

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 0:18-cv-61991-BB

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

1 GLOBAL CAPITAL LLC, and  
CARL RUDERMAN,

Defendants, and

1 WEST CAPITAL LLC,  
BRIGHT SMILE FINANCING, LLC,  
BRR BLOCK INC.,  
DIGI SOUTH LLC,  
GANADOR ENTERPRISES, LLC,  
MEDIA PAY LLC  
PAY NOW DIRECT LLC, and  
RUDERMAN FAMILY TRUST,

Relief Defendants.

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**EXPEDITED JOINT MOTION TO APPROVE SETTLEMENT AGREEMENT  
BETWEEN CARL RUDERMAN, JPMORGAN CHASE BANK, N.A., AND RECEIVER**

Third-party JPMorgan Chase Bank, N.A. (“Chase”), Defendant Carl Ruderman (“Ruderman”), and Jon A. Sale, not individually, but solely in his capacity as Court-Appointed Receiver (“Receiver”), jointly move the Court for an order approving a settlement agreement between them, dated February 9, 2022 (“Settlement Agreement”), related to the sale of Ruderman’s condominium located at 20165 N.E. 39th Place, Aventura, Miami-Dade County, FL 33180-3419 (“Condominium”), which sale was approved by the Court on January 12, 2022 at [ECF No. 298].

The Securities and Exchange Commission (“SEC”) and 1 Global Capital, LLC (“1 Global”) do not object to the relief sought herein. The parties state the following in support of this Motion:

**I. BACKGROUND**

a. Sale of the Condominium

On September 15, 2021 the SEC filed a Motion to Lift Remaining Portion of Asset Freeze on Ruderman’s Condominium. [ECF No. 287]. By order dated October 28, 2021, [ECF No. 296], the Court lifted the asset freeze previously imposed against Ruderman’s Condominium and expanded the Court’s Order Appointing Receiver to include the Condominium, providing the Receiver the same authorization and direction with respect to the Condominium as all other assets and entities under Receivership.

On November 12, 2021, Ruderman and Giovanni LiDestri (“Buyer” or “LiDestri”) entered into an “AS IS” Residential Contract For Sale And Purchase (“Real Estate Sale Contract”) for the sale of the Condominium, for a total sale price of \$5,500,000. On November 30, 2021, Ruderman, LiDestri, and the Receiver executed, subject to Court approval, an Amendment (“Amendment”) to the Real Estate Sale Contract. Then, on December 11, 2021, the Ruderman, LiDestri, and the Receiver entered into, subject to Court approval, Addendum No. 2 to Real Estate Sale Contract (“Second Amendment”). The Second Amendment, among other things, reduced the total sale price to \$5,425,000 (“Sale Price”).

On January 12, 2022, the SEC, Ruderman, and the Receiver jointly requested Court approval of the Real Estate Sale Contract, the Amendment, and the Second Amendment. [ECF No. 297]. The Court entered any order on January 13, 2022, approving the sale in accordance with the terms of the Real Estate Sale Contract, the Amendment, and the Second Amendment, and ordering

the proceeds from the sale of the Condominium be held in escrow pending further order of the Court. [ECF No. 298]. This Motion, and the Settlement Agreement that is the subject of the Motion, sets forth the parties' request regarding distribution of proceeds from the sale.

b. Settlement With Chase

Chase is the holder of a promissory note ("Note") and mortgage ("Mortgage") on the Condominium, which it was assigned by the Federal Deposit Insurance Corporation (the "FDIC") acting in its receivership capacity for Washington Mutual Bank f/k/a Washington Mutual Bank FA ("WAMU"). As of February 2022, a total amount of \$4,510,586.78 remains due and owing under the Note and the Mortgage.<sup>1</sup> Chase has represented and warranted that this \$4,510,586.78 is the payoff amount.

The Receiver previously filed an action against Chase styled *Jon Sale, Receiver, v. JP Morgan Chase Bank*, Case Number 19-23565-CV-JEM (the "Lawsuit"), in which the Receiver asserted claims for fraudulent transfer under Chapter 726 of the Florida Statutes and for unjust enrichment based on payments allegedly made by one or more of the Receivership Entities to Chase on the Note and Mortgage (the "Claims"). The Receiver voluntarily dismissed the Lawsuit without prejudice pursuant to a joint stipulation with Chase in March 2020. However, the Receiver indicated his intention to refile the Claims asserted in the Lawsuit.

To avoid the expense and risk of litigating the Claims asserted in the Lawsuit, the parties entered into the Settlement Agreement. A copy of the fully executed Settlement Agreement is attached as **Exhibit A**. The parties seek Court approval of the Settlement Agreement on an expedited basis, for reasons further explained below.

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<sup>1</sup> This includes unpaid principal in the amount of \$3,775,697.47, accrued and unpaid interest in the amount of \$564,743.61, and costs and expenses (including escrow advances and other expenses and corporate advances) in the amount of \$170,145.70.

## II. THE PROPOSED SETTLEMENT AGREEMENT<sup>2</sup>

The proposed Settlement Agreement provides in pertinent part:

- Chase shall reduce the payoff amount for the Note and the Mortgage by \$300,000 (the "Settlement Amount"), resulting in the sum of \$4,210,586.78 as the final payoff at closing of the sale of the Condominium. No additional costs or expenses shall be added to the final payoff amount.
- Chase and Ruderman acknowledge that the Receiver shall obtain the full benefit of the \$300,000 discounted amount pursuant to the Real Estate Sale Contract, the Amendment, and the Second Amendment, in that the first \$300,000 of the net proceeds<sup>3</sup> from the sale shall be distributed to the Receiver.
- The remaining net proceeds from the Condominium sale will be distributed in accordance with the District Court's August 13, 2019 Final Judgment Against Defendant Carl Ruderman (the "Final Judgment"). [ECF No. 225] and further Order of the Court. As further discussed below, pursuant to the Final Judgment, Ruderman is required to disgorge 50% of any equity in the Condominium to the SEC or the SEC's designee. *Id.* at 6.
- The parties agree to mutual releases upon closing of the sale of the Condominium.
- If the sale of the Condominium does not close by February 25, 2022, the Settlement Agreement, including the releases contained herein, shall automatically be null and void.

See Ex. A, ¶¶ 3-4.

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<sup>2</sup> This is only a summary of the settlement terms. Interested parties are advised to review the Settlement Agreement as it sets forth the full settlement terms.

<sup>3</sup> The net proceeds shall be the funds available after the payment of all lien holders, including JP Morgan Chase Bank's mortgage lien, liens, assessments and applicable closing costs.

### **III. RETENTION OF JURISDICTION**

The parties request that the United States District Court for the Southern District of Florida retain jurisdiction to enforce the terms of the Settlement Agreement and decide any other issues arising from the Settlement Agreement. *See* Ex. A, ¶ 14.

### **IV. NECESSITY FOR EXPEDITED RELIEF**

The closing of the sale of the Condominium is scheduled for February 11, 2022. The parties require Court approval of the Settlement Agreement prior to closing, given the contemplated changes to Chase's final payoff at closing, and incorporation of that amount into the closing process. If closing is delayed, Chase may declare the Settlement Agreement null and void or the buyer may seek to avoid the purchase.

For these reasons, the parties believe good cause exists to seek approval of the Settlement Agreement on an expedited basis, consistent with Local Rule 7.1(d)(2).

### **V. ARGUMENT IN SUPPORT OF APPROVAL OF SETTLEMENT AGREEMENT**

The Receiver respectfully submits that the Court should approve the proposed Settlement Agreement because it is in the best interest of the Receivership Estate. The process of reaching the proposed settlement was fair, well-informed, and well-advised by the Receiver's retained professionals.

The ultimate inquiry in assessing a proposed receivership settlement is whether "the proposed settlement is fair." *Sterling v. Stewart*, 158 F. 3d 1199, 1203 (11th Cir. 1998); *see In re Consol. Pinnacle West Sec. Litig./Resolution Trust Corp.-Merabank Litig.*, 51 F. 3d 194, 196-97 (9th Cir. 1995) ("We see no reason to upset the court's conclusion that the settlement process and result were fair."). Determining the fairness of [a] settlement is left to the sound discretion of the trial court." *Sterling*, 158 F. 3d at 1202. In determining fairness, the Court should examine the

following broad array of factors: (1) the likelihood of success on the merits; (2) the range of possible discovery; (3) the point on or below the range of discovery at which settlement is fair, adequate and reasonable; (4) the complexity, expense and duration of litigation; (5) the substance and amount of opposition to the settlement; and (6) the stage of proceedings at which the settlement was achieved. *Sterling*, 158 F. 3d at 1204. *See also SEC v. Princeton Economic Int'l*, 2002 WL 206990, \*2 (S.D.N.Y. 2002) (receivership court should consider “various factors including, inter alia: (1) the probable validity of the claim; (2) the apparent difficulties attending its enforcement through the courts; (3) the collectability of the judgment thereafter; (4) the delay and expenses of the litigation to be incurred; and (5) the amount involved in the compromise”).

For example, the District Court in *Gordon v. Dadante* “analyze[d] the settlement as a whole, under the totality of the circumstances.” 2008 WL 1805787, at \*10 (N.D. Ohio Apr. 18, 2008). The Sixth Circuit affirmed, finding that the district court had fulfilled its responsibilities by engaging in an “independent analysis of the settlement,” as “the district court had extensive knowledge of the claims involved in the case, the valuation of those claims, and the nature of the settlement,” and thus “had more than sufficient information to assess the fairness of the settlement proposed.” 336 Fed. App'x 540, 546-47 (2009). As the district court noted in a later approval proceeding, “the courts must recognize that plans relating to settlement of a receivership are inherently imperfect, “because no proposal can be [perfect],” and the “task at hand, however, is to do justice to the extent possible[.]” *Gordon v. Dadante*, 2010 WL 148131, at \*3 (N.D. Ohio Jan. 11, 2010).

Here, the parties respectfully submit that the Settlement Agreement is a fair, adequate, and reasonable resolution of the Receiver’s causes of action against Chase. In the Lawsuit, the Receiver sought alleged fraudulent transfers from Chase totaling approximately \$1,000,000. Under the

terms of the proposed Settlement Agreement: (a) the Receiver will obtain the \$300,000 discounted off Chase's final payoff amount, which funds as part of the Receivership Estate will ultimately inure to the benefit of defrauded investors; and (b) the SEC will receive disgorgement in an amount representing fifty (50%) percent of the equity interest in the Condominium, or approximately \$500,000, which funds will be distributed benefit of defrauded investors. As such, the Settlement Agreement provides for approximately \$800,000, or approximately an 80% recovery of the funds sought in the Lawsuit, which will ultimately be applied, less administrative costs, for the benefit of defrauded investors. Based on the Receiver's due diligence, the terms of the proposed Settlement Agreement are fair and reasonable, representing a sensible means of assuring a beneficial outcome.

For these reasons, the Receiver believes that the outcome for the Receivership Estate will be better under the Settlement Agreement than it would be if the Receiver was forced to expend fees and costs proceeding with litigation against Chase.

## **VI. OBJECTION PROCEDURE**

As noted above, the determination of the fairness of a settlement is left to the sound discretion of the trial court. *See Sterling*, 158 F. 3d at 1202. Because "the substance and amount of opposition to the settlement" is a factor for the Court's consideration pursuant to the Sterling test, the Receiver respectfully requests that the Court, in exercising its broad discretion, approve the Settlement Agreement as soon as possible, on an expedited basis. The Receiver has already consulted with the parties (the SEC and Ruderman). Defendant Ruderman joins in this Motion, and the SEC does not oppose this Motion. The parties have discussed the Settlement Agreement with 1 Global, the largest creditor of the Receivership Estate, which also does not oppose this Motion.

## VII. CONCLUSION

For the foregoing reasons, the parties respectfully request that the Court: (1) grant this Motion and approve the Settlement Agreement; (2) reserve ruling on the distribution of funds pending further motion from the SEC, the Receiver, and Ruderman, consistent with the Court's Order on January 13, 2022 Order [ECF No. 298]; and (3) grant any further relief the Court deems just and proper.

Respectfully submitted,

NELSON MULLINS BROAD AND CASSEL  
Attorneys for Receiver  
One Biscayne Tower, 21<sup>st</sup> Floor  
2 S. Biscayne Boulevard  
Miami, FL 33131  
Telephone: 305.373.9400  
Facsimile: 305.995.6449

By: /s/ Daniel S. Newman  
Daniel S. Newman  
Florida Bar No. 0962767  
Christopher Cavallo  
Florida Bar No. 0092305



**CERTIFICATE OF SERVICE**

I hereby certify that on February 10, 2022, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing is being served this day on all counsel of record identified on the attached Service List, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel who are not authorized to receive electronically Notices of Electronic Filing.

/s/ Daniel S. Newman

Daniel S. Newman

**SERVICE LIST**

<p><b>SECURITIES AND EXCHANGE COMMISSION</b>                  Miami Regional Office                  801 Brickell Avenue, Suite 1800                  Miami, Florida 33131                  Robert K. Levenson                  Chris Martin                  Senior Trial Counsel                  levensonr@sec.gov                  martinc@sec.gov                  Telephone: 305.982.6300                  Facsimile: 305.536.4154</p>	<p><b>MARCUS NEIMAN &amp; RASHBAUM LLP</b>                  2 South Biscayne Boulevard                  Suite 1750                  Miami, Florida 33131                  Jeff Marcus                  jmarcus@mnrlawfirm.com                  Telephone: 305.400.4262  <i>Attorneys for Defendant Carl Ruderman</i></p>
<p><b>BAKER MCKENZIE LLP</b>                  Paul J. Keenan , Jr.                  1111 Brickell Avenue Suite 1700                  Miami, FL 33131                  305-789-8900                  Email: paul.keenan@bakermckenzie.com  <i>Attorneys for Defendant 1 Global Capital, LLC and                  Relief Defendant 1 West Capital, LLC</i></p>	<p><b>GORDON REES SCULLY MANSUKHANI, LLP</b>                  Joseph A. Sacher                  100 SE Second Street, Suite 3900                  Miami, FL 33131                  jsacher@grsm.com                  Telephone: 305.428.5339  <i>Attorney for Jumbleberry Enterprises USA, Ltd.,                  Jumbleberry Interactive Group, Ltd., and                  Jumbleberry Publishing Group, Ltd.</i></p>

**SETTLEMENT AGREEMENT AND RELEASE**

**THIS SETTLEMENT AGREEMENT AND RELEASE** (the "Agreement") is entered into this 9th day of February, 2022, by and among Jon A. Sale, not individually, but solely in his capacity as the Court-appointed receiver ("Receiver") for (a) Bright Smile Financing, LLC; (b) BRR Block Inc.; (c) Pay Now Direct, LLC; (d) Ganador Enterprises, LLC; (e); Media Pay LLC; (d) the Bright Smile Trust; and (f) the Ruderman Family Trust (collectively, the "Receivership Entities"), as well as for the Condominium Unit (as defined below) (the Receivership Entities, the Condominium Unit as all other assets under the control of the Receiver shall collectively be referred to as the "Receivership Estate"), Carl Ruderman ("Ruderman"), and JPMorgan Chase Bank, N.A. ("Chase"). The Receiver, Ruderman, and Chase are collectively referred to as the "Parties."

**WHEREAS**, Ruderman executed a promissory note in favor of Washington Mutual Bank, FA, a federal association ("WAMU") in the principal amount of \$ 4,875,000.00 dated December 27, 2005 (the "WAMU Note") in connection with a loan from WAMU (the "Loan") to finance the purchase of Unit TS-1 in the Bella Vista Condominium located at 20165 N.E. 39<sup>th</sup> Place, Aventura, Miami-Dade County, FL 33180-3419-(the "Condominium-Unit");

**WHEREAS**, repayment of the Note is secured by a Mortgage executed by Ruderman encumbering the Condominium Unit dated December 27, 2005 [and recorded in the Official Record Book 24205 at page in the Public Records of Miami-Dade County, Florida] (the "WAMU Mortgage");

**WHEREAS**, on or about September 25, 2008, Chase acquired the assets of WAMU, including the WAMU Note, from the Federal Deposit Insurance Corporation (the "FDIC") acting in its receivership capacity for WAMU, and is the holder of the WAMU Note, and by Assignment of Mortgage dated November 21, 2018, and recorded in Official Record Book 31238 at page 3877 of the Public Records of Miami-Dade County, Florida, the FDIC assigned the WAMU Mortgage to Chase (as acquired by Chase from the FDIC, the "WAMU Note" is hereafter collectively referred to as the "Note", and as assigned by the FDIC to Chase, the "WAMU Mortgage" is hereafter collectively referred to as the "Mortgage").

**WHEREAS**, through February 25, 2022, unpaid principal in the amount of \$3,775,697.47, accrued and unpaid interest in the amount of \$564,743.61 and costs and expenses (including escrow advances and other expenses and corporate advances) in the amount of \$170,145.70, for a total amount of \$4,510,586.78, remain due and owing under the Note and the Mortgage;

**WHEREAS**, Judge Beth Bloom of the United States District Court for the Southern District of Florida (the "District Court") appointed the Receiver in *Securities and Exchange Commission vs. 1 Global Capital LLC and Carl Ruderman, et al.* Case No. 0:18-cv-61991-BB (the "SEC Proceeding"), and authorized the Receiver to marshal the assets of the Receivership Entities, investigate the affairs of the Receivership Entities, institute actions to recover funds for the benefit of investors, and enter into agreements as may be reasonable and advisable in discharging the Receiver's duties;

**WHEREAS**, the Receiver filed an action against Chase styled *Jon Sale, Receiver, v. JP Morgan Chase Bank*, Case Number 19-23565-CV-JEM (the "Lawsuit"), in which the Receiver asserted claims for fraudulent transfer under Chapter 726 of the Florida Statutes and for unjust enrichment based on payments allegedly made to Chase on the Note and Mortgage by one or more of the Receivership Entities (the "Claims");

**WHEREAS**, the Lawsuit was voluntarily dismissed without prejudice pursuant to a joint stipulation filed by Chase and the Receiver in the Lawsuit on March 18, 2020;

**WHEREAS**, the Receiver has indicated his intention to refile the Claims asserted in the Lawsuit;

**WHEREAS**, (i) Ruderman, as Seller, and Giovanni LiDestri, as Buyer ("Buyer"), executed an "AS IS" Residential Contract For Sale And Purchase (for the sale and purchase of the Condominium Unit with an effective date of November 12, 2021 (the "Real Estate Sale Contract"), (ii) Ruderman, Buyer, and the Receiver executed, subject to Court approval, an Amendment to Residential Contract For Sale and Purchase (AS IS) Residential Contract For Sale and Purchase dated as of November 30, 2021 (the "Amendment"), and (iii) Ruderman, Buyer and the Receiver executed Addendum No. 2 to the Real Estate Sale Contract with an effective date of December 12, 2021 (the "Second Amendment") (the Real Estate Sale Contract, the Amendment and the Second Amendment shall hereinafter collectively be referred to as the "Condominium Unit Sale Contract");

**WHEREAS**, by order dated January 13, 2022 [ECF No. 298], the District Court approved the Condominium Unit Sale Contract;

**WHEREAS**, Chase represents and warrants that the payoff amount for the Note and the Mortgage and all amounts due and payable in connection with the Loan as of the projected closing date of February 11, 2022 under the Condominium Unit Sale Contract is \$4,510,586.78; and

**WHEREAS**, to avoid the expense and risk of litigating the Claims asserted in the Lawsuit, the Parties hereto are desirous of resolving all disputes between them in connection with the Claims.

**NOW THEREFORE**, in consideration of the premises and mutual promises and covenants contained herein, the Parties agree as follows:

1. **Settlement.** The Parties hereby settle and compromise all claims, disputes, and controversies between them for damages, attorneys' fees, costs, and/or equitable relief, arising from the Claims or the Lawsuit which the Receiver has or may have had against Chase as previously alleged in the Lawsuit or which Chase has or may have had against the Receiver, the Receivership Entities, or the Receivership Estate in connection with or related to the Claims.
2. **Court Approval and Effective Date.** This Agreement is contingent upon and is not effective unless and until it is approved by the District Court and an Order is

entered by the District Court approving this Agreement in its entirety. The Effective Date of this Agreement is defined as the date the Court enters an order approving this Agreement, if such approval is granted.

3. **Settlement Terms.** In consideration and exchange for the settlement and releases contained herein:
  - a. Chase shall reduce the payoff amount of the Note and the Mortgage on the Condominium Unit by \$300,000 (the "Settlement Amount") for the sale and closing authorized by the Court under the Condominium Unit Sale Contract, with no additional costs or expenses added, resulting in the sum of \$4,210,586.78 as full payoff for the Note and the Mortgage at closing of the sale of the Condominium Unit. Chase and Ruderman acknowledge that the Receiver shall obtain the full benefit of the \$300,000 discounted amount pursuant to the Condominium Unit Sale Contract in that the first \$300,000 of the net proceeds from the Condominium Unit Sale shall be distributed to the Receiver. The remaining net proceeds from the Condominium Unit sale will be distributed pursuant to further order of the District Court in accordance with the District Court's August 13, 2019 Final Judgment Against Defendant Carl Ruderman, [ECF No. 225].
  - b. If the sale of the Condominium Unit does not close by February 25, 2022, this Agreement, including the releases contained herein, shall automatically be null and void.
4. **General Releases.**

Upon the closing of the sale of the Condominium Unit pursuant to the Condominium Sale Unit Contract and the Parties receipt of their respective share of the closing proceeds in accordance with the terms of the Condominium Sale Contract and this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, Ruderman and the Receiver, on behalf of the Receivership Entities, their respective beneficiaries, predecessors, subsidiaries, affiliates, current or former agents, shareholders, officers, principals, directors, executives, employees, attorneys, successors, and assigns, do hereby voluntarily and knowingly, unconditionally and absolutely waive, remise, generally release, acquit, satisfy and forever discharge Chase and its predecessors, subsidiaries, affiliates, current or former agents, shareholders, officers, principals, directors, executives, employees, attorneys, insurers, successors and assigns from or concerning any causes of action, claims, complaints, liabilities, suits, debts, dues, sums of money, accounts, indemnities, guarantees, contributions, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, damages, injuries, judgments, executions, claims, expenses, and all other damages now accrued or hereafter to accrue, of any kind or character whatsoever, in connection with or related to the Loan, Note, Mortgage, Condominium Unit or the Claims alleged in the Lawsuit, in any country or jurisdiction whatsoever, in law or in

equity, known or unknown, direct or indirect, fixed or contingent, suspected or unsuspected, including but not limited to, any claims under federal, state or local law or any laws of any country in the world, arising out of or relating to any matters, transactions or events which existed from the beginning of time through the date of this Agreement. This release encompasses any potential claims for any relief, no matter how denominated, including but not limited to, compensatory damages, punitive damages and attorneys' fees and costs actually incurred.

Upon the closing of the sale of the Condominium Unit pursuant to the Condominium Unit Sale Contract and the Parties receipt of their respective share of the closing proceeds in accordance with the terms of the Condominium Unit Sale Contract and this Agreement, for good and valuable consideration, the receipt of which is hereby acknowledged, Chase, on behalf of itself, its beneficiaries, predecessors, subsidiaries, affiliates, current or former agents, shareholders, officers, principals, directors, executives, employees, attorneys, successors and assigns, does hereby voluntarily and knowingly, unconditionally and absolutely waive, remise, generally release, acquit, satisfy and forever discharge the Receiver, the Receivership Estate, the Receivership Entities and Ruderman and their predecessors, subsidiaries, affiliates, current or former agents, shareholders, officers, principals, directors, executives, employees, attorneys, insurers, successors, and assigns from or concerning any causes of action, claims, complaints, liabilities, suits, debts, dues, sums of money, accounts, indemnities, guarantees, contributions, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, damages, injuries, judgments, executions, claims, expenses, and all other damages now accrued or hereafter to accrue, of any kind or character whatsoever in connection with or related to the Loan, Note, Mortgage, Condominium Unit or the Claims alleged in the Lawsuit, in any country or jurisdiction whatsoever, in law or in equity, known or unknown, direct or indirect, fixed or contingent, suspected or unsuspected, including but not limited to, any claims under federal, state or local law, or any laws of any country in the world, arising out of or relating to any matters, transactions or events which existed from the beginning of time through the date of this Agreement. This release encompasses any potential claims for any relief, no matter how denominated, including but not limited to, compensatory damages, punitive damages and attorneys' fees and costs actually incurred.

5. **No Admissions.** This Agreement is expressly agreed to be in compromise of all disputes and disputed claims, and the Settlement Amount and/or the terms and releases contained herein are not to be construed as admissions of liability, culpability, or wrongdoing on the part of the Parties, which liability, culpability, or wrongdoing is expressly denied. Nothing in this Agreement shall constitute or be construed as an admission of liability on behalf of Chase, its agents, affiliates, assigns, parents, successors, subsidiaries, and/or successors, or an admission as to the validity of the allegations in the Lawsuit. It is also understood and agreed to by the Parties that this Agreement does not constitute an order or finding of any violation of law related to fraudulent, manipulative, or deceptive conduct.

6. **Integration.** This Agreement contains the entire agreement between the Parties, and the terms of this Agreement are contractual and not a mere recital. The Parties agree that all prior negotiations and understandings between them have been merged herein, and that this Agreement may not be modified or changed, except by a writing signed by a duly authorized representative of each party.
7. **Binding Nature.** The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective estates, heirs, legal representatives, successors and assigns. The Parties represent and acknowledge that they have had an opportunity to, and have consulted with, counsel in connection with the execution of this Agreement.
8. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and the counterparts shall together constitute one and the same agreement, notwithstanding that each party is not signatory to the original or the same counterpart. Facsimile, scanned, and emailed signatures shall be deemed as effective as original signatures.
9. **Disputes.** Any dispute arising out of this Agreement or its terms shall be resolved exclusively through the District Court presiding over the SEC Proceeding, and Florida law shall govern. The Parties expressly submit to personal jurisdiction in the United States District Court for the Southern District of Florida for any such claims.
10. **Authority.** Each of the signatories hereto represents that she/he has authority to execute this Agreement and to bind the party or parties on whose behalf she/he has signed.
11. **Construction.** The Parties to this Agreement have negotiated at arms' length and participated in the drafting of this Agreement and, accordingly, any claimed ambiguity shall not be presumptively resolved either in favor of or against any party hereto.
12. **Expenses.** Except as otherwise provided herein, the Parties will bear their own expenses, costs and/or attorneys' fees, including any costs or attorneys' fees incurred in connection with the negotiation and execution of this Agreement. The Parties agree that in the event of any litigation to enforce this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party in any action (including but not limited to all paralegal fees in any trial, bankruptcy and/or appellate proceedings).
13. **Default.** In the event Chase fails to comply with the terms or representations in this Agreement, the Receiver shall provide Chase with written notice of such default and Chase shall have five (5) business days following receipt of such written notice to cure its default. Said written notice shall be sent to counsel of record as

reflected in paragraph 15.

14. **Jurisdiction.** The Parties agree to seek an Order providing that the District Court shall retain jurisdiction to enforce the terms of this Agreement and decide any other issues arising from this Agreement. In the event no such order retaining jurisdiction over this Agreement is granted, the Parties agree that the sole venue for any action arising from the Agreement shall be in the District Court for the Southern District of Florida and submit to personal jurisdiction before that Court.
15. **Notices.** All notices to the Receiver shall be sent by FedEx next business day delivery and addressed to Melanie Damian, Damian & Valori, LLP, 1000 Brickell Avenue, Suite 1020, Miami, Florida 33131, which shall constitute good and sufficient notice. All notices sent to Chase shall be addressed to Marc Gottlieb, Akerman LLP, 350 East Las Olas Boulevard, Suite 1600, Ft. Lauderdale, Florida 33301, which shall constitute good and sufficient notice. Notice shall be effective upon receipt.

IN WITNESS WHEREOF, the Parties have affixed or caused to be affixed their respective signatures

**JON A. SALE, THE RECEIVER**

By: Jon A. Sale  
Name: Jon A. Sale  
Title: Receiver  
Date: 2/10/22

**JP MORGAN CHASE BANK, N.A.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
**CARL RUDERMAN**

Date: \_\_\_\_\_



reflected in paragraph 15.

14. **Jurisdiction.** The Parties agree to seek an Order providing that the District Court shall retain jurisdiction to enforce the terms of this Agreement and decide any other issues arising from this Agreement. In the event no such order retaining jurisdiction over this Agreement is granted, the Parties agree that the sole venue for any action arising from the Agreement shall be in the District Court for the Southern District of Florida and submit to personal jurisdiction before that Court.
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**IN WITNESS WHEREOF**, the Parties have affixed or caused to be affixed their respective signatures

**JON A. SALE, THE RECEIVER**

By: \_\_\_\_\_  
Name: Jon A. Sale  
Title: Receiver  
Date:

**JP MORGAN CHASE BANK, N.A.**

By: Kendall Foster  
Name: Kendall Foster  
Title: Authorized Signer  
Date: February 10, 2022

\_\_\_\_\_  
**CARL RUDERMAN**

Date:

reflected in paragraph 15.

14. **Jurisdiction.** The Parties agree to seek an Order providing that the District Court shall retain jurisdiction to enforce the terms of this Agreement and decide any other issues arising from this Agreement. In the event no such order retaining jurisdiction over this Agreement is granted, the Parties agree that the sole venue for any action arising from the Agreement shall be in the District Court for the Southern District of Florida and submit to personal jurisdiction before that Court.
15. **Notices.** All notices to the Receiver shall be sent by FedEx next business day delivery and addressed to Melanie Damian, Damian & Valori, LLP, 1000 Brickell Avenue, Suite 1020, Miami, Florida 33131, which shall constitute good and sufficient notice. All notices sent to Chase shall be addressed to Marc Gottlieb, Akerman LLP, 350 East Las Olas Boulevard, Suite 1600, Ft. Lauderdale, Florida 33301, which shall constitute good and sufficient notice. Notice shall be effective upon receipt.


IN WITNESS WHEREOF, the Parties have affixed or caused to be affixed their respective signatures

**JON A. SALE, THE RECEIVER**

By: \_\_\_\_\_  
Name: Jon A. Sale  
Title: Receiver  
Date:

**JP MORGAN CHASE BANK, N.A.**

By: \_\_\_\_\_  
Name:  
Title:  
Date:



\_\_\_\_\_  
**CARL RUDERMAN**  
Date: 02/09/2022

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 0:18-cv-61991-BB

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

1 GLOBAL CAPITAL LLC, and  
CARL RUDERMAN,

Defendants, and

1 WEST CAPITAL LLC,  
BRIGHT SMILE FINANCING, LLC,  
BRR BLOCK INC.,  
DIGI SOUTH LLC,  
GANADOR ENTERPRISES, LLC,  
MEDIA PAY LLC  
PAY NOW DIRECT LLC, and  
RUDERMAN FAMILY TRUST,

Relief Defendants.

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**ORDER ON EXPEDITED JOINT MOTION TO  
APPROVE SETTLEMENT AGREEMENT BETWEEN  
JPMORGAN CHASE BANK, N.A., CARL RUDERMAN, AND RECEIVER**

**THIS CAUSE** came before the Court on the parties' Joint Motion to Approve Settlement Agreement between JPMorgan Chase Bank, N.A. ("Chase"), Defendant Carl Ruderman ("Ruderman"), and Jon A. Sale, not individually, but solely in his capacity as Court-Appointed Receiver ("Receiver") ("Joint Motion"), [ECF No. \_\_\_\_]. Having reviewed the Joint Motion, and being otherwise advised on the premises, it is

**ORDERED AND ADJUDGED** that

1. The Joint Motion is **GRANTED**.

2. The Settlement Agreement between Chase, Ruderman, and the Receiver, [ECF No. \_\_\_\_], which has been duly filed with the Court, is **APPROVED**.

3. The Court further retains jurisdiction to enforce the terms of the Settlement Agreement and to decide any other issues arising from the Settlement Agreement.

4. The Court reserves ruling on the distribution of net proceeds from the sale of Condominium, consistent with the Court's Order on January 13, 2022 Order, [ECF No. 298].

**DONE AND ORDERED** in Miami, Florida this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
**HONORABLE BETH BLOOM**  
**UNITED STATES DISTRICT JUDGE**

cc: Counsel of Record