

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION**

CASE NO. 1:24-cv-22142-GAYLES/SHAW-WILDER

FANNY B. MILLSTEIN and
MARTIN KLEINBART,

Plaintiffs,

v.

WELLS FARGO BANK, N.A.,

Defendant.

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**DEFENDANT'S OPPOSITION TO PLAINTIFF'S DISCOVERY
MEMORANDUM AS TO ITS REQUEST FOR NON-CENTURION POLICY ACTIONS**

Plaintiff Is Moving to Compel Documents She Did Not Request. Plaintiff fails to identify any request that asks for the documents sought in the motion to compel. Plaintiff requested (among other things) communications, pleadings and discovery relating to “Policy Actions.” Ex. 1, *Pl. ’s Fourth Reqs. For Prod.*, Nos. 7-10. In turn, Plaintiff’s requests defined Policy Actions as “any legal action . . . relating to any of the life insurance policies at issue in this case, including those that were at any time owned or controlled by the Scheme Operators, the Para Longevity Companies, or the Centurion Companies.” Ex. 1, at 4. Thus, as defined, the requests seek documents specifically related to policies that touched Centurion. Only three such policies are identified in the Complaint, and none of those has been subject to litigation. The only other policy (of over 140 policies identified through discovery) that was owned by Centurion and was ever involved in litigation has been identified, and Wells Fargo has produced responsive documents. Plaintiff now seeks to stretch the definition of Policy Action to *any* litigation involving life insurance where Wells Fargo was a party—even if the policy had no ties to Centurion. That is not what was requested. *See Byte Fed., Inc. v. Lux Vending LLC*, No. 8:23-cv-102, 2024 WL 4932754, at *2 (M.D. Fla. Dec. 2, 2024) (denying motion to compel in part because “Plaintiff [was] improperly using a motion to compel to amend its discovery requests.”).

Non-Centurion Policy Litigation Is Not Relevant. Plaintiff argues that “documents relating to the Policy Actions directly bear on what WF knew about the risks associated with the STOLIs the Scheme Operators were purchasing, and what it knew about the value of the collateral purportedly securing the Notes.” D.E. 193 at 2. This newly-minted “Policy Action” interpretation seeks to shift the focus of the case from the alleged Ponzi scheme to an attack on the broader life insurance secondary market and Wells Fargo’s role in that market. Specifically, Plaintiff alleged she was defrauded when she purchased promissory notes from the schemers in reliance on false representations about how her funds would be used, and she never received the benefit of the fraudulent bargain. *See* D.E. 3 at 1-4. Plaintiff knew that her investments in promissory notes were supposedly to fund “new STOLI policy premiums.” (D.E. 167, Ex. B at 16-17). So, the simple question in this case is what, if anything, Wells Fargo actually knew about the fraudsters’ promissory note scheme—not what Wells Fargo knew about non-Centurion related litigation. Accordingly, that litigation is not relevant.

First, the expanded litigation Plaintiff is seeking ignores Wells Fargo’s Securities Intermediary role. A federal court recently explained that it is purely “ministerial or nominal,” and

Wells Fargo “serves only as a conduit through which the beneficial owner receives the benefit.” *Est. of Offit v. U.S. Bank, N.A.*, No. 23-45, 2025 WL 3636502, at *4 (D. Minn. Dec. 15, 2025), *appeal filed*, No. 26-1064 (8th Cir. Jan. 12, 2026). As explained by the Uniform Commercial Code, a securities intermediary is “a person, including a bank or broker, that in the ordinary course of its business maintains securities accounts for others and is acting in that capacity.” U.C.C. § 8-102(a)(14)(ii); *see also VFS Leasing Co. v. Markel Ins. Co.*, 120 F.4th 745, 750 (11th Cir. 2024) (confirming Florida has adopted the UCC) (citations omitted). Consequently, Wells Fargo simply worked in an administrative capacity to hold assets for Centurion. *Est. of Offit*, 2025 WL 3636502, at *4. It is through Wells Fargo’s securities intermediary business that nearly all of the litigation involving non-Centurion policies arises, and Wells Fargo has no substantive role in the litigation. *See Ex. 2, Shindel Decl.*, ¶¶ 4-8. As a result, documents associated with such litigation bear no relevance on Wells Fargo’s knowledge of the Seeman Holtz scheme.

Second, the question of what constitutes a STOLI policy is highly fact-specific, and the fact that any one policy might be challenged in litigation does nothing to establish Wells Fargo’s knowledge about the policies Centurion owned. That is why litigation involving Centurion policies might be relevant, but non-Centurion litigation is not. This is particularly true since Wells Fargo was not required to and did not engage in any type of STOLI or risk analysis. *Id.* ¶¶ 4-7; *see also*, Ex. 3, *Martin Dep.*, 78:5-16; Ex. 4, *Connell Dep.*, 50:13-19. In other words, Plaintiff will not find a STOLI or risk analysis in Wells Fargo’s files associated with other, non-Centurion life insurance litigation. Accordingly, Plaintiff’s hyperbolic rhetoric about STOLIs is conclusory at best, and forcing Wells Fargo to produce unrelated litigation documents to determine if a non-scheme-related policy is or is not a STOLI strays well past relevance.¹

Third, the point of the requested discovery appears to be so that Plaintiff can argue that unrelated litigation gave Wells Fargo the knowledge that STOLI was a risk of the life insurance industry,² and then somehow transform that into knowledge that Centurion was engaged in a fraud

¹ Plaintiff’s request presents another compounding issue. It will turn this litigation into dozens of mini-trials about what Wells Fargo knew for each unrelated life insurance policy, whether it was a STOLI policy, and, if so, whether there was anything improper or illegal about STOLI. *See Principal Life Ins. Co. v. DeRose*, No. 1:08-CV-2294, 2011 WL 4738114, at *7 (M.D. Pa. Oct. 5, 2011) (just one example of the in-depth analysis necessary to evaluate whether a life insurance policy lacks an insurable interest).

² If Plaintiff’s goal is to show that STOLI exists and is a risk of this industry, such a notion is beyond dispute and does not require wildly burdensome discovery to prove it.

to steal from investors. But selling life insurance policies is legal. *Grigsby v. Russell*, 222 U.S. 149, 155-57 (1911). And Plaintiff must show Wells Fargo’s knowledge of *this* scheme. *See FW Distrib., LLC v. J.P. Morgan Chase Bank, N.A.*, No. 24-cv-21385, 2024 WL 4665255, at *6 (S.D. Fla. Nov. 4, 2024). The litigation Plaintiff cites, *Wells Fargo Bank, N.A. v. Lincoln Nat’l Life Ins. Co.*, No. CV 08–06637, 2009 WL 10672596, at *2 (C.D. Cal. Apr. 13, 2009), exposes the folly of Plaintiff’s approach. There, the court noted, and the insurer agreed, “that the purchase and sale in this case appear legitimate,” meaning STOLI was not immediately evident. *Id.* That case thus does not help Plaintiff show anything at all—but to even reach that conclusion, this Court would have to delve into the record to evaluate anew whether the policy was STOLI, what Wells Fargo knew, and whether there was anything improper about STOLI that Wells Fargo should have been aware of—all for a policy that Centurion never touched. And if Wells Fargo is required to produce all actions that involved STOLI allegations, this litigation will devolve into a relitigation of the record and results of each case to weigh what it might mean in the panoply of Wells Fargo’s general knowledge about the insurance industry. And this still will not provide evidence of what Wells Fargo knew about the actual scheme at issue.

Plaintiff’s Burdensome Discovery Is Disproportionate to the Needs of the Case. Given the lack of relevance of the requested materials, the burden of collecting, reviewing and producing responsive documents far outweighs the potential benefit to Plaintiff. *See* Fed. R. Civ. P. 26(b)(1). Plaintiff is asking Wells Fargo to collect from and produce—from both internal and external counsel—any document and/or communication for all STOLI related litigation since 2009. *See* Ex. 1. Given the 15+ year timeframe and massive amount of documents generated by any given lawsuit, the request could entail processing an immense volume of materials. *See* Ex. 5, *Griset Decl.*, ¶¶ 10-13. That burden is compounded further since Wells Fargo does not lead the litigation as Wells Fargo’s client provides indemnity and the client runs the litigation. *See* Ex. 2 at ¶ 8. As such, searching for litigation documents to produce is incredibly time-intensive, requiring Wells Fargo to search not only its legal employees’ potentially privileged email but also to collect and review materials from its outside counsel, and will be incredibly costly. *See* Ex. 5, *Griset Decl.*, ¶¶ 6-15; *see also Tate v. U.S. Postal Serv.*, No. 04-61509 CIV, 2007 WL 521848, at *5 (S.D. Fla. Feb. 14, 2007) (“[T]ime-consuming manual search through thousands of files and documents” is unduly burdensome). The Court should deny Plaintiff’s request.

Dated: January 22, 2026

Respectfully submitted,

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/s/ Emily Y. Rottmann

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on January 22, 2026, a true copy of the foregoing was filed under seal via CM/ECF, pursuant to the Court's Order (D.E. 188) entered on January 13, 2026.

/s/ Emily Y. Rottmann
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**DEFENDANT'S OPPOSITION TO PLAINTIFF'S DISCOVERY
MEMORANDUM IN SUPPORT OF ITS REQUEST FOR NON-CENTURION
POLICY ACTIONS**

EXHIBIT 1

**Plaintiff's Fourth Requests for Production
(To be filed under seal pursuant to the Court's Order D.E. 188)**

**DEFENDANT'S OPPOSITION TO PLAINTIFF'S DISCOVERY
MEMORANDUM IN SUPPORT OF ITS REQUEST FOR NON-CENTURION
POLICY ACTIONS**

EXHIBIT 2

**Declaration of Lynn Mizrahi-Shindel
(To be filed under seal pursuant to the Court's Order D.E. 188)**

**DEFENDANT'S OPPOSITION TO PLAINTIFF'S DISCOVERY
MEMORANDUM IN SUPPORT OF ITS REQUEST FOR NON-CENTURION
POLICY ACTIONS**

EXHIBIT 3

**Excerpts from the Deposition of Brad Martin
(To be filed under seal pursuant to the Court's Order D.E. 188)**

**DEFENDANT'S OPPOSITION TO PLAINTIFF'S DISCOVERY
MEMORANDUM IN SUPPORT OF ITS REQUEST FOR NON-CENTURION
POLICY ACTIONS**

EXHIBIT 4

**Excerpts from the Deposition of Corbin Connell
(To be filed under seal pursuant to the Court's Order D.E. 188)**

**DEFENDANT’S OPPOSITION TO PLAINTIFF’S DISCOVERY
MEMORANDUM IN SUPPORT OF ITS REQUEST FOR NON-CENTURION
POLICY ACTIONS**

EXHIBIT 5

**Declaration of Jill Griset
(To be filed under seal pursuant to the Court’s Order D.E. 188)**