

**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 SIXTH 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 sixth report (“**Report**” or “**Receiver’s Sixth 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 the (i) *Receiver’s First Report* (the “**Receiver’s First Report**”) on June 23, 2023; (ii) *Receiver’s Second Report* (the “**Receiver’s Second Report**”) on October 20, 2023; (iii) *Receiver’s Third Report* (the “**Receiver’s Third Report**”) on February 7, 2024; (iv) *Receiver’s Fourth Report* (the “**Receiver’s Fourth Report**”) on June 6, 2024; and (v) *Receiver’s Fifth Report* on October 4, 2024. The Receiver’s First Report, the Receiver’s Second Report, the Receiver’s Third Report, the Receiver’s Fourth Report, and the Receiver’s Fifth Report (collectively, the “**Receiver’s Prior Reports**”) were distributed to all Noteholders and other Parties in Interest as contained in the Receiver’s email distribution list, and the five Reports were and remain posted on the Receiver’s website: <http://nationalseniormonitorship.com/> (the “**Receiver’s Website**”). The Receiver will distribute the Receiver’s Sixth Report to all Noteholders and other Parties in Interest as contained in the Receiver’s email distribution list and will post it on the Receiver’s website.

A. Fraudulent Transfer Demand Letters/Complaints

As set forth in certain of the Receiver's Prior Reports, 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 in excess of \$10,000,000 in fraudulent transfers. The Receiver and his counsel received responses to some of the Demand Letters and have been in discussions with representative(s) for some of those served with Demand Letters to resolve the disputes with those who received Demand Letters.

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**"). Pursuant to the terms of the Procedures Order, certain guidelines were approved for the efficient administration of the Fraudulent Transfer Actions to recover fraudulent transfers and other alleged improper payments made by one or more of the Consenting Corporate Defendants (the "**Recovery Actions**"). The recoveries are intended to be utilized, *inter alia*, to fund distributions to creditor in this case. The current 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 (“**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 (the “**Sussman Recovery Action**”): 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 “**Sussman Recovery Defendants**”), alleging claims of Fraudulent Transfers to each of the Defendants, in conjunction with the other counts for Aiding and Abetting Fraud, Aiding and Abetting Breach of Fiduciary Duty, and Unjust Enrichment (collectively, the “**Amended Sussman Complaint**”). The Amended Sussman Complaint can be reviewed on the Receiver’s Website.

The Amended Sussman 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 fraudulent transfers veiled 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 Sussman Complaint also alleges the remaining Sussman Recovery Defendants sold approximately \$90,000,000 of unregistered Notes to innocent investors and that the Sussman Recovery Defendants received at least \$3,138,997 in fraudulent transfers veiled in the form of payroll, commissions, bonuses, or other compensation from one or more of the Receivership Entities. Each

of the fraudulent transfers harmed one or more of Receivership Entities.

Jason Sussman

On June 28, 2024, Jason Sussman filed *Defendant Jason Sussman's Motion to Dismiss and Motion to Strike Allegations in Amended Complaint* (the “**Sussman Motion to Dismiss**”) and the Receiver filed his *Response in Opposition to Defendant Jason Sussman's Motion to Dismiss and Motion to Strike Allegations in Amended Complaint* (the “**Receiver's Sussman Response**”) on September 6, 2024. On January 7, 2025, the Court held a hearing on the Sussman Motion to Dismiss and entered *Order Denying Defendant Sussman's Motion to Dismiss* and directing Jason Sussman to file an answer and affirmative defenses. On January 17, 2025, Jason Sussman filed *Defendant Jason Sussman's Answer and Affirmative Defenses*.

Peter Beck

On September 26, 2024, having received no answer or responsive pleading from Defendant Peter Beck (“**Beck**”) to the Amended Sussman Complaint, the Receiver filed a motion for entry of Clerk's office against Peter Beck and, on October 2, 2024, the Clerk entered a Clerk's default against Peter Beck. However, on October 1, 2024, Peter Beck filed a motion to dismiss (the “**Beck Motion to Dismiss**”) the Amended Sussman Complaint, but incorrectly filed it in the instant action (the OFR Enforcement Action) instead of in the Sussman Recovery Action. On November 8, 2024, the Receiver filed a motion to strike the Beck Motion to Dismiss on the basis that a Clerk's default had been entered, that Beck is not a party to the instant action and lacks standing to request any relief from the Court in this action, and because the Beck Motion to Dismiss was untimely. On November 14, 2024, Mr. Beck filed his Response to the Receiver's Motion to Strike Peter Beck's Motion to Dismiss and on November 27, 2024, Mr. Beck filed his Motion to Cancel UMC Hearing Scheduled for December 4, 2024, and For Sanctions and his Motion to Continue Special Set Hearing and Permit a UMC Hearing For The Purpose of Presenting to Court Argument for a

Special Set Hearing More Than 30 Minutes. On December 2, 2024, the Receiver filed his Objection to Peter Beck’s Motion to Cancel UMC Hearing Scheduled for December 4, 2024 and for Sanctions and Motion to Continue Special Set Hearing and Permit a UMC Hearing for the Purpose of Presenting to Court Argument for a Special Set Hearing More Than 30 Minutes. On December 6, 2024, the Court entered its Order Denying as Moot Peter Beck’s Motion to Cancel UMC Hearing Scheduled for December 4, 2024 and for Sanctions as the hearing held on December 4, 2024 was solely set for a different motion, that Counsel for Mr. Beck (Todd A. Zuckerbrod, Esq.) did not attend, and that the hearing held and was entirely unrelated to Mr. Beck. On December 6, 2024, Mr. Beck filed his Objection to Plaintiff’s Proposed Order to Deny Defendants Motion to Cancel UMC Hearing Scheduled for December 4, 2024, and for Sanctions For That Portion of the Motion Regarding Sanctions and his Motion for Reconsideration of the Order Denying Defendants Motion to Cancel UMC Hearing Scheduled for December 4, 2024 and for Sanctions For That Portion Of The Motion Regarding Sanctions. On December 6, 2024, the Receiver filed his Response in Opposition to Peter Beck’s Motion for Reconsideration of the Order Denying “Defendant’s Motion to Cancel UMC Hearing Scheduled for December 4, 2024, and For Sanctions” For That Portion of the Motion Regarding Sanctions. On January 6, 2025, Mr. Beck filed his Motion to Withdraw Motion to Continue Special Set Hearing and Permit a UMC Hearing for the Purpose of Presenting To Court Argument for a Special Set Hearing More Than 30 Minutes. The Beck Motion to Dismiss has not yet been heard by the Court.

Daniel Cucuiat

On August 30, 2024, Daniel Cucuiat (“**Cucuiat**”) filed a motion to dismiss (the “**Cucuiat Motion to Dismiss**”), but also filed it incorrectly in the instant action (the OFR Enforcement Action) instead of in the Sussman Recovery Action. On October 11, 2024, the Receiver filed his response in opposition to the Cucuiat Motion to Dismiss on the basis that the Cucuiat Motion to

Dismiss was filed in the wrong case, and that the Cucuiat Motion to Dismiss completely lacks merit. However, on January 10, 2025, Cucuiat filed a motion to permit the scheduling of a special set hearing for more than 30 minutes. The hearing on that motion was held before the Court on January 28, 2025 and Counsel for Mr. Cucuiat (Todd A. Zuckerbrod, Esq.) made his argument to the Court regarding the Motion and the Court, later on January 28, 2025, entered its *Order Denying Motion for Special Set Hearing Exceeding 30 Minutes*. The Cucuiat Motion to Dismiss remains set for a special set 30-minute hearing on February 6, 2025, as of the date of this Sixth Report.

Melody Wilder

The Receiver expects to enter into a settlement agreement with Ms. Wilder in the near future and will update the Court if and/or when appropriate.

Darrin Carlomagno

On December 5, 2024, the Receiver filed a motion seeking to approve a Settlement Agreement entered into between the Receiver and Darrin Carlomagno (the “**Carlomagno Settlement**”). Pursuant to the terms of the Carlomagno Settlement, the financial terms of the settlement between the Receiver and Carlomagno are confidential and will not be filed publicly. The hearing to consider the Carlomagno Settlement was held before the Court on January 29, 2025, at 8:45 a.m. The Court entered its *Order Granting Plaintiff/Receiver’s Motion to Approve Settlement Agreement* on January 30, 2025.

Joseph Corozza

On June 2, 2024, Joseph Corozza filed his Answer to the Amended Sussman Complaint. The Receiver will continue to pursue his claims against Mr. Corozza.

Joseph Paluzzi and Anthony Lombardo

The Receiver expects to file a settlement agreement in the near future n the near future and

will update the Court if and/or when appropriate.

Mr. Anthony Lombardo failed to file a response to the Amended Sussman Complaint. The Receiver will be pursuing a default and default final judgment against Mr. Lombardo.

Scott Genad, Andrea Matthews, Daryl Kutner, and Kim Skidmore

With respect to Scott Genad, Andrea Matthews, Daryl Kutner, and Kim Skidmore, the Receiver has been and is still attempting to serve these defendants with the Sussman Amended Complaint. On January 22, 2025, the Receiver filed his Motion for Order Permitting Service of Process By Publication Upon Non-Served Defendants based upon his inability to serve these individuals despite diligent efforts. On January 30, 2025, the Court entered the *Order Granting Plaintiff's Motion for Order Permitting Service of Process by Publication Upon Non-Served Defendants*. The Receiver will comply with the Court's Order as entered.

In addition, the Receiver is engaged in settlement discussions with some of the Sussman Recovery Defendants and will be scheduling additional mediations, as necessary, and as required by the Procedures Order. Should the settlement discussions and/or mediations fail to resolve these disputes, then litigation against those Sussman Recovery Defendants will continue to advance.

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

On October 25, 2023, the Receiver filed a complaint against Jeffrey Abramson alleging multiple counts of Fraudulent Transfer pursuant to Florida Statutes.

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 October 25, 2023, the Receiver filed a complaint against Dean Emmets alleging multiple counts of Fraudulent Transfer pursuant to Florida Statutes seeking the recovery of \$244,031.00.

On April 10, 2024, a mediation was conducted with mediator Roy S. Kobert. 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. While the Parties entered into *the Stipulation and Consent to Final Judgment Against Defendant*, this *Stipulation* did not move forward.

On May 10, 2024, Mr. Emmets filed *Defendant, Dean Emmets's Motion for Enlargement of Time to Respond to Plaintiff's Complaint*, which was granted by Order dated January 20, 2025, thereby extending the deadline to February 3, 2025, for Mr. Emmets to file his answer.

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

On October 25, 2023, the Receiver filed a complaint against Daniel Tepper alleging multiple counts of Fraudulent Transfer pursuant to Florida Statutes seeking the recovery of \$405,958.00.

On April 10, 2024, a mediation was conducted by mediator Roy S. Kobert. The Parties were unable to reach a resolution of the matter and the Mediator declared an *Impasse*.

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 Motions to Approve Settlements contain redacted financial terms to protect the Receiver's work product and efforts in future mediations.

On May 9, 2024, Mr. Tepper filed *Defendant, Daniel Tepper's Motion for Enlargement of Time to Respond to Plaintiff's Complaint*, which was granted by Order dated January 20, 2025, thereby extending the deadline to February 3, 2025, for Mr. Tepper to file his answer.

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

On October 25, 2023, the Receiver filed a complaint against Antonio Dicembrino alleging multiple counts of Fraudulent Transfer pursuant to Florida Statutes seeking the recovery of \$528,122.00.

On April 10, 2024, a mediation was conducted by mediator Roy S. Kobert. The Parties were unable to reach a resolution of the matter and the Mediator declared an impasse.

On May 9, 2024, Mr. Dicembrino filed *Defendant, Antonio Dicembrino's Motion for Enlargement of Time to Respond to Plaintiff's Complaint*, which was granted by Order dated January 20, 2025, thereby extending the deadline to February 3, 2025, for Mr. Dicembrino to file his answer.

B. Additional Fraudulent Transfer Claims

I. *Daniel J. Stermer, Receiver v. Richard Donoff, Case No. 50-2024-CA 006353XXXAMB*

In addition to the five Fraudulent Transfer Actions filed on October 25, 2023, as set forth above, on July 7, 2024, the Receiver filed a complaint to enforce the Court-approved settlement between the Receiver and Richard Donoff. Pursuant to the agreed terms of the settlement between the Receiver and Mr. Donoff, upon a default, the Receiver was entitled to the entry of an agreed final judgment in the amount of \$796,295.00.

On August 9, 2024, the Receiver filed *Plaintiff's Notice of Filing Answer, Waiver of Defenses, and Consent to Judgment of Defendant, Richard Donoff*.

On August 19, 2024, the Court entered an *Agreed Final Judgment Against Defendant* (the

“**Donoff Judgment**”) thereby entering judgment in favor of the Receiver and against Mr. Donoff in the amount of \$796,295.00, plus interest at the rate of 18% per year for all amounts from the date of entry of the Donoff Judgment until satisfied.

Mr. Donoff contested the enforcement of the settlement agreement and the entry of the Donoff Judgment and filed *Defendant Richard Donoff’s Motion for Reconsideration of Approval of Settlement and Agreed Final Order Against Defendant* (the “**Donoff Motion for Reconsideration**”) in this action on September 4, 2024. On September 16, 2024, the Receiver filed *Receiver, Daniel J. Stermer’s Response in Opposition to Richard Donoff’s Motion for Reconsideration of Approval of Settlement and Agreed Final Order Against Defendant* (the “**Receiver’s Response**”) and, on September 20, 2024, the Court entered an *Order Denying Motion for Reconsideration of Approval of Settlement and Agreed Final Order Against DFT F/B DFT Richard Donoff*, thereby denying the Donoff Motion for Reconsideration. On October 23, 2024, Mr. Donoff filed Defendant’s *Notice of Appeal* to the Fourth District Court of Appeals from the Order Denying Richard Donoff’s Motion for Reconsideration of Approval of Settlement and Agreed Final Order Against Defendant. On October 29, 2024, the Fourth District Court of Appeal ordered that Appellant (Donoff) shall file a brief statement explaining the basis for this court’s subject matter jurisdiction over the order appealed and specifically address how the September 28, 2024 order is a final or nonfinal appealable order and as the order determines entitlement but not the amount of attorney’s fees to be awarded.² On November 8, 2024, Appellant (Donoff) filed his Response to Order to Show Cause and on November 15, 2024, the Receiver (Appellee) filed his Response to Appellant’s Response to Order to Show Cause. On December 2, 2024, the Fourth District Court of Appeal entered its Order that the Appellant’s (Donoff) appeal is dismissed for

² On November 4, 2024, Mr. Donoff filed his Motion to Stay Payment of Judgment Pending Appeal with this Court while the appeal was pending in the Fourth District Court of Appeal.

lack of subject matter jurisdiction. On December 6, 2024, the Receiver, as Appellee, filed his Motion for Attorney's Fees and on December 26, 2024, the Fourth District Court of Appeals entered an Order wherein it ordered that Appellee's (Receiver's) December 6, 2024 motion for attorney's fees is granted conditioned on the trial court determining that Appellee is the prevailing party, and if so, setting the amount of attorney's fees to be awarded for this appellate case.

On October 11, 2024, the Receiver filed *Plaintiff's Ex Parte Motion for Issuance of Writ of Garnishment After Judgment Upon Todd A. Zuckerbrod, P.A.*, seeking the issuance of a Writ of Garnishment upon garnishee, Todd A. Zuckerbrod, P.A. ("**Garnishee**") with respect to any debts due from Garnishee to Richard Donoff. On October 12, 2024, the Court entered an *Order Granting Plaintiff's Ex Parte Motion for Issuance of Writ of Garnishment After Judgment Upon Todd A. Zuckerbrod, P.A.* and, on October 14, 2024, a *Writ of Garnishment* was issued by the Clerk. On October 17, 2024, the *Writ of Garnishment* was served upon the Garnishee, and, on November 8, 2024, the Garnishee filed his answer to the Writ of Garnishment, providing that the Todd A. Zuckerbrod IOTA holds \$75,000 in escrow on behalf of Richard Donoff. On December 23, 2024, the Receiver filed *Judgment Creditors' Motion for Final Summary Judgment of Garnishment*, seeking the entry of a final summary judgment of garnishment against the Garnishee and demanding that the Garnishee turn over the \$75,000 held for the benefit of Mr. Donoff. The Receiver is attempting to schedule a special set hearing to consider his Motion for Final Summary Judgment of Garnishment.

In addition, on October 11, 2024, the Receiver filed his *Ex Parte Motion to Compel Judgment Debtor, Richard Donoff, to Complete Fla. R. Civ. P. Form 1.977 Fact Information Sheet* requesting an order requiring Mr. Donoff to complete the required debtor Form 1.977 Fact Information Sheet. On October 12, 2024, the Court entered an *Order Granting Ex Parte Motion to Compel Judgment Debtor, Richard Donoff, to Complete Fla. R. Civ. P. Form 1.977 Fact*

Information Sheet requiring Mr. Donoff to complete the Form 1.977 Fact Information Sheet, including all required attachments. On January 14, 2025, the Receiver filed his Motion for Order to Show Cause Why Judgment Debtor, Richard Donoff, Should Not Be Held in Contempt. On January 17, 2025, Mr. Donoff filed his Motion to Vacate the Order Executed on May 29, 2024 and his Motion to Toll Collection of Judgment Pending Motion to Vacate, which remain pending at this time and which the Receiver will prepare and file responses to and set same for hearing before the Court.

To date, Mr. Donoff has not complied with the Court's Order. The Receiver anticipates seeking further Court intervention, including sanctions against Mr. Donoff, as may be permitted.

The Receiver also negotiated and scheduled mediations with other individuals and entities who were served with Demand Letters, but where complaints had not yet been filed. With the assistance of mediators, Roy Kobert and Keith Appleby, the Receiver entered into additional pre-suit settlement agreements with David Coyman, Ian Bossie, and Richard Huling. These settlements have been approved pursuant to motions filed in this action. 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.

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

C. Other Litigation

I. Claims Against Wells Fargo

- a. Millstein, et al. v. Wells Fargo, Case No. 24-cv-22142 (the "Victim Class Action Case")**

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 Bank, N.A. alleging causes of action including: Aiding and Abetting Breach of Fiduciary Duties; Aiding and Abetting Fraud; and Unjust Enrichment. The Receiver's Action Against Wells Fargo (described below) includes claims which are similar to the claims alleged in the Victim Class Action Case, however the damages which have been asserted by the Receiver, on behalf of the Receivership Entities, are different than those that have asserted by the class members. The Victim Class Action Case seeks to recover against Wells Fargo Bank, N.A. for the harms its actions caused the victim class members (*i.e.*, the Noteholders). The Receiver's Action Against Wells Fargo seeks to recover against Wells Fargo Bank, N.A. for the harms its actions caused the Receivership Entities.

On August 12, 2024, Wells Fargo Bank, N.A. filed *Defendant Wells Fargo Bank, N.A.'s Motion to Dismiss First Amended Class Action Complaint and Incorporated Memorandum of Law* as well as *Defendant Wells Fargo Bank, N.A.'s Motion to Stay Discovery Pending Disposition of its Dispositive Motion to Dismiss and Accompanying Memorandum of Law* (the "**Motion to Stay Discovery**"). On August 29, 2024, the Court entered a paperless order denying the Motion to Stay Discovery, and found that a complete stay of discovery was not warranted.

On September 9, 2024, Fanny B. Millstein and Martin Kleinbart filed *Plaintiffs' Response in Opposition to Defendant Wells Fargo Bank, N.A.'s Motion to Dismiss First Amended Class Action Complaint and Incorporated Memorandum of Law*, and on September 27, 2024, Wells Fargo Bank N.A. filed *Defendant Wells Fargo Bank, N.A.'s Reply in Further Support of its Motion to Dismiss First Amended Class Action Complaint*.

On November 15, 2024, the Court entered an order referring the matter to Magistrate Judge Jonathan Goodman for a ruling on all pre-trial, non-dispositive matters and for a Report and

Recommendation on any dispositive matters.

The Court entered a separate order setting an in-person hearing for December 4, 2024, to consider Wells Fargo Bank's Motions to Dismiss filed in both the Receiver's Action Against Wells Fargo and the Victim Class Action Case.

On December 4, 2024, the Court conducted a hearing to consider the Wells Fargo Bank's Motions to Dismiss, and, on January 15, 2025, entered *Report and Recommendations on Motions to Dismiss Related Lawsuits* (the "**Report and Recommendation**"). The Report and Recommendation is being reviewed and may be objected to by the parties by February 12, 2025. The Report and Recommendation recommended the District Court Judge deny the Wells Fargo Motion to Dismiss, which sought to dismiss the claims or causes of action asserted in the Victim Class Action Case. Upon his review of the Report and Recommendation, and any objections and responses to objections which may be filed, it is anticipated that the District Court Judge will enter an Order, determining the issues set forth in the Report and Recommendation, either adopting or rejecting some or all of Magistrate Judge Goodman's findings.

On January 10, 2025, the parties to the Victim Class Action Case filed a *Notice of Selection of Mediator* and are ordered to schedule a mediation to be completed no later than August 29, 2025, in accordance with the Scheduling Order.

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

b. Daniel J. Stermer, Receiver v. Wells Fargo Bank, N.A., Case No. 50-2024-CA-004345XXXAMB and 9:24-cv-80722-XXXX

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 "**Receiver's Action Against Wells Fargo**"). A copy of

the Complaint filed in the Receiver's Action Against Wells Fargo can be found on the Receiver's Website. The Receiver's Action Against Wells Fargo includes claims which are similar to the claims alleged in the Victim Class Action Case, however the damages which have been asserted by the Receiver, on behalf of the Receivership Entities, are different than those that have asserted by the class members. The Victim Class Action Case seeks to recover against Wells Fargo Bank, N.A. for the harms its actions caused the victim class members (*i.e.*, the Noteholders). The Receiver's Action Against Wells Fargo seeks to recover against Wells Fargo Bank, N.A. for the harms its actions caused the Receivership Entities.

On June 7, 2024, Wells Fargo Bank, N.A. filed a *Notice of Removal* with the United States District Court for the Southern District of Florida, thereby removing the suit commenced by the Receiver against Wells Fargo Bank, N.A. in the Circuit Court in and for Palm Beach County, Florida to the United States District Court for the Southern District of Florida (the "**District Court**"), Case No. 9:24-cv-80722-DPG.

On December 4, 2024, Magistrate Judge Goodman conducted a hearing to consider Wells Fargo Bank's Motion to Dismiss the Receiver's Action Against Wells Fargo, and, on January 15, 2025, entered Report and Recommendation. In the Report and Recommendation, Magistrate Judge Goodman performed a thorough analysis of the applicable caselaw, and the facts alleged in the Receiver's Complaint. Magistrate Judge Goodman's Report and Recommendation recommends that the District Court Judge dismiss the majority of the Receiver's claims without prejudice and concludes that "the Receiver may not be factually able to allege additional facts sufficient to generate standing for the non-NSI entities. The Receiver is evaluating the Report and Recommendation and considering whether to file an amended complaint. Magistrate Judge

Goodman’s analysis primarily focuses on whether the non-NSI Receivership Entities³ can assert tort-based claims against Wells Fargo Bank N.A. for their injuries. He found that they could not, based on the facts alleged in the Receiver’s Complaint, and therefore the Receiver lacks legal standing to bring claims on their behalf. In short, Magistrate Judge Goodman found the Receiver lacks standing to bring tort-based claims on behalf of the non-NSI Receivership Entities where the Complaint does not allege the presence of an innocent officer, director, or stockholder, who was also a decision-maker in control of the non-NSI Receivership Entities who could have thwarted the fraud and breaches of fiduciary duties when they occurred. Magistrate Judge Goodman’s found that, for common law tort claims under Florida law, a receiver “must allege the presence of at least one innocent director or shareholder because, without such an allegation, the tortious acts cannot be separated from the Receivership Entities and the Receivership Entities cannot be said to have suffered an injury.”

The class members’ claims in the Victim Class Action Case do not face similar legal standing requirements with respect to their tort claims against Wells Fargo Bank N.A.

The Report and Recommendation is being reviewed and may be objected to by the parties by February 12, 2025. Upon his review of the Report and Recommendation, and any objections and responses to objections which may be filed, it is anticipated that the District Court Judge will enter an Order, determining the issues set forth in the Report and Recommendation, either adopting or rejecting some or all of Magistrate Judge Goodman’s findings.

This case is consolidated for discovery purposes with the Victim Class Action Case.

**II. *Daniel J. Stermer, Receiver v. Pelican Capital Management, LLC,*
Case No. 50-2024-CA-004344XXXAMB**

³ Magistrate Judge Goodman’s findings in the Report and Recommendation do not apply to National Senior Insurance’s (“NSI”) claims and are limited to the non-NSI Receivership Entities, *i.e.*, the Para Longevity entities which sued Wells Fargo Bank N.A. with NSI in the case.

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 Pelican received over \$1,200,000 from the Para Longevity Scheme for no value given to the Receivership Entities which funded the transfers to Pelican. A copy of the Pelican Complaint can be found on the Receiver’s Website.

On August 12, 2024, the Receiver and Pelican participated in a mediation, but were unable to resolve the dispute. On September 30, 2024, Pelican filed its *Motion to Dismiss* (the “**Pelican Motion to Dismiss**”). On October 15, 2024, the Receiver filed a *Verified Motion to Disqualify the Law Offices of Scott Alan Orth, P.A., and Scott Alan Orth, Esq. as Counsel to Defendant Pelican Management, LLC* (the “**Motion to Disqualify**”), seeking to disqualify the Law Offices of Scott Alan Orth, P.A. and Scott Alan Orth from representing Pelican, due to a conflict of interest in violation of Florida Rules of Professional Conduct. The special set hearing to consider the Motion to Disqualify is scheduled for February 6, 2025, at 2:00 p.m. Upon the disposition of the Motion to Disqualify, the Receiver will schedule a hearing to consider the Pelican Motion to Dismiss, as applicable.

D. Summary of Cash Activity

As of January 24, 2025, the Receiver’s book cash balance is \$1,024,697. Attached is the Receivership Cash Flow Summary for the period from the inception of the Corporate Monitorship Estate and now Receivership Estate through January 24, 2025 – see **Exhibit A**.

E. Communications

The Receiver continues to upload all filings with the various courts to the Website in a dedicated section entitled “Court Documents” and “Stermer v. Wells Fargo” and “Millstein v. Wells Fargo” 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 Sixth Report is true and accurate to the best of my personal knowledge and belief.

/s/ Daniel J. Stermer

Daniel J. Stermer

Dated: February 3, 2025

Respectfully submitted,

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By: */s/ Brian G. Rich*

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on February 3, 2025, 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

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EXHIBIT A
RECEIVERSHIP CASH FLOW SUMMARY

Actual Cash Receipt and Disbursement Activity

	2021 4-Months	2022 12-Months	2023 12-Months	2024 12-Months	Jan-25 1-Month	Cumulative Total
Cash Receipts						
Insurance Commissions	63,402	117,550	109,321	72,857	4,254	367,384
Settlement/Litigation Proceeds	-	2,250,000	1,621,337	983,900	12,500	4,867,737
Interest	-	-	54,674	81,566	-	136,240
Other Receipts	56,242	53,533	75,261	-	-	185,036
Total Cash Receipts	119,643	2,421,084	1,860,593	1,138,323	16,754	5,556,397
Operating Disbursements						
Payroll & Taxes	69,399	72,934	71,218	77,217	5,829	296,596
Purchased Services	19,719	81,003	36,346	35,676	3,515	176,260
Insurance	-	705	672	740	-	2,117
Utilities	3,106	2,295	-	-	-	5,401
Rent	-	37,000	37,010	13,248	-	87,258
Other	1,370	3,851	57	393	16	5,688
Total Operating Disbursements	93,594	197,788	145,303	127,275	9,360	573,320
Professional Fees						
Legal	-	308,667	593,132	671,857	-	1,573,656
Monitor Fees	-	216,518	470,339	459,185	-	1,146,042
Financial Advisor (DSI)	-	211,393	441,519	368,958	-	1,021,870
Tax Accountant	-	-	-	-	-	-
Other Professionals	-	89,817	96,311	34,228	-	220,355
Total Professional Fees	-	826,395	1,601,301	1,534,228	-	3,961,923
Total Disbursements	93,594	1,024,183	1,746,604	1,661,503	9,360	4,535,243
Net Cash Flow	26,050	1,396,901	113,989	(523,180)	7,394	1,021,154
Cash Balance						
Beginning Cash Book Balance	3,544	29,593	1,426,494	1,540,483	1,017,303	3,544
Intercompany Receipts	-	87,342	4,501,301	2,542,602	15,000	7,146,245
Intercompany Disbursements	-	(87,342)	(4,501,301)	(2,542,602)	(15,000)	(7,146,245)
Net Cash Flow	26,050	1,396,901	113,989	(523,180)	7,394	1,021,154
Ending Cash^[1]	29,593	1,426,494	1,540,483	1,017,303	1,024,697	1,024,697

Notes:

[1] Final ending Cash Balance is as of 01/24/25.