

**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,
INTEGRITY 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.

**PLAINTIFF’S MOTION TO STRIKE AND RESPONSE IN OPPOSITION
TO DEFENDANT RICHARD DONOFF’S MOTION TO SET ASIDE
SETTLEMENT AGREEMENT FOR BREACH OF CONTRACT AND BAD
FAITH**

Plaintiff, Daniel J. Stermer, as Court-appointed Receiver (the “Receiver”) for the property, assets, and business of the thirty-three (33) Receivership entities¹ (the “Receivership Defendants” and, formerly the “Consenting Corporate Defendants”, and, together with the Receiver, collectively, the “Receivership Estate”) pursuant to the *Order Appointing Receiver* (the “Receivership Order”) dated May 12, 2023, by and through his undersigned counsel, files this *Motion to Strike Defendant and Response in Opposition to Defendant Richard Donoff’s* (“Donoff”) *Motion to Set Aside Settlement Agreement for Breach of Contract and Bad Faith* (the

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, AMERICA’S FAVORITE INSURANCE SERVICES LLC, and GRACE HOLDINGS FINANCIAL, LLC.

“Motion to Set Aside”).

The Motion to Set Aside should be stricken as it is nothing more than a flawed, procedurally improper and delayed attempt by Donoff to avoid his obligations under the Court Order, which approved Settlement Agreement (as defined below). While the Receiver has and continues to dispute that there was any default on his part, Donoff cannot and should not be permitted to dispute and unwind the Settlement Agreement that he voluntarily entered into and which he has now breached. Nor has Donoff timely sought reconsideration of the Court’s Order or otherwise timely sought appeal or writ of certiorari review of the Order. The Motion to Set Aside should be denied out of hand as an improper, and untimely, collateral attack on the Order of this Court.

Confusingly, Donoff appears to be utilizing the Motion to Set Aside to dispute the underlying action commenced by OFR and the significant fraud perpetrated by the participants in the Seeman Holtz enterprise as opposed to addressing the issues asserted against him by the Receiver².

BACKGROUND

1. On July 12, 2021, the Plaintiff, State of Florida Office of Financial Regulation (“OFR”) filed a *Complaint for Temporary and Permanent Injunction, Appointment of Receiver, Restitution, Civil Penalties, and Other Statutory and Equitable Relief* (the “OFR Enforcement Action”) against twenty-seven of the Consenting Corporate Defendants, certain individuals and

² For example, Donoff improperly refers to the Plaintiff (OFR) as a party to the Settlement Agreement. This is factually and significantly incorrect. Donoff and his counsel should be well aware of the procedural context of this case and the role of the Receiver, but the Motion to Set Aside demonstrates a lack of this basic understanding and even who the parties to the Settlement Agreement are. Donoff and the Receiver met face-to-face during the course of mediation and executed the settlement documents in the office of Donoff’s counsel. The OFR was not a party to the mediation nor the settlement between the Receiver and Donoff.

other entities, and Relief Defendants, seeking to restrain acts and practices of said defendants in violation of various provisions of Chapter 517, Florida Statutes (“Florida Securities and Investor Protection Act”), including sections 517.301, 517.12 and 517.07, and “halt the securities fraud scheme and common enterprise operated and controlled by Marshal Seeman (“Seeman”) and Seeman’s deceased business partner, Eric Charles Holtz (“Holtz”) (the Ponzi-like securities fraud scheme and common enterprise more fully described in the Complaint shall herein be incorporated and referred to as the “SH Enterprise.”)

2. On September 10, 2021, OFR filed a *Consent Motion for Appointment of Corporate Monitor*, seeking, *inter alia*, the appointment of Daniel J. Stermer, as the Corporate Monitor for the property, assets, and businesses of the initial twenty-seven Consenting Corporate Defendants, as well as a temporary injunction against the twenty-seven Consenting Corporate Defendants and two consenting natural-person Defendants, Marshal Seeman and Brian J. Schwartz (the “Consenting Individual Defendants”).

3. 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 initial twenty-seven Consenting Corporate Defendants and their affiliates, subsidiaries, successors and assigns, until further Order of the Court.

4. 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 as Consenting Corporate Defendants: (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.

5. On May 12, 2023, the Court entered the Receivership Order, which appointed Daniel J. Stermer as the Receiver of the Receivership Defendants.

6. On November 28, 2023, the Court entered an *Agreed Order Granting Receiver’s Unopposed Motion to Expand Receivership Estate to Include Grace Holdings* thereby expanding the scope of the receivership in this case to include Grace Holding Financial, LLC, a Delaware limited liability company.

7. Pursuant to paragraph 8(q) of the Receivership Order, the Receiver has the authority and power to seek permission and obtain approval from the Court before effectuating any settlement against the Receivership Defendants or before releasing legal claims or causes of action the Receivership Defendants may have against other parties.

DEMAND AND SETTLEMENT

A. The Receiver’s Mediated Settlement.

8. After significant investigation into the affairs of the Receivership Defendants, on or about July 28, 2023, the Receiver sent a demand letter to Donoff, identifying prospective causes of action the Receiver would file against Donoff, and seeking the clawback of \$ [REDACTED]³ in “commissions” received by Donoff and alleged by the Receiver to constitute fraudulent transfers from certain of the Receivership Defendants in connection with the SH Enterprise. The SH Enterprise was alleged by the OFR as a Ponzi-like scheme orchestrated by Seeman, Holtz, and

³ As agreed by the Receiver and Donoff Counsel as a courtesy, the Receiver would redact the demand amount. Interestingly, Donoff’s New Counsel (as defined below), includes the Receiver’s Demand amount in its Motion to Set Aside.

Schwartz resulting in the loss of more than \$300,000,000 to more than 1,000 elderly, retired investors, many of whom were unaccredited investors. Donoff was alleged to have aided and abetted the fraudulent scheme. Donoff denied all of the Receiver's claims and allegations.

9. Seeking to resolve the demand in an efficient manner, the Parties participated in pre-suit mediation on March 26, 2024 (the "Mediation"). Donoff personally attended and participated in the Mediation along with his selected counsel, Rose Schindler, Esq. ("Donoff Counsel") in Donoff Counsel's offices in Boca Raton, Florida.

10. As a result of the Parties' settlement negotiations, with the assistance of the mediator, the Parties reached a settlement at the Mediation. The Parties entered into the Settlement Agreement dated March 26, 2024 (the "Settlement Agreement") resolving the Parties' respective claims and defenses in or relating to the SH Enterprise (as defined therein) to the extent of the releases set forth in the Settlement Agreement.

B. The Receiver and Donoff Agreed that the Filing of the Settlement Agreement Was Necessary and the Under Seal Filing Was Proper.

11. Immediately after the execution of the Settlement Agreement, Donoff failed to cooperate and made multiple improper attempts to rescind his obligations under the Settlement Agreement.⁴

12. On April 26, 2024, the Receiver filed a *Motion to Approve Settlement Agreement Between (I) Receivership Parties; and (II) Richard Donoff* (the "Settlement Motion") as required by the Receivership Order.⁵ Attached to the Settlement Motion was a copy of the redacted

⁴ On March 27, 2024, Donoff Counsel sent the mediator Keith Appleby a letter requesting a modification under the Settlement Agreement under "the 3 days right of rescission". The Receiver is unaware of any statute, case law, or other 3-day right of rescission and the mediator confirmed to them that no such right exists under law or equity.

⁵ The Receivership Order requires the Receiver "to seek permission and obtain approval from the Court before effectuating any settlement, consent judgment or allowing any default or default judgment against the Receivership Defendants, or before releasing legal claims or causes of action

Settlement Agreement. The redactions were made pursuant to Paragraph 8 of the Settlement Agreement, which specifically stated:

8. Conditions of Enforcement of Agreement: The Court shall enter an order approving this Agreement, and Donoff shall cooperate with the Receiver and his attorneys' efforts to obtain Court approval of this Agreement. **The Receiver will file a copy of this Agreement with the financial terms of the settlement redacted with the Court. The Receiver shall provide the Court, under seal, an unredacted version of this Agreement.** (*emphasis added*)

13. The Court set the Settlement Motion for hearing on May 22, 2024.

14. On May 16, 2024, in a second attempt to evade his obligations under the Settlement Agreement, Donoff Counsel sent an email to undersigned counsel asserting:

[W]e feel you are in breach of the settlement agreement by your failure to redact all of the financial information which constitutes an important part of the settlement agreement as it concerns confidentiality. He intends to honor his commitment but expects you to do the same.

15. That same day, Receiver's undersigned counsel responded denying that the Receiver was in default and referred Donoff Counsel to Paragraph 8 of the Settlement Agreement (as copied above).

16. On May 21, 2024, Donoff Counsel requested the Receiver "file an amended settlement agreement with the additional redaction" and reschedule the hearing on the Settlement Motion.

17. In response to Donoff Counsel's request, Receiver's Counsel agreed to continue the hearing and proposed the following:

the Receivership Defendants may have against other parties". See Receivership Order ¶8(q)

On May 21, 2024, at 4:48 PM, Brian Rich <BRich@bergersingerman.com> wrote:

Rose:

We will announce at tomorrow's hearing that we aren't going forward with the Motion as to Donoff based upon your unavailability. The next available date is May 30. Please advise if that date works for you ASAP.

Additionally, based upon the Order entered today by the Court, we can have the clerk replace the prior agreement, with a fully redacted agreement. While we believe that that is unnecessary and that no breach has occurred, based upon your request we will move forward in that regard. Please advise if that addresses any concerns your client may have.

<image001.png>

Brian Rich
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bergersingerman.com [bergersingerman.com]

18. In response, Donoff Counsel agreed this action was acceptable:⁶

From: Rose Schindler <Rose.Schindler@gmlaw.com>
Sent: Tuesday, May 21, 2024 5:29:37 PM
To: Brian Rich <BRich@bergersingerman.com>
Cc: Michael J. Niles <MNiles@bergersingerman.com>; Gavin Gaukroger <ggaukroger@bergersingerman.com>
Subject: Re: Donoff

[External E-mail]

Thank you. This is acceptable.

Rose M. Schindler, Esq.
Sent from my iPhone

19. Based upon this acceptance by Donoff and to mollify Donoff, later that day, the Receiver filed a *Notice of Confidential Information Within Court Filing* requesting the clerk's office restrict the entire Settlement Motion pursuant to the *Order Granting Receiver's Motion to Determine Confidentiality of Court Records and For Approval to File Unredacted Settlement Agreements Under Seal* entered in the case on May 21, 2024. As of May 22, 2024, the entirety of the Settlement Motion and Settlement Agreement were restricted and remains restricted from public view.

⁶ Accordingly, Donoff, through the consent of Donoff Counsel, is estopped from now asserting a breach of the Settlement Agreement.

C. **The Court Approved the Settlement Agreement and the Terms Thereof Became an Order of the Court.**

20. On May 30, 2024, the Court held the continued hearing, heard arguments, including the limited objections posed by Donoff Counsel and Todd A. Zuckerbrod, Esq. (the “Donoff New Counsel”), approved the Settlement Agreement, and entered the Order attached hereto as **Exhibit “A”** (the “Settlement Order”).

21. Notably, all of the alleged acts, which Donoff asserts were breaches of the Settlement Agreement, occurred *prior to* the May 30, 2024 hearing and entry of the Settlement Order.

22. However, neither Donoff Counsel nor Donoff New Counsel filed any objection to the Settlement Order, prior to or after the entry of the Settlement Order.

23. Donoff did not seek rehearing or file a motion for reconsideration of the Settlement Order.

24. No notice of appeal or petition for writ of certiorari to challenge the entry of the Settlement Order was filed within 30 days of it being rendered. Fla. R. App. P. 9.130.

25. Instead, improperly, the Motion to Set Aside was filed July 29, 2024, sixty (60) days *after* the Settlement Order was rendered.

26. Accordingly, Donoff did not timely appeal or otherwise seek reconsideration of the Settlement Order and therefore, Donoff has no right to now challenge the Settlement Order or avoid his obligations thereunder the Settlement Agreement.

D. **Donoff’s Continued Defaults Under the Settlement Agreement/Settlement Order.**

27. The Settlement Order expressly states: “ The Parties are directed to comply with the terms and conditions of the Settlement Agreement” Settlement Order at 2, ¶ 3.

28. Pursuant to the Settlement Agreement, Donoff agreed to pay the Receiver a total of \$ [REDACTED]. The first payment under the Settlement Agreement of \$ [REDACTED] was due on or before the first business day of the month following the date of Court approval of the Settlement Agreement (the “Initial Settlement Payment”). The Initial Settlement Payment was due on June 3, 2024.

29. On May 31, 2024, undersigned counsel received correspondence from Donoff New Counsel asserting that the Initial Settlement Payment had been remitted to an “attorney escrow account”.

30. On June 3, 2024, after receiving the Escrow Letter, the Receiver’s counsel issued a Notice of Default alleging two material breaches of the Settlement Agreement: i) Donoff’s failure to comply with Paragraph 2 of the Settlement Agreement by not making the Initial Settlement Payment to the Receiver and ii) Donoff’s failure to comply with Paragraph 8 of the Settlement Agreement by refusing to cooperate with the Receiver and his attorney’s efforts to obtain Court approval of the Settlement Agreement at the hearing on May 30, 2024 (collectively, the “Defaults”). A true and correct copy of the Notice of Default is attached here to as **Exhibit “B”**.

31. Donoff failed to cure the defaults as set forth in the Notice of Default and pursuant to Paragraph 5 of the Settlement Agreement, on July 7, 2024, the Receiver commenced a lawsuit in the Circuit Court in and for Palm Beach County, Florida asserting the Defaults and breach of the Settlement Agreement, Case No. 2024-CA-006353 (the “Donoff Collection Case”).

32. Paragraph 5 of the Settlement Agreement provides:

Rose Schindler as counsel to Donoff agrees to accept service of such complaint, through its email address identified in Section 6, for and on behalf of Donoff, and Donoff, shall file an Answer, Waiver of Defenses, and Consent to Judgment in the form attached hereto as Exhibit “B” to this Agreement within twenty (20) days of service of such complaint in accordance with the terms hereof, and the Receiver shall be entitled upon an appropriate motion made and supported by an Affidavit of Receiver averring a Default, to the entry of an immediate final judgment (“Consent Judgment”) in the Receiver’s favor and against Donoff, in the form attached hereto

as Exhibit "C" to this Agreement submit to in the amount of \$ [REDACTED], less the sum of any Settlement Payments made, bearing post-judgment interest at eighteen percent (18%) per annum, plus an adjudication that the Receiver is entitled to an award in his favor and against Donoff his reasonable attorney's fees and costs incurred in enforcing this Agreement, seeking entry of the judgment, and any collection effort and a reservation of jurisdiction to determine such fees and costs.

If Donoff does not voluntarily file Exhibit "B" within twenty (20) calendar days of service of the complaint by email upon undersigned counsel to the Receiver, Exhibit "B" may be filed by the Receiver on behalf of Donoff, and **Donoff hereby irrevocably grant Receiver's undersigned counsel full and unlimited authority to date and file the Answer, and judgment in the amount set forth in the as revised Exhibit "C" may be entered.** Donoff hereby waives any right to appeal the judgment consented to and entered against them so long as it is in accordance with this Agreement.

Additionally, Donoff will provide Receiver's counsel at Berger Singerman LLP a sworn Florida Rule of Civil Procedure Form 1.977(a) Fact Information Sheet, along with all attachments within thirty (30) days of entry of the Consent Judgment (the "Financial Disclosure"). Donoff will fully disclose any joint, spousal, or individual property interests, including investment entities or projects, and the value of the same in the Financial Disclosure. **Donoff's sole defense to entry of the Consent Judgment is full performance of all of his obligations under this Agreement.**

33. On July 9, 2024, the Receiver served Donoff Counsel the Summons and Complaint via email, pursuant to the Settlement Agreement, and filed an *Amended Notice of Acceptance of Service of Process* in the Donoff Collection Case, giving notice that:

Defendant Richard Donoff (Defendant") by and through his counsel, agreed to accept service, effective as of July 9, 2024, of the (i) Summons, and (ii) Complaint in the above referenced matter. Notice is further given that Defendant shall respond to the Complaint in accordance with paragraph 5 of the Settlement Agreement.

34. On July 29, 2024, instead of filing the Answer in the Donoff Collection Case, as required by the Settlement Agreement, Donoff filed his Motion to Set Aside in the *separate* OFR Enforcement Action. To date, Donoff has not responded to the complaint filed in the Donoff Collection Case.

E. The Motion to Set Aside is Meritless.

35. As set forth above, the Receiver submits the Court should deny the Motion to Set Aside as an untimely, collateral attack on the Settlement Order entered by the Court.

36. Should the Court wish to determine the merits of the Motion to Set Aside, the Receiver submits that Donoff's two arguments: i) Breach of Contract, and ii) the Settlement Agreement was in bad faith, lack merit.

1. The Receiver Did Not Breach the Settlement Agreement.

37. Filing the redacted Settlement Agreement in the Court record did not breach the Settlement Agreement. The Receiver dutifully complied with the provision of the Settlement Agreement requiring the Receiver to redact the **financial terms of the Settlement Agreement**. As set forth in the *Receiver's Motion to Determine Confidentiality of Court Records and For Approval to File Unredacted Settlement Agreements Under Seal*, the financial terms of the settlement agreements were confidential as the disclosure of such information in the public records would disadvantage the Receivership Estate and potentially expose the Receiver's confidential settlement strategies, analysis, and determinations regarding his litigation efforts. If made public, the financial information would reveal confidential settlement information, including amounts of settlements that could be used to harm the Receiver in his pending ongoing litigations and other scheduled mediations with other non-parties. While the initial Motion to Approve Settlement Agreement attached a copy of the Settlement Agreement with the amount of the demand unredacted and the amount of the settlement amount redacted, the Receiver agreed, merely as a courtesy, to restrict the entirety of the Agreement from public view by filing the *Notice of Confidential Information within Court Filing*. The restriction of the Settlement Agreement was not required by the Settlement Agreement but was made as accommodation to Donoff Counsel.

38. Donoff Counsel's acknowledged that the Receiver's *Notice of Confidential Information Within Court Filing* resolved Donoff's asserted claim of breach of the Settlement Agreement. The Motion to Set Aside is a clear about-face by New Donoff Counsel on the acknowledgments made by Donoff Counsel but is of no moment.

39. Because Donoff failed to cure the Defaults, filed nothing with the Court during the cure period provided in the Settlement Agreement, and failed to file anything in the Donoff Collection Case within the 20 days of service of the Complaint filed in the Donoff Collection Case, he cannot now, factually or procedurally, seek to unwind the deal or set aside the Settlement Order.

40. Notably, Donoff knew that the Settlement Agreement had to be filed with the Court because the Receiver was required to seek approval of the Settlement Agreement pursuant to the Receivership Order. This was fully disclosed and agreed by Donoff and Donoff Counsel at mediation.

2. The Settlement Agreement Was Not Reached in "Bad Faith"; Donoff's Arguments Challenge the Underlying OFR Enforcement Action to Which Donoff is Not a Party and Are Inapposite.

41. Donoff's second argument in the Motion to Set Aside is an untethered assertion that the Settlement Agreement was reached in bad faith. While wholly baseless, this argument appears to be merely an improper attempt to assert defenses to the underlying OFR Enforcement Action to which Donoff is not a party. Donoff's arguments have no bearing on or relevancy to the Settlement Agreement, the Defaults, or the Settlement Order. Even if read to the Receiver's claims, Donoff's defenses were released by the Settlement Agreement. Donoff and the Receiver agreed to the Settlement Agreement to avoid the protracted litigation that would ensue if mediation was not successful. Donoff got what he (and his counsel) bargained for but he now seeks to avoid his obligations, despite the Court's requirement in the Settlement Order that "The Parties are

directed to comply with the terms and conditions of the Settlement Agreement” Settlement Order at 2, ¶ 3.

42. Confusingly, Donoff’s bad faith arguments reference an unidentified complaint filed by an unidentified plaintiff and refers to certain allegations made in such complaint. The only complaint the Receiver has filed against Donoff is in the Donoff Collection Case, to which Donoff did not timely respond. No other complaint was ever filed by the Receiver against Donoff as the parties participated in “pre-suit” mediation. Thus, the reference to “Plaintiff” in the Motion to Set Aside can only likely be considered a reference to the OFR and the OFR Enforcement Action, however, Donoff is not a party to that case, and the OFR was not a party to the mediation or the Settlement Agreement between Donoff and the Receiver.

43. As the Court is aware, the OFR alleged that the SH Enterprise raised more than \$400 million since 2011, and there are currently more than \$300 million in outstanding Notes held by more than 1,000 current investors, many holding more than one Note. The SH Enterprise used in-house sales agents, including Donoff, to sell the unregistered Notes.

44. Donoff was an Executive Senior Advisor and Regional Manager at the National Senior Insurance (“NSI”) d/b/a Seeman Holtz, who was not a licensed securities broker or RIA, but nonetheless, (1) provided financial advice to investors (including unaccredited investors) regarding the purchase of unregistered Notes; (2) received substantial income from the commingled proceeds of the SH Enterprise’s unlawful financing scheme in the form of salary, commissions, client service fees commissions disguised as salary, and RIA fees; and (3) assisted Holtz and Seeman in concealing the SH Enterprise fraud from regulators, investors, and the public.

45. During his tenure, the Receivership Defendants’ records show that Donoff principally solicited at least 236 investments in Notes from innocent, unwitting, and unqualified

investors totaling \$22,122,416.55. The majority of these investors were elderly retirees or prospective retirees seeking a safe and lucrative investment for their life savings. These same investors, or their family members as some of them have died, contact the Receiver nearly daily to check on the status of the Receiver's investigations, litigations, and to explain the effects of the actions of those involved in the SH Enterprise on their lives.

46. On January 8, 2020, after the OFR uncovered the appearance of a Ponzi-like Scheme, Donoff sent an "Official Written Resignation" to Marshal Seeman and Eric Holtz wherein he offered to remain involved in the SH Enterprise "to keep the clients calm during this time period." In essence, Donoff offered to keep the Note holders mollified in exchange for an agreement to:

"[c]ontinue to send me \$10,000 per pay period until the remaining \$145,000 of commissions and service pay is paid off. As soon as your situation of cash flow turns positive I would ask that you pay off any balance owed to me. (As agreed by my gentleman's agreement with Marshal). . . I believe all things that I am asking for should not be much of an issue for you, compared to the amount of time I will spend with fund clients to keep their peace and tranquility. In November, I had to answer 57 phone calls on why the interest was late."

A true and correct copy of this communication is attached herewith as **Exhibit "C"**.

47. Accordingly, Donoff continued placating Note holders and concealed the SH Scheme in exchange for his commission payments. This is merely one example of Donoff's participation in the scheme which brought about the OFR Enforcement Action, which he now seems to be arguing was brought in bad faith.

48. Donoff's attempt to allege that the Settlement Agreement should be set aside on the grounds that the claims against Donoff were pursued in bad faith and the Settlement Agreement was obtained under false pretenses or unwarranted intimidation is a sham and nothing more than an ill-conceived attempt for Donoff to avoid his obligations under the mutually agreed upon

Settlement Agreement, the terms of which are now embodied in the Settlement Order, entered by the Court following a duly noticed hearing.

WHEREFORE, Plaintiff, Daniel J. Stermer, respectfully requests this Honorable Court to enter an order i) striking and/or denying the *Motion to Set Aside Settlement Agreement For Breach of Contract and Bad Faith*; ii) require Donoff to pay the reasonable fees and costs of the Receiver and his counsel in respect of this Motion, as it arises out of the enforcement of the Settlement Agreement which provides that the Receiver is entitled to recover his attorneys' fees and costs in respect hereof; and grant such other and further relief as the Court may deem just and appropriate under the circumstances

Dated: August 9, 2024

Respectfully submitted,

BERGER SINGERMAN LLP
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Tel. (954) 525-9900
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By: /s/ Brian G. Rich

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on August 9, 2024, 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.

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

SERVICE LIST

<p>A. Gregory Melchior, Esq., Chief Counsel George C. Bedell, III, Esq., Chief Counsel <i>Office of General Counsel</i> <i>Florida Office of Financial Regulation</i> 200 East Gaines Street Tallahassee, FL 32309 Greg.Melchior@flofr.gov George.Bedell@flofr.gov Sharon.Sutor@flofr.gov <i>Counsel for Plaintiff</i></p>	<p>Scott Alan Orth, Esq. <i>Law Offices of Scott Alan Orth</i> 3860 Sheridan Street, Ste. A Hollywood, FL 33021 scott@orthlawoffice.com service@orthlawoffice.com eserviceSAO@gmail.com <i>Attorney for Defendant Marshal Seeman, Twenty-six Defendant Entities</i></p>
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EXHIBIT A

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

STATE OF FLORIDA
OFFICE OF FINANCIAL REGULATION,

Plaintiff,

v.

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

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

Defendants.

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

Relief Defendants.

**ORDER GRANTING RECEIVER, DANIEL J. STERMER’S MOTION TO
APPROVE SETTLEMENT AGREEMENT BETWEEN (I) RECEIVERSHIP
PARTIES; AND (II) RICHARD DONOFF**

THIS MATTER came before the Court on May 30, 2024, at 8:45 a.m., in West Palm Beach, Florida, upon the *Receiver, Daniel J. Stermer’s Motion to Approve Settlement Agreement Between (I) Receivership Parties; and (II) Richard Donoff* (the “Motion”) filed by the Court-appointed Receiver, Daniel J. Stermer (“Receiver”). The Motion seeks approval of a *Settlement Agreement* (the “Settlement Agreement”), a copy of which is attached to the Motion as Exhibit 2, between the Receiver, on behalf of the Receivership Defendants¹ and Richard Donoff (“Donoff”, and together with the Receiver, collectively, the “Parties”). The Court, having considered the Motion and the Settlement Agreement, having reviewed the Court file, having heard argument of counsel and being otherwise fully advised in the premises, it is hereupon,

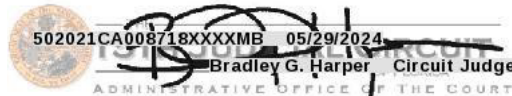
ORDERED and ADJUDGED that:

1. The Motion is **GRANTED**.
2. The Settlement Agreement between the Receiver and Donoff, attached to the Motion as Exhibit 2 is **APPROVED** in its entirety.
3. The Parties are directed to comply with the terms and conditions of the Settlement

¹ Capitalized terms used but not defined herein shall have the meanings ascribed in the Motion.

Agreement, and the Court retains jurisdiction to enforce the terms thereof. For the avoidance of doubt, the Settlement Agreement and releases provided therein shall have no effect on claims of third-parties.

DONE AND ORDERED in Chambers at West Palm Beach, Florida.



502021CA008718XXXMB 05/29/2024
Bradley G. Harper
Circuit Judge

BRADLEY HARPER
CIRCUIT COURT JUDGE

Copies to: Counsel of Record and Corporate Monitor

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Attorneys for MCM 301 Yamato LLC

EXHIBIT B

June 3, 2024

VIA EMAIL:

Richard Donoff
c/o Todd A. Zuckerbrod, Esq.
tz@txbrokerlaw.com

Re: Notice of Default - Breach of Settlement Agreement Between (I) Daniel J. Stermer, as Receiver of the Receivership Defendants (“Receiver”) and (II) Richard Donoff (“Donoff”) dated March 26, 2024 (the “Settlement Agreement”)

Dear Mr. Donoff:

This letter shall constitute formal notice from the Receiver, that Donoff is in default of the attached Settlement Agreement which was approved by the Court on May 30, 2024. In particular, Donoff has failed to comply with Paragraphs 2 and 8 of the Settlement Agreement.

Pursuant to Paragraph 2 of the Settlement Agreement, Donoff was to pay the Initial Settlement Payment on or before the first business day of the month following the date of Court Approval of the Settlement Agreement. The Initial Settlement Payment was due on June 3, 2024, however, Donoff failed to make this payment. The Receiver acknowledges the letter sent by Mr. Zuckerbrod on behalf of Donoff asserting that the Initial Settlement Payment has been remitted to an “attorney escrow account” however this action fails to comply with the terms of the Settlement Agreement.

Additionally, Donoff failed to comply with Paragraph 8 of the Settlement Agreement by refusing to cooperate with the Receiver and his attorney’s efforts to obtain Court approval of this Agreement at the hearing on May 30, 2024. The Settlement Agreement was approved by the Court despite Mr. Donoff’s objection and refusal to cooperate with the Receiver’s efforts.

Undersigned counsel disputes the allegations of Mr. Donoff and his counsel, accusing the Receiver of breaching the Settlement Agreement. Notwithstanding, Donoff’s prior counsel, Rose Schindler acknowledged that any alleged breach by the Receiver was cured pursuant to the Receiver’s filing of the *Notice of Confidential Information Within Court Filing* (the “Confidential Notice”) filed on May 22, 2024, which redacted the Settlement Agreement in its entirety from the Court’s docket.

On May 21, 2024, Ms. Schindler acknowledged that the Confidential Notice was acceptable via an email from Ms. Schindler.

Based upon Donoff's failure to remit the Initial Settlement Payment to the Receiver and his continued refusal to cooperate with the Receiver, Donoff has materially breached the Settlement Agreement and, as a result, if the payment default has not been cured consistent with the Settlement Agreement, the Receiver will be enforcing the terms of the Settlement Agreement and seeking all available remedies, including, *inter alia*, the entry of a final judgment against Donoff in the amount of \$796,295.00, pursuant to Paragraph 5 of the Settlement Agreement which Donoff agreed to as part of the settlement with the Receiver.

All rights of the Receiver are hereby preserved, and nothing contained herein shall be deemed a waiver of any rights or claims under the Settlement Agreement and/or the Receivership Order.

Should you have any further questions regarding our decision, feel free to contact one of us.

Sincerely,

BERGER SINGERMANN LLP
Counsel for Receiver
313 North Monroe Street, Suite 301
Tallahassee, FL 32301
Tel. (850) 561-3010
Fax (850) 561-3013

By: /s/ Brian G. Rich
Brian G. Rich
brich@bergersingerman.com
Gavin C. Gaukroger
ggaukroger@bergersingerman.com
Michael Niles
mniles@bergersingerman.com

Enclosure

cc:

Rose M. Schindler, Esq.
Daniel J. Stermer
Richard Donoff

EXHIBIT C

From: Richard Donoff <rdonoff@gmail.com>
Sent: Wednesday, January 8, 2020 3:17 AM
To: marshal@seemanholtz.com; Eric Holtz
Subject: Official Written Resignation

Dear Marshal and Eric,

This is a written follow up to my conversation with Marshall on 1/2/2020.

It is with great sadness that I must submit my immediate resignation to SeemanHoltz. I feel at this time, that it is in the best interest of myself and my family that I pursue other opportunities.

I would hope that you can understand and respect my decision. I have been losing sleep over this for a few months now and I have come to the realization that this is in the best interest of all parties.

Marshall, I feel we had a very heartfelt conversation on Thursday 1/2/2020 and I feel we can jointly come to the proper way of handling existing fund clients. It is very unusual that someone resigns from a company but handles existing clients without compensation. Usually, there would be total separation. However, because of the way I care about the both of you and our clients, I am willing to do this to keep the clients calm during this time period. I have extremely strong relationships with the majority of my clients and I feel any separation at this time could possibly create issues.

To this end I am asking for the following from you as your appreciation for the professional way I would deal with existing fund clients with the utmost of integrity.

1. An immediate total release of all my insurance industry contracts and appointments.
2. Continue to send me \$10,000 per pay period until the remaining \$145,000 of commissions and service pay is paid off. As soon as your situation of cash flow turns positive I would ask that you pay off any balance owed to me. (As agreed by my gentleman's agreement with Marshal)
3. Termination of any non compete or non solicitation that you feel may exist.

I believe all things that I am asking for should not be much of an issue for you, compared to the amount of time I will spend with fund clients to keep their peace and tranquility. In November, I had to answer 57 phone calls on why the interest was late.

The last thing that I request is open communication with me in regard to anything that might affect the fund clients. I don't want to be putting out fires but instead be on the leading edge of issues that might arise.

I deeply care about both of you and your success. I wish you both nothing but the best. Maybe there will be opportunities where we can work together in the near future. I am just a phone call away.

With sincere admiration,

Rich

Please accept this email as my official written resignation from SeemanHoltz