

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT IN AND FOR MIAMI
DADE COUNTY, FLORIDA

PERETZ MOCKIN, an individual, ISRAEL
MOGILEVSKY, an Individual, SC EVENTS
INC., a Florida Corporation,

CASE NO.: 2023-023172-CA-01

Plaintiffs,

vs.

PRIORITY CAPITAL SOLUTIONS, INC., a
Florida Corporation, KIT HOLDINGS INC., a
Florida Corporation, BROAD CAPITAL
SOLUTIONS, LLC, a Florida Limited
Liability Company, USD FUNDING LLC, a
Florida Limited Liability Company, ISRAEL
TZIVIN, an Individual, and KATHERINE
LAIRD WILLIAMS, an Individual,

Defendants.

**RECEIVER'S MOTION TO (A) AUTHORIZE THE EMPLOYMENT OF STRETTO,
INC. AS NOTICING AND CLAIMS AGENT; AND (B) APPROVE PROPOSED
NOTICING AND CLAIMS PROCESS**

Receiver Seth Heller (“Heller” or the “Receiver”) files this Motion to (a) Authorize the Employment of Stretto, Inc. (“Stretto”) as Noticing and Claims Agent; and (b) Approve the Proposed Noticing and Claims Process and states:

BACKGROUND

1. On September 14, 2023, Plaintiffs Peretz Mockin, Israel Mogilevsky, and SC Events, Inc. (the “Plaintiffs”) filed a Complaint seeking damages and judicial dissolution against Priority Capital Solutions, Inc., KIT Holdings, Inc. Broad Capital Solutions, LLC, USD Funding, LLC, Israel Tzivin, and Katherine Laird Williams (the “Defendants”).

2. The Complaint alleges that Mr. Tzivin raised money from investors and lenders through the business entity defendants to fund a merchant cash advance business but that the enterprise ultimately devolved into a fraudulent scheme.

3. On September 19, 2023, (a) the Plaintiffs filed an *Emergency Agreed Motion and Memorandum of Law for Appointment of Receiver*; and (b) the Court entered an *Agreed Order Granting Plaintiffs' Emergency Agreed Motion for Appointment of a Receiver and Related Relief* (the "Receivership Order"). The Receivership Order appointed Heller as receiver over Priority Capital Solutions, Inc., KIT Holdings, Inc. Broad Capital Solutions, LLC, USD Funding, LLC (the "Receivership Entities") under Fla. Stat. § 607.1432.

4. Paragraph 1 of the Receivership Order directs the Receiver to "take possession and have full custody and control" of all property of the Receivership Entities. Paragraph 2 of the Receivership Order directs the Receiver to "[i]nvestigate the financial affairs of the [Receivership Entities]...and institute such actions and legal proceedings, for the benefit and on behalf of the Entity Defendants and/or their creditors."

5. On October 6, 2023, the Court entered an *Agreed Order Granting Motion to Approve Modified Notice Procedures* (Doc. 26) (the "Notice Procedures Order"). The Order, in relevant part, permitted the Receiver to provide notice to creditors by email unless (a) a creditor files a notice of appearance in this proceeding; (b) a creditor emails the Receiver's counsel at mshoffman@hlalaw.com to specifically request service by mail; and/or (c) a creditor has a particularized interest in the subject to the document to be served. The Order further authorized the Receiver to utilize the email list provided by the Chief Restructuring Officer of the Receivership Entities.

6. In his interim receivership reports, the Receiver advised the Court that he would propose a claims process tailored to the assets and circumstances of this case. The Receiver further

advised he anticipates filing a proposed and seeking approval of a proposed distribution plan (the “Distribution Plan”) at a later date, when the total amount of assets available for distribution on account of approved claims of creditors of the receivership estates has been determined.

RETENTION OF STRETTO

7. Stretto is a noticing and claims administrator with significant experience in both the legal and administrative aspects of receivership cases. Stretto’s professionals have experience in noticing, claims administration, solicitation, and facilitating other administrative aspects of receivership cases and experience in matters of this case’s size and complexity. Stretto’s professionals have acted as official claims and noticing agent in many receivership cases in Florida and other jurisdictions nationwide.

8. The Receiver proposes to retain Stretto to provide the following services: (a)
- a. furnish all potential creditors with an approved Claims Package (defined below);
 - b. provide an electronic interface for filing proofs of claim;
 - c. maintain a post office box or address for receiving claims and returned mail, and process all mail received;
 - d. receive and process all proofs of claim, including those received by the Clerk, check said processing for accuracy and maintain the original proofs of claim in a secure area;
 - e. maintain an official claims register for each of the Receivership Entities (collectively, the “Claims Registers”);
 - f. provide public access to the Claims Registers including complete proofs of claim with attachments, if any, without charge; and

g. implement reasonable security measures designed to ensure the completeness and integrity of the Claims Registers and the safekeeping of any proofs of claim.

9. Stretto has provided the Receiver with a proposed engagement agreement a copy of which is attached as Exhibit A. The Receiver requests authority to execute the engagement agreement and to pay Stretto on an ongoing basis.

PROPOSED NOTICING AND CLAIMS PROCESS

10. The Receiver, through Stretto, proposes to serve the proposed Legal Notice and Proof of Claim Form attached hereto as Exhibit B and Exhibit C, respectively, (collectively, the “Claims Package”) by email to all known creditors in accordance with the Notice Procedures Order. The Receiver and Stretto will also make the Claims Package available to download electronically. For any known creditors that only have a physical mailing address on record with the Receivership Entities, Receiver will mail them the Claims Package by U.S. Mail. Additionally, upon request from any party that believes it may be a creditor of the Receivership Estates, the Receiver will provide an electronic copy of the Claims Package.

11. The Legal Notice will apprise the potential claimants of how the claims process was created, who is eligible to submit a claim in order to ultimately receive a monetary distribution from the receivership estates, the process by which eligible claimants can submit a claim, and the process by how the Receiver and the Court will assess which claims are allowed for payment.

12. The Proof of Claim Form will ask claimants to provide, among other things, (a) the nature of the claim; (b) a copy of the agreement or other document evidencing or giving rise to the claim; (c) the amount of the asserted claim; (d) the payment history regarding the claim; and (e) which of the Receivership Entities the claim is asserted against. The Proof of Claim Form will also require the claimant to certify the accuracy of the information provided.

13. The Receiver proposes that claims process proceed in accordance with the following schedule:

- a. Deadline for Service of Claims Package. Within 14 days of the entry of an Order granting this Motion, the Receiver (or Stretto on behalf of the Receiver) shall send the Claims Package to known creditors of the Receivership Estates via U.S. Mail or email. The Receiver shall file a certificate of service with the Court upon completion of service.
- b. Claims Deadline. Claimants shall have 60 days from the service of the Claims package to return a completed Proof of Claim to the Receiver (the "Claims Deadline"). Any completed Proof of Claim Form returned or postmarked after the Claims Deadline shall be allowed only upon good cause shown.

14. After analysis of the claims, the Receiver will propose a Distribution Plan subject to Court approval.

MEMORANDUM OF LAW

The Court's power to supervise an equity receivership and to determine the appropriate actions to be taken in the administration of the receivership is extremely broad. *City of Kissimmee v. Dept of Envtl. Regulation*, 753 So. 2d 770, 772 (Fla. 5th DCA 2000) ("It is well established that the court which appoints a receiver may issue orders as are necessary and proper for the property and interests of those concerned."); *Murtha v. Steijskal*, 232 So. 2d 53, 55 (Fla. 4th DCA 1970) ("[P]ossession by the court of the res gives jurisdiction over the res to the court appointing the receiver and gives such court power to determine all questions concerning the ownership and disposition of the property."); *see also SEC v. Elliott*, 953 F.2d 1560, 1566 (11th Cir. 1992). The Court's wide discretion derives from the inherent powers of an equity court to fashion relief. Elliott,

Id., 953 F.2d at 1566; *SEC v. Safety Finance Service, Inc.*, 674 F.2d 368, 372 (5th Cir. 1982). The relief sought by the Receiver falls squarely within those powers.

Claimants in receivership proceedings submit themselves to the jurisdiction of the court and must take notice of and are bound by subsequent proceedings. *Studstill's Estate v. Am. Package Co.*, 218 So. 2d 769, 771 (Fla. 4th DCA 1969). In receivership proceedings, "[e]very person who has any claim or demand against the estate or property in the custody of the court through the receiver, ... must assert such claim or demand in the court in which such receiver was appointed." Ralph E. Clark, *Clark on Receivers* § 646, at 1132 (3rd ed.1992). The Court may adjudicate disputed claims and determine which claims are entitled to share in distribution. *See Columbia Bank for Cooperatives v. Okeelanta Sugar Co-op.*, 52 So. 670-673 (Fla. 1951). 2d 670, 673-74 (Fla. 1951). The Court may also set reasonable limits on the time within which claims may be presented. *See S.E.C. v. Onix Capital, LLC*, 2018 WL 1124435 (S.D. Fla. 2018) ("among these broad powers is the power to establish proof of claim procedures and set an effective claims bar date") (citations omitted). An order limiting the time within which claims must be submitted has been deemed to be necessary to "lay the foundation for the court to order payments to creditors and distribution to those entitled to receive." *Clark on Receivers* § 651, at 1142.

WHEREFORE, the Receiver requests that the Court enter an Order (a) authorizing the retention of Stretto as the noticing and claims agent; (b) approving the claims process, including the Claims Package and notice procedures set forth herein; and (c) granting such further relief as is just and proper.

HOFFMAN, LARIN & AGNETTI, P.A.
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Miami, Florida 33162
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Email: mshoffman@hlalaw.com

By: s/ Michael Hoffman
Michael Hoffman, Esq.
Florida Bar No. 41164

Exhibit "A"

Services Agreement

This Services Agreement (this "**Agreement**") is entered into as of [Date] between Stretto, Inc. ("**Stretto**") and Seth Heller as Court appointed receiver (the "**Receiver**") in the case styled *Peretz Mockin, et al. v. Priority Capital Solutions, et al.* pending in the 11th Judicial Circuit in and for Miami-Dade County, Florida (Case No. 2023-023172-CA-01) (the "**Action**").

In consideration of the promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Services

- (a) Stretto agrees to provide the Receiver with consulting services regarding (i) legal noticing and maintenance of claims registers, creditor mailing matrices, an electronic platform for filing claims and supporting documents, and claim noticing, claim responses and disputes, disbursements, and administrative support in preparation of notices, claims, and schedules; and (ii) crisis communications, claims analysis and reconciliation, contract review and analysis, case research, public securities, depository management, treasury services, confidential online workspaces or data rooms (publication to which shall not violate the confidentiality provisions of this Agreement), and any other services agreed upon by the parties or otherwise required by applicable law, governmental regulations or court rules or orders (all such services collectively, the "**Services**").
- (b) The Receiver acknowledges and agrees that Stretto will often take direction from the Receiver's representatives, employees, agents and/or professionals (collectively, the "**Receiver Parties**") with respect to providing Services hereunder. The parties agree that Stretto may rely upon, and the Receiver agrees to be bound by, any requests, advice or information provided by the Receiver Parties to the same extent as if such requests, advice or information were provided by the Receiver.
- (c) The Receiver agrees and understands that Stretto shall not provide the Receiver or any other party with legal advice.

2. Rates, Expenses and Payment

- (a) Stretto will provide the Services on an as-needed basis and upon request or agreement of the Receiver, in each case in accordance with Stretto's Rate Structure. The Receiver agrees to pay for reasonable out of pocket expenses incurred by Stretto in connection with providing Services hereunder.
- (b) Stretto will bill the Receiver no less frequently than monthly. Where an expense or group of expenses to be incurred is expected to exceed \$10,000 (e.g., publication notice), Stretto may require advance or direct payment from the Receiver before the performance of Services hereunder. If any amount is unpaid as of 30 days after delivery of an invoice, the Receiver agrees to pay a late charge equal to 1.5% of the total amount unpaid every 30 days.
- (c) In the case of a dispute with respect to an invoice amount, the Receiver shall provide a detailed written notice of such dispute to Stretto within 10 days of receipt of the invoice.
- (d) The undisputed portion of the invoice will remain due and payable immediately upon entry of an order granting Stretto's fee application and the expiration of any applicable objection period under applicable Local Rules. Late charges shall not accrue on any amounts disputed in good faith.
- (e) The Receiver shall pay any fees and expenses for Services relating to, arising out of or resulting from any error or omission made by the Receiver or the Receiver Parties.

- (f) The Receiver shall pay or reimburse any taxes that are applicable to Services performed hereunder or that are measured by payments made hereunder and are required to be collected by Stretto or paid by Stretto to a taxing authority.
- (g) [Intentionally Omitted]
- (h) Stretto reserves the right to make reasonable increases to the Rate Structure on a periodic basis. If any such increase represents an increase greater than 10% from the previously effective level, Stretto shall provide 30 days' notice to the Receiver of such increase.
- (i) Payments to Stretto under the terms of this Agreement for services rendered, may be remitted by Receiver using either (or both) of the following methods:

Wire Transmission

Bank Name – Banc of California
Bank Address – 110 West A Street, Suite 100, San Diego, CA 92101
ABA – 122238200
Account Number – [Redcted]
Account Name – Stretto, Inc.

Check

Stretto
Attn: Accounts Receivable
410 Exchange, Suite 100
Irvine, CA 92602

3. Retention in Bankruptcy Case

- (a) If the Receiver commences a case pursuant to title 11 of the United States Code (the “**Bankruptcy Code**”), the Receiver promptly shall file any necessary application with the Bankruptcy Court to retain Stretto to provide the Services. The form and substance of such applications and any order approving them shall be reasonably acceptable to Stretto.
- (b) If the Receiver seeks authorization in a chapter 11 case to obtain postpetition financing, including debtor-in-possession loans or use of cash collateral, the Receiver shall include Stretto’s fees and expenses incurred hereunder in any professional compensation carve-out.
- (c) If any Receiver chapter 11 case converts to a case under chapter 7 of the Bankruptcy Code, Stretto will continue to be paid for Services pursuant to 28 U.S.C. § 156(c) and the terms hereunder.

4. Confidentiality

- (a) The Receiver and Stretto agree to keep confidential all non-public records, systems, procedures, software and other information received from the other party in connection with the Services provided hereunder; provided, however, that if any such information was publicly available, already in the receiving party’s possession or known to it, independently developed by the receiving party, lawfully obtained by the receiving party from a third party or required to be disclosed by law, then the receiving party shall bear no responsibility for publicly disclosing such information.
- (b) If either party reasonably believes that it is required to disclose any confidential information pursuant to an order from a governmental authority, (i) such party shall provide written notice to the other party promptly after receiving such order, to allow the other party sufficient time, if possible, to seek any remedy available under applicable law to prevent disclosure of the information; and (ii) such party will limit such disclosure to the extent such party’s counsel in good faith determines such disclosure can be limited.

5. Property Rights

Stretto reserves to itself and its agents all property rights in and to all materials, concepts, creations, inventions, works of authorship, improvements, designs, innovations, ideas, discoveries, know-how, techniques, programs, systems, specifications, applications, processes, routines, manuals, documentation and any other information or property (collectively, “**Property**”) furnished by Stretto for itself or for use by the Receiver hereunder. The foregoing definition of Property shall include any and all data, from any source, downloaded, stored and maintained by Stretto’s technology infrastructure. Fees and expenses paid by the Receiver do not vest in the Receiver any rights in such Property. Such Property is only being made available for the Receiver’s use during and in connection with the Services provided by Stretto hereunder.

6. Bank Accounts

At the request of the Receiver or the Receiver Parties, Stretto shall be authorized to establish accounts with financial institutions in the name of and as agent for the Receiver to facilitate cash management and distributions pursuant to a Court-approved plan of distribution or other transaction. To the extent that certain financial products are provided to the Receiver pursuant to Stretto’s agreement with financial institutions, Stretto may receive compensation from such institutions for the services Stretto provides pursuant to such agreement.

7. Term and Termination

- (a) This Agreement shall remain in effect until terminated by either party: (i) on 30 days’ prior written notice to other party; or (ii) immediately upon written notice for Cause (as defined herein). “**Cause**” means (i) gross negligence or willful misconduct of Stretto that causes material harm to the Receiver’s duties under the Receiver Order, (ii) the failure of the Receiver to pay Stretto invoices for more than 60 days from the date of entry of an order granting Stretto’s fee application and the expiration of any applicable objection period under applicable Local Rules, or (iii) the accrual of invoices or unpaid Services in excess of the advance held by Stretto where Stretto reasonably believes it likely will not be paid.
- (b) If this Agreement is terminated after Stretto is retained pursuant to Court order in the Action, the Receiver promptly shall seek entry of a Court order discharging Stretto of its duties under such retention, which order shall be in form and substance reasonably acceptable to Stretto.
- (c) If this Agreement is terminated, the Receiver shall remain liable for all amounts then accrued and/or due and owing to Stretto hereunder.
- (d) If this Agreement is terminated, Stretto shall coordinate with the Receiver and, to the extent applicable, the clerk of the Court, to maintain an orderly transfer of record keeping functions, and Stretto shall provide the necessary staff, services and assistance required for such an orderly transfer. The Receiver agrees to pay for such Services pursuant to the Rate Structure.

8. No Representations or Warranties

Stretto makes no representations or warranties, express or implied, regarding the services and products sold or licensed to the Receiver hereunder or otherwise with respect to this Agreement, including, without limitation, any express or implied warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity. Notwithstanding the foregoing, if the above disclaimer is not enforceable under applicable law, such disclaimer will be construed by limiting it so as to be enforceable to the extent compatible with applicable law.

9. Indemnification

- (a) To the fullest extent permitted by applicable law, the Receiver shall indemnify and hold harmless Stretto and its members, directors, officers, employees, representatives, affiliates, consultants, subcontractors and agents (collectively, the “**Indemnified Parties**”) from and against any and all losses, claims, damages, judgments, liabilities and expenses, whether direct or indirect (including, without limitation, counsel fees and expenses) (collectively, “**Losses**”) resulting from, arising out of or related to Stretto’s performance hereunder. Without limiting the generality of the foregoing, Losses include any liabilities resulting from claims by any third parties against any Indemnified Party.
- (b) Stretto and the Receiver shall notify each other in writing promptly upon the assertion, threat or commencement of any claim, action, investigation or proceeding that either party becomes aware of with respect to the Services provided hereunder.
- (c) The Receiver’s indemnification of Stretto hereunder shall exclude Losses resulting from Stretto’s negligence, willful misconduct, or failure to comply with the terms of this Agreement or Court order entered in the Action.
- (d) The Receiver’s indemnification obligations hereunder shall survive the termination of this Agreement.

10. Limitations of Liability

Except as expressly provided herein, Stretto’s liability to the Receiver for any Losses, unless due to Stretto’s negligence, willful misconduct, or failure to comply with the terms of this Agreement or Court order entered in the Action, shall be limited to the total amount paid by the Receiver to Stretto for the portion of the particular work that gave rise to the alleged Loss. In no event shall Stretto be liable for any indirect, special or consequential damages (such as loss of anticipated profits or other economic loss) in connection with or arising out of the Services provided hereunder.

11. Receiver Data

- (a) The Receiver is responsible for, and Stretto does not verify, the accuracy of the programs, data and other information it or any Receiver Party submits for processing to Stretto and for the output of such information, including, without limitation, with respect to preparation of notices, schedules, and claims (collectively, “**Notices**”). Stretto bears no responsibility for the accuracy and content of the Notices, and the Receiver is deemed hereunder to have approved and reviewed all Notices filed or served on its behalf.
- (b) The Receiver agrees, represents, and warrants to Stretto that before delivery of any information to Stretto: (i) the Receiver has full authority to deliver such information to Stretto; (ii) it has complied with all applicable data protection laws in the collection and retention of personal data (including providing any required notices and/or disclosures to data subjects, consumers, or other necessary parties); and (iii) Stretto is authorized to use such information to perform Services hereunder and as otherwise set forth in this Agreement.
- (c) The Receiver also agrees and represents that, before delivery of any information to Stretto that is personal data subject to the GDPR or other data protection laws, Receiver shall notify Stretto of the impending delivery and request any modification to this Agreement that Receiver believes may be required by the applicable data protection laws with respect to that personal data. For the avoidance of doubt, Stretto shall not be required to comply with data protection laws and regulations unless and until they take effect during the term of the Agreement and are applicable to the information Receiver delivers to Stretto. Personal data shall have the meaning assigned to the terms “personal data” and/or “personal information” under the applicable data protection laws.

- (d) If Receiver notifies Stretto of the applicability of the GDPR to personal data delivered pursuant to this Agreement, the parties agree that the Agreement shall be subject to the terms set forth in the GDPR Addendum attached hereto as **Exhibit A** and incorporated herein in its entirety by reference.
- (e) Any data, storage media, programs or other materials furnished to Stretto by the Receiver may be retained by Stretto until the Services provided hereunder are paid in full. The Receiver shall remain liable for all fees and expenses incurred by Stretto under this Agreement as a result of data, storage media or other materials maintained, stored, or disposed of by Stretto. Any such disposal shall be in a manner requested by or acceptable to the Receiver; provided that if the Receiver has not utilized Stretto's Services for a period of 90 days or more, Stretto may dispose of any such materials in a manner to be determined in Stretto's sole reasonable discretion, and be reimbursed by the Receiver for the expense of such disposition, after giving the Receiver 30 days' notice. The Receiver agrees to initiate and maintain backup files that would allow the Receiver to regenerate or duplicate all programs, data, or information provided by the Receiver to Stretto.
- (f) Stretto and the Receiver agree that this Agreement is subject to the terms set forth in the GDPR Addendum attached hereto as **Exhibit A**, which are incorporated herein by reference.
- (g) Notwithstanding the foregoing, if Stretto is retained pursuant to Court order, disposal of any Receiver data, storage media or other materials shall comply with any applicable court orders and rules or clerk's office instructions.

12. California Consumer Privacy Act.

- (a) Definitions. In this Section 12,
 - (i) "**CCPA**" means the California Consumer Privacy Act of 2018, including amendments and final regulations;
 - (ii) "**Personal Information**" has the same meaning given to such term under section 1798.140 of the CCPA and is limited to Personal Information contained in any Receiver data provided to Stretto by the Receiver in order for Stretto to provide Services under this Agreement; and
 - (iii) "**Commercial Purposes**", "**Sell**", "**Share**", "**Business**", and "**Service Provider**" have the same meanings assigned to them in section 1798.140 of the CCPA.
- (b) Relationship Between the Parties. To the extent the Receiver is considered a Business under the CCPA, and subject to the terms of this Section 12, Stretto will act solely as Receiver's Service Provider with respect to Personal Information.
- (c) Restrictions. Stretto will not: (i) Sell or Share Personal Information, (ii) retain, use, or disclose Personal Information for any purpose other than for the specific purpose of performing the Services specified in this Agreement, including retaining, using, or disclosing Personal Information for any Commercial Purpose other than providing the Services specified in this Agreement unless otherwise permitted under the CCPA; (iii) retain, use, or disclose the Personal Information outside the direct business relationship between Stretto and the Receiver; or (iv) combine the Personal Information that Stretto receives from, or on behalf of, the Receiver with Personal Information that it receives from, or on behalf of, another person or persons, or collects from its own interaction with a consumer, except as permitted by CCPA.

13. Non-Solicitation

The Receiver agrees that neither it nor any of its subsidiaries or affiliates shall directly or indirectly solicit for employment, employ or otherwise retain as employees, consultants or otherwise, any

employees of Stretto during the term of this Agreement and for a period of 12 months after termination thereof unless Stretto provides prior written consent to such solicitation or retention.

14. Force Majeure

Whenever performance by Stretto of any of its obligations hereunder is materially prevented or impacted by reason of any act of God, government requirement, strike, lock-out or other industrial or transportation disturbance, fire, flood, epidemic, lack of materials, law, regulation or ordinance, act of terrorism, war or war condition, or by reason of any other matter beyond Stretto's reasonable control, then such performance shall be excused.

15. Choice of Law

The validity, enforceability and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

16. Arbitration

Any dispute arising out of or relating to this Agreement or the breach thereof shall be finally resolved before the Court in the Action.

17. Integration; Severability; Modifications; Assignment

- (a) Each party acknowledges that it has read this Agreement, understands it and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings, agreements and communications between the parties relating to the subject matter hereof.
- (b) If any provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.
- (c) This Agreement may be modified only by a writing duly executed by an authorized representative of the Receiver and an officer of Stretto.
- (d) This Agreement and the rights and duties hereunder shall not be assignable by the parties hereto except upon written consent of the other; provided, however, that Stretto may assign this Agreement to a wholly-owned subsidiary or affiliate without the Receiver's consent.

18. Electronic Signatures; Effectiveness of Counterparts

This Agreement may be executed with electronic signatures using DocuSign or a similar service that provides a complete, automated history of the sending and signing, including key event timestamps. If the Parties execute this Agreement electronically, they agree that their electronic signatures are the legally binding equivalent to their handwritten signatures. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which shall constitute one and the same agreement. This Agreement will become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, which delivery may be made by exchange of copies of the signature page by fax or email.

19. Notices

All notices and requests in connection with this Agreement shall be sufficiently given or made if given or made in writing via hand delivery, overnight courier, U.S. Mail (postage prepaid) or email, and addressed as follows:

If to Stretto: Stretto
410 Exchange, Ste. 100
Irvine, CA 92602
Attn: Sheryl Betance
Tel: 714.716.1872
Email: sheryl.betance@stretto.com

If to the Receiver: Seth Heller
5504 Estate Oak Circle
Fort Lauderdale, FL 33312
sheller@hellerandcompany.com

With a copy to: Michael S. Hoffman, Esq.
909 N. Miami Beach Blvd. #201
North Miami Beach, FL 33162
mshoffman@hlalaw.com

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the date first above written.

STRETTO, INC.

By:

Title:

[RECEIVER]

By:

Title:

Exhibit A

GDPR Addendum

This GDPR Addendum is a part of the Services Agreement (the “**Agreement**”) by and between Stretto (the “**Processor**”) and the Receiver (together, the “**Parties**”) only if Receiver notifies Processor in advance of processing relevant data that such data is subject to the GDPR pursuant to Paragraphs 11(c) and 11(d) of the Agreement¹.

RECITALS

WHEREAS,

- (A) The Processor and the Receiver have agreed to the following terms regarding the Processing of Receiver Personal Data.
- (B) The Receiver acts as a Controller of the Receiver Personal Data.
- (C) The Receiver wishes to subcontract certain Services, pursuant to the Agreement, which imply and require the processing of personal data, to the Processor.
- (D) The Receiver instructs the Processor to process Receiver Personal Data.
- (E) The Parties seek to implement a data processing agreement that complies with the requirements of the current legal framework in relation to data processing and with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation or “**GDPR**”).

NOW THEREFORE, the Receiver and the Processor agree as follows:

1. **Definitions.** The parties agree that the following terms, when used in this GDPR Addendum, shall have the following meanings.
 - (a) “**Addendum**” shall mean this GDPR Addendum;
 - (b) “**Data Protection Laws**” means EU Directive 95/46/EC, as transposed into domestic legislation of each Member State and as amended, replaced or superseded from time to time, including by the GDPR and laws implementing or supplementing the GDPR;
 - (c) “**Receiver Personal Data**” means any Personal Data Processed by the Processor or a Subprocessor on behalf of the Receiver pursuant to or in connection with the Agreement, and may include, for example, Personal Data of Receiver’s employees, clients, customers, creditors, equity interest holders, or counter-parties;

¹ Capitalized terms utilized but not defined in the GDPR Addendum have the meanings ascribed to them in the Agreement.

- (d) **“Services”** means the services the Processor provides to the Receiver pursuant to the Agreement;
- (e) **“Subprocessor”** means any person appointed by or on behalf the Processor to process Personal Data on behalf of the Receiver in connection with the Agreement;
- (f) **“Technical and organizational security measures”** means those measures aimed at protecting Personal Data against accidental or unlawful destruction or accidental loss, alteration, unauthorized disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing;
- (g) The terms **“Commission”**, **“Controller”**, **“Data Subject”**, **“Member State”**, **“Personal Data”**, **“Personal Data Breach”**, **“Processor”**, **“Processing”**, **“Special Categories of Personal Data”**, and **“Supervisory Authority”** shall have the same meaning as in the GDPR, and their derivative terms shall be construed accordingly.

2. **Obligations of the Receiver.** The Receiver agrees and warrants:

- (a) that the Processing, including the transfer itself, of the Receiver Personal Data has been and will continue to be carried out in accordance with the relevant provisions of the applicable Data Protection Laws (and, where applicable, has been notified to the relevant authorities of the Member State);
- (b) that it has instructed and throughout the duration of the Services will instruct the Processor to process the Receiver Personal Data transferred only on the Receiver’s behalf and in accordance with the applicable Data Protection Laws, the Agreement, and this Addendum;
- (c) that the Processor will implement appropriate technical and organizational security measures with respect to the Personal Data;
- (d) that after assessment of the requirements of the applicable Data Protection Laws, the technical and organizational security measures implemented by Processor are appropriate to protect the Receiver Personal Data against accidental or unlawful destruction or accidental loss, alteration, unauthorized disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing, and that these measures ensure a level of security appropriate to the risks presented by the processing and the nature of the data to be protected having regard to the state of the art and the cost of their implementation;
- (e) that it will ensure compliance with the technical and organizational security measures; and
- (f) that the Receiver Personal Data transferred to Processor does not include or involve any special categories of data, as defined by Article 9 of the GDPR.

3. **Obligations of the Processor.** The Processor agrees:

- (a) to comply with the Data Protection Laws;
- (b) to process the Receiver Personal Data only on behalf of the Receiver and in compliance with the Receiver's instructions and this Addendum unless required to do so by Data Protection Laws to which Processor is subject; in such a case, the Processor shall inform the Receiver of that legal requirement before processing, unless that law prohibits such information on important grounds of public interest; if Processor cannot comply with the Receiver's instructions, it agrees to inform promptly the Receiver of its inability to comply with such instructions, in which case the Parties shall work together in good faith to resolve Processor's inability to process Personal Data pursuant to the Receiver's instructions for no less than thirty (30) days, and failing resolution, Receiver is entitled to suspend the processing of Personal Data and/or terminate the Agreement;
- (c) that it has implemented reasonable and appropriate technical and organizational security measures before processing the Receiver Personal Data;
- (d) that it will promptly notify the Receiver about:
 - (i) any legally binding request for disclosure of the Receiver Personal Data required by law, subpoena, warrant, court order, government agency, or law enforcement unless otherwise prohibited by law, subpoena, warrant, court order, government agency, or law enforcement;
 - (ii) any Personal Data Breach ; and
 - (iii) any request received directly from any Data Subject and shall not otherwise respond to such request, unless required by Data Protection Laws;
- (e) to respond promptly to reasonable inquiries from the Receiver relating to Processor's processing of the Receiver Personal Data and to abide by the advice of the supervisory authority with regard to the Processing of the Receiver Personal Data;
- (f) to treat all confidential information and/or Receiver Personal Data received by Receiver in accordance with the confidentiality provisions in the Agreement. Any Subprocessor authorized by Processor or the Receiver shall contractually agree to maintain the confidentiality of such information or be under an appropriate statutory obligation of confidentiality; and
- (g) that it shall have the Receiver's authorization to use Sub-processors from an agreed list and shall specifically inform the Receiver in writing of any intended changes to that list through the addition or replacement of Sub-processors at least thirty (30) days in advance, thereby giving Receiver sufficient time to be able to object to such changes prior to the engagement of the Sub-processor(s). The data importer shall provide the data exporter with the information necessary to enable the data exporter to exercise its right to object.

4. **Obligations after Termination of Personal Data Processing Services.**

- (a) The Parties agree that within 10 business days of the termination of the Agreement or provision of Services, the Processor and any Subprocessor shall, at the choice of the Receiver, return all Receiver Personal Data and the copies thereof to the Receiver or shall destroy all the Receiver Personal Data and notify the Receiver that it has done so, unless prohibited by applicable law, subpoena, warrant, court order, government agency, or law enforcement. In that case, the Processor will abide by the confidentiality provisions in the Agreement and will not further process the Receiver Personal Data.
- (b) The Processor and any Subprocessor warrant that upon request of the Receiver and/or of the supervisory authority, it will submit its data-processing facilities for an audit of the technical and organizational security measures.

5. **Notices.**

- (a) All notices and communications given under this Addendum must be delivered as provided for by the Agreement.

Remainder of page is intentionally blank.

Exhibit "B"

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT IN AND FOR MIAMI
DADE COUNTY, FLORIDA

PERETZ MOCKIN, an individual, ISRAEL
MOGILEVSKY, an Individual, SC EVENTS INC.,
a Florida Corporation,

CASE NO.: 2023-023172-CA-01

Plaintiffs,

vs.

PRIORITY CAPITAL SOLUTIONS, INC., a
Florida Corporation, KIT HOLDINGS INC., a
Florida Corporation, BROAD CAPITAL
SOLUTIONS, LLC, a Florida Limited Liability
Company, USD FUNDING LLC, a Florida
Limited Liability Company, ISRAEL TZIVIN, an
Individual, and KATHERINE LAIRD
WILLIAMS, an Individual,

Defendants.

NOTICE OF CLAIMS BAR DATE AND PROCEDURES FOR SUBMITTING A PROOF OF CLAIM

TO: ALL CLAIMANTS AND ADMINISTRATIVE CLAIMANTS OF THE RECEIVERSHIP ENTITIES

PLEASE TAKE NOTICE OF THE FOLLOWING:¹

On [Date] the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida (the "Court") entered an Order in the above-captioned case (the "Bar Date Order") establishing [Date] (prevailing Eastern Time) as the deadline (the "Claims Bar Date") for Claimants and Administrative Claimants to submit a completed and signed Proof of Claim Form under penalty of perjury, together with supporting documentation (a "Proof of Claim"), against the Receivership Entities in the above-captioned case.²

1. WHAT IS THE CLAIMS BAR DATE?

The Claims Bar Date is the date by which the individuals and entities described below must submit a Proof of Claim with the Receiver's Claims Agent in the manner indicated below. The Claims Bar Date is [Date] (prevailing Eastern Time). Proofs of Claim, together with supporting

¹ Capitalized terms shall have the meaning as defined herein or, if not defined herein, as set forth in the Receiver's Motion to (a) Authorize the Employment of Stretto, Inc. as Noticing and Claims Agent; and (b) Approve the Proposed Noticing and Claims Process.

² The Receivership Entities are Priority Capital Solutions, Inc., KIT Holdings, Inc. Broad Capital Solutions, LLC and USD Funding, LLC.

documentation, must be timely submitted to either (a) via the Receiver's electronic claims portal at [] or by completing the Proof of Claim Form and sending it via U.S. mail to [Address] or email to [Address]. If sent by mail, the Proof of Claim must be postmarked no later than the Claims Bar Date.

Please note that any Proof of Claim not timely submitted or in the proper form will be subject to disallowance, which means you would not be eligible to receive any distribution from a Court-approved distribution plan.

2. WHO NEEDS TO SUBMIT A PROOF OF CLAIM?

Except as expressly set forth below, ALL individuals and entities (including, without limitation, partnerships, corporations, joint ventures, estates, trusts, and governmental units or authorities) that believe they possess a potential or claimed right to payment, or a potential claim of any nature, against any of the Receivership Entities and believe that they are owed money by, or are entitled to a distribution from the estate created by this legal proceeding (the "Receivership Estate") must submit a Proof of Claim (each a "Claimant").

This notice is being sent to many individuals and entities that have had some relationship or have done business with the Receivership Entities. The fact that you have received this notice does not necessarily mean that you are a Claimant, that you have a valid Claim, or that the Court or the Receiver believes you have a Claim against one of the Receivership Entities or the Receivership Estate.

3. WHAT ARE THE CONSEQUENCES OF NOT TIMELY AND PROPERLY SUBMITTING A PROOF OF CLAIM?

ANY CLAIMANT WHO IS REQUIRED TO SUBMIT A PROOF OF CLAIM, BUT THAT FAILS TO DO SO IN A TIMELY MANNER OR IN THE PROPER FORM, SHALL (a) BE FOREVER BARRED, ESTOPPED, AND ENJOINED TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW FROM ASSERTING, IN ANY MANNER, SUCH CLAIM AGAINST (i) ANY RECEIVERSHIP ENTITY, (ii) THE RECEIVERSHIP ESTATE OR ITS ASSETS, AND (b) SHALL NOT RECEIVE ANY DISTRIBUTION FROM OR HAVE STANDING TO OBJECT TO ANY DISTRIBUTION PLAN PROPOSED BY THE RECEIVER. FURTHER, THE RECEIVER SHALL HAVE NO FURTHER OBLIGATION TO PROVIDE ANY NOTICES TO YOU ON ACCOUNT OF SUCH CLAIM AND THE RECEIVERSHIP ESTATE IS DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH CLAIM.

4. WHERE CAN I GET A COPY OF THE PROOF OF CLAIM FORM?

For your convenience, enclosed with this notice is a Proof of Claim Form. Copies of this Notice of Claims Bar Date and the Proof of Claim Form can also be obtained by emailing [Address].

5. SUPPORTING DOCUMENTS

Each submitted Proof of Claim shall include and attach documents that support the Proof of Claim. Such documentation may include, but is not limited to: copies of personal checks, cashier's checks, wire transfer advices; account statements and other documents evidencing the investment or payment of funds; any written contract or agreement made in connection with any investment in or with any Receivership Entity; a chronological accounting of all money received by the Claimant from any Receivership Entity, whether such payments are denominated as the return of principal, interest, commissions, or otherwise; copies of all documentation and records reflecting or regarding any withdrawals ever made by or payments received by the Claimant from any Receivership Entity, Israel Tzivin or any entity affiliated with Israel Tzivin, copies of all agreements, promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, or evidence of perfection of lien; and other documents evidencing the amount and basis of the Proof of Claim.

DO NOT SEND ORIGINAL DOCUMENTS. If such documentation is not available, please attach an explanation of why the documents are not available

It is the responsibility of Claimants, Administrative Claimants and other interested parties to keep the Receiver apprised with a current email and mailing address in order to receive notices or other communication from the Receiver or the Receivership Estate. Any change in address or email address shall be sent to [Address].

Each Proof of Claim will have to satisfy certain minimum standards in order to establish a Claim and be eligible to receive a distribution pursuant to a Court approved distribution plan. Accordingly, the more directly relevant information a Proof of Claim provides, the easier it will be for the Receiver to validate the Proof of Claim.

6. REQUESTS FOR ADDITIONAL INFORMATION AND NOTICES OF DEFICIENCY

If after receiving a Proof of Claim the Receiver determines that he needs additional information to process a Claim, the Receiver or his Claims Agent may contact you by telephone, mail, or email to request such additional information.

7. COOPERATION

The Court has directed all parties to cooperate with the Receiver to the maximum extent possible to achieve swift resolution of disputes concerning Claims without the need for a determination by the Court.

8. CONSENT TO JURISDICTION

By submitting your Proof of Claim Form, you consent to the jurisdiction of the Circuit Court of the Eleventh Judicial Circuit in and for Miami-Dade County, Florida for all purposes and agree to be bound by its decisions, including, without limitation, a determination as to the validity and amount of any Claims asserted against the Receivership Entities. In submitting your Proof of

Claim Form, you agree to be bound by the actions of the Circuit Court even if that means your Claim is limited or denied.

9. RESERVATION OF RIGHTS

The Receiver reserves the right to dispute, or assert offsets or defenses as to the extent, validity, priority, or otherwise against, any amounts asserted in any Proof of Claim, including but not limited to the manner in which accounts will be aggregated and treated under a Court-approved distribution plan. Nothing set forth in this notice or the Proof of Claim shall preclude the Receiver from objecting to any Proof of Claim, on any grounds. Subject to the approval of the Court, the Receiver retains the sole and absolute right to propose a plan of distribution.

Exhibit "C"

IN THE CIRCUIT COURT OF THE 11TH
JUDICIAL CIRCUIT IN AND FOR MIAMI
DADE COUNTY, FLORIDA

PERETZ MOCKIN, an individual, ISRAEL
MOGILEVSKY, an Individual, SC EVENTS
INC., a Florida Corporation,

CASE NO.: 2023-023172-CA-01

Plaintiffs,

vs.

PRIORITY CAPITAL SOLUTIONS, INC., a
Florida Corporation, KIT HOLDINGS INC., a
Florida Corporation, BROAD CAPITAL
SOLUTIONS, LLC, a Florida Limited
Liability Company, USD FUNDING LLC, a
Florida Limited Liability Company, ISRAEL
TZIVIN, an Individual, and KATHERINE
LAIRD WILLIAMS, an Individual,

Defendants.

PROOF OF CLAIM FORM

Please Type or Print in the Boxes Below

**NOTE: CLAIMS CAN ALSO BE FILED ELECTRONICALLY AT
[WEBSITE]**

FOR RECEIVER'S USE ONLY

Claim No.: _____

Date of Claim: _____

PART I: CLAIMANT IDENTIFICATION

Name	_____
Street Address	_____
City, State and ZIP	_____
Foreign Province, Postal Code and County Name	_____
Telephone Number	_____
Email Address	_____

PART II: CLAIM

<p>Amount of Claim: _____</p> <p>(if your claim is based on equity or other interest(s) and is not subject to specific valuation, please include such information in the "Specific Grounds for Claim" box below)</p> <p>Date(s) Claim Incurred:</p> <p>_____</p>	<p>If your claim is based on an investment with a Receivership Entity, please state:</p> <p>Total Amount Invested: _____</p> <p>Total Payments Received: _____</p>
<p>Please identify, by checking the appropriate box, against which Receivership Entity this claim is asserted:</p> <p>___ Priority Capital Solutions, Inc.</p> <p>___ Kit Holdings, Inc.</p> <p>___ Broad Capital Solutions, Inc.</p> <p>___ USD Funding, Inc.</p> <p>___ Unknown</p>	<p>Secured Claim</p> <p><input type="checkbox"/> Check this box if you contend that your claim is subject to a security interest. Attach copies of all documents that evidence the claim of secured status, including, but not limited to, promissory notes, mortgages, security agreements, and evidence of perfection of lien.</p> <p>Asserted Value of Collateral:</p> <p>_____</p> <p>Description of Collateral:</p> <p>_____</p> <p>_____</p>

Specific Grounds for Claim (Attach separate page if necessary):

Claim Status:

Check this box if you are aware that someone else has filed a Proof of Claim form your Claim. Attach a statement giving particulars if checked.

Check this box if this Proof of Claim amends a previously filed Proof of Claim.

Date of previous filing: _____

INSTRUCTIONS

SUPPORTING DOCUMENTATION: Please attach to your Proof of Claim Form only documents (including copies of emails and other electronic data) that support your Proof of Claim Form. Such documentation may include, but is not limited to: copies of personal checks, cashier's checks, wire transfer advices; account statements and other documents evidencing the investment or payment of funds; any written contract or agreement made in connection with any investment in or with any Receivership Entity; a chronological accounting of all money received by the Claimant from any Receivership Entity, whether such payments are denominated as the return of principal, interest, commissions, or otherwise; copies of all documentation and records reflecting or regarding any withdrawals ever made by or payments received by the Claimant from any Receivership Entity, Israel Tzivin or any entity affiliated with Israel Tzivin, copies of all agreements, promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, or evidence of perfection of lien; and other documents evidencing the amount and basis of the Claim.

DO NOT SEND ORIGINAL DOCUMENTS. If such documentation is not available, please attach an explanation of why the documents are not available.

VERIFICATION OF CLAIMS: All Proof of Claim Forms submitted are subject to verification by the Receiver and approval by the Court. It is important to provide complete and accurate information to facilitate this effort. Claimants must be willing to submit to an interview and may be asked to supply additional information to complete the claims process.

CONSENT TO JURISDICTION: By submitting your Proof of Claim Form, you consent to the jurisdiction of the Circuit Court of the Eleventh Judicial Circuit in and for Miami-Dade County, Florida for all purposes and agree to be bound by its decisions, including, without

limitation, a determination as to the validity and amount of any Claims asserted against the Receivership Entities. In submitting your Proof of Claim Form, you agree to be bound by the actions of the Circuit Court even if that means your Claim is limited or denied.

SUBMISSION: Submit your Proof of Claim Form and supporting documentation to the Receiver: (1) by mail to [Address]; (2) by electronic mail, as an attachment in portable document format (.pdf), to [Email Address].

VERIFICATION UNDER PENALTY OF PERJURY

Pursuant to Section 92.525(2) of the Florida Statutes, under penalty of perjury, I declare that I have read the foregoing Proof of Claim and that the information stated in the Proof of Claim Form and all attachments thereto are true and correct.

Signature

Type or Print Name

Capacity of Person Signing