782,237
Interest	-	-	54,674	3,749	3,515	3,767	6,736	-			72,441
Other Receipts	56,242	53,533	75,261	-	-	-	-	-			185,036
Total Cash Receipts	119,643	2,421,084	1,860,593	10,069	9,409	8,690	917,396	11,191			5,358,075
Operating Disbursements											
Payroll & Taxes	69,399	72,934	71,218	7,870	5,782	5,606	5,606	8,592			247,006
Purchased Services	19,719	81,003	36,346	1,922	5,575	3,102	2,704	2,279			152,651
Insurance	-	705	672	-	377	-	-	-			1,754
Utilities	3,106	2,295	-	-	-	-	-	-			5,401
Rent	-	37,000	37,010	-	13,248	-	-	-			87,258
Other	1,370	3,851	57	252	(236)	3	46	15			5,359
Total Operating Disbursements	93,594	197,788	145,303	10,044	24,747	8,711	8,356	10,886			499,429
Professional Fees											
Legal	-	308,667	593,132	-	-	-	-	-			901,799
Monitor Fees	-	216,518	470,339	-	-	-	-	-			686,857
Financial Advisor (DSI)	-	211,393	441,519	-	-	-	-	-			652,912
Tax Accountant	-	-	-	-	-	-	-	-			-
Other Professionals	-	89,817	96,311	-	-	-	-	7,550			193,677
Total Professional Fees	-	826,395	1,601,301	-	-	-	-	7,550			2,435,245
Total Disbursements	93,594	1,024,183	1,746,604	10,044	24,747	8,711	8,356	18,436			2,934,674
Net Cash Flow	26,050	1,396,901	113,989	25	(15,337)	(21)	909,039	(7,244)			2,423,401
Cash Balance											
Beginning Cash Book Balance	3,544	29,593	1,426,494	1,540,483	1,540,508	1,525,171	1,525,149	2,434,189			3,544
Intercompany Receipts	-	87,342	4,501,301	-	-	5,000	900,000	-			5,493,642
Intercompany Disbursements	-	(87,342)	(4,501,301)	-	-	(5,000)	(900,000)	-			(5,493,642)
Net Cash Flow	26,050	1,396,901	113,989	25	(15,337)	(21)	909,039	(7,244)			2,423,401
Ending Cash^[1]	29,593	1,426,494	1,540,483	1,540,508	1,525,171	1,525,149	2,434,189	2,426,944			2,426,944

Notes:

[1] Final ending Cash Balance is as of 05/31/24.