

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.

**JOINT MOTION FOR ORDER APPROVING DISBURSEMENT
OF FUNDS HELD IN ESCROW IN CONNECTION WITH SALE OF CONDOMINIUM**

Plaintiff, United States Securities and Exchange Commission (“SEC”), Defendant Carl Ruderman (“Ruderman”), and Jon A. Sale, not individually, but solely in his capacity as Court-Appointed Receiver (“Receiver”), jointly move for entry of an order approving the disbursement of net proceeds currently held in escrow after the closing of the sale of Defendant Ruderman’s condominium, located at 20165 N.E. 39th Place, Aventura, Miami-Dade County, FL 33180-3419 (the “Condominium”).

1. On January 12, 2022, the Court approved the sale of the Condominium (“Approval Order”). [ECF No. 298].

2. In the Approval Order, the Court required that the proceeds from the sale of the Condominium be held in escrow pending further order. [ECF No. 298]. Pursuant to the Approval Order, the proceeds are to be held in escrow by counsel for the buyer, Kara L. Stachel, Esq. (“Escrow Agent”), who shall serve as Escrow Agent until her receipt of an order from this Court directing her to release and distribute the proceeds.

3. On February 11, 2022, the Court entered an order clarifying that the “proceeds” to be held in escrow under the Approval Order were the “net proceeds available after the payment of all lien holders, including JP Morgan Chase Bank's mortgage lien, liens, assessments, and applicable closing costs.” [ECF No. 302].

4. On February 11, 2022, the Court also approved a settlement agreement (“Settlement Agreement”) between Ruderman, JPMorgan Chase Bank, N.A. (“Chase”), and the Receiver. [ECF No. 301]. Pursuant to the Settlement Agreement, the Receiver is entitled to receive \$300,000 of the proceeds held in escrow post-closing, with the remainder to be distributed in accordance with the District Court’s August 13, 2019 Final Judgment Against Ruderman (“Final Judgment”). The Final Judgment provides: “Ruderman shall further partially satisfy the Final Judgment by agreeing to disgorge to the [SEC] or its designee 50 percent of any equity remaining in his [C]ondominium . . . upon sale of the Condominium[.]” [ECF No. 225 at 6].

5. The Court-approved sale of the Condominium was completed and closed on February 14, 2022. A copy of the fully executed ALTA Settlement Statement (“Closing Statement”), dated February 14, 2022, is attached hereto as **Exhibit A**.

6. As reflected in the Closing Statement, \$728,578.84 in proceeds remains after payment of lien holders, closing costs, and other expenses (“Net Proceeds”), to be distributed in

accordance with this Court's Approval Order. The Net Proceeds are being held in escrow by the Escrow Agent.

7. Pursuant to the Court-approved Settlement Agreement, the Receiver is entitled to \$300,000 of the Net Proceeds.

8. Pursuant to the Settlement Agreement and Final Judgment, Ruderman is entitled to 50% of the remainder of the Net Proceeds, or \$214,289.42. The SEC is entitled to the other 50% of the remainder of the Net Proceeds as disgorgement, or \$214,289.42. [ECF No. 225 at 6].

WHEREFORE, the parties respectfully request that the Court enter an order authorizing and directing the Escrow Agent to disburse the Net Proceeds from escrow pursuant to written wire instructions to be provided, as follows: (a) \$300,000 of the Net Proceeds to the Receiver, in accordance with the Settlement Agreement; (b) \$214,289.42 of the Net Proceeds to the SEC, in accordance with the Final Judgment; and (c) \$214,289.42 of the Net Proceeds to Ruderman, in accordance with the Final Judgment.

Respectfully submitted,

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By: /s/ Daniel S. Newman
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CERTIFICATE OF SERVICE

I hereby certify that on February 18, 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 in the manner specified, 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

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