

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

THE CANTOR GROUP LAW P.A.,
f/k/a CANTOR & WEBB, P.A.,
a Florida for Profit Corporation,

GENERAL JURISDICTION DIVISION

Plaintiff,

Case No.

vs.

HAL J. WEBB and
PRUDENTIAL FINANCIAL, INC.,
PRUCO LIFE INSURANCE COMPANY,
and THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA,

Defendants.

COMPLAINT AND DEMAND FOR JURY TRIAL

Plaintiff, THE CANTOR GROUP LAW P.A. f/k/a CANTOR & WEBB, P.A., by and through its undersigned counsel, as and for its Complaint against Defendants, HAL J. WEBB, PRUDENTIAL FINANCIAL, INC., PRUCO LIFE INSURANCE COMPANY, and THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, complains and alleges as follows:

PARTIES, JURISDICTION, AND VENUE

1. This is an action for damages that exceeds the sum of Fifteen Thousand Dollars (\$15,000.00), exclusive of interest and costs.

2. Plaintiff, THE CANTOR GROUP LAW P.A. f/k/a CANTOR & WEBB, P.A., is and was, at all material times, a Florida for Profit Corporation, now dissolved, and having its principal place of business in Miami-Dade County, Florida. Plaintiff has the capacity to bring this action pursuant to Section 607.1405, Florida Statutes.

3. Defendant, HAL J. WEBB (“Webb”), is and was, at all material times, an individual residing and/or doing business in Miami-Dade County, Florida, and is *sui juris*.

4. Defendants, PRUDENTIAL FINANCIAL, INC., PRUCO LIFE INSURANCE COMPANY, and PRUDENTIAL INSURANCE COMPANY OF AMERICA (collectively, “Prudential”), are and were, at all material times, Foreign Profit Corporations registered with the Florida Department of State Division of Corporations for the purpose of conducting and transacting business in the State of Florida. Prudential is and was, at all material times, doing business in Miami-Dade County, Florida.

5. Prudential has transacted business and engaged in tortious conduct, by affirmative act or omission, in the State of Florida such that it reasonably anticipated being subject to personal jurisdiction before the Courts of this State. Prudential has also transacted business and engaged in tortious conduct, by affirmative act or omission, outside of the State of Florida whereby it reasonably anticipated that injury would result and has, in fact, resulted upon persons within the State of Florida. As such, this Court has personal jurisdiction over Prudential pursuant to Fla. Stat. §§48.193(1)(a)(2) and 48.193(1)(a)(6).

GENERAL ALLEGATIONS

The Start of Cantor & Webb, P.A.

6. In January of 2004, Cantor & Webb, P.A. (the “Firm”) was formed and registered with the Florida Department of State Division of Corporations as a Florida professional for Profit Corporation.

7. Steven L. Cantor (“Cantor”) and Webb were both listed as officers and directors. Specifically, Cantor was listed as “PDST”¹ and Webb was listed as “VP.”²

8. On December 31, 2012, a Shareholder’s Agreement was created between the Firm, Cantor, and Webb (the “Shareholder’s Agreement”). Cantor executed the Shareholder’s Agreement in his individual capacity and as President of the Firm. Webb executed the Shareholder’s Agreement in his individual capacity and as Secretary of the Firm.

9. Pursuant to the Shareholder’s Agreement, Cantor and Webb were the sole shareholders of the Firm, with Cantor owning 60% of the shares, and Webb owning 40% of the shares.

Cantor and Webb’s Cross-Purchase of Keyman Insurance Policies Belonging to the Firm

10. As Cantor and Webb were the sole shareholders of the Firm, they decided to obtain life insurance policies on each other in order to facilitate business continuity and compensate the Firm for financial losses that would arise from the death or extended incapacity of either of the sole shareholders of the Firm.

11. The purpose of keyman or key person insurance is to compensate the Firm for its costs (such as hiring temporary help or recruiting a successor) and losses (such as a decreased ability to transact business until successors are trained) which the Firm is likely to suffer in the event of the loss of a key person.

12. Keyman insurance policies can be owned in a number of ways depending on the needs of the business.

¹ PDST is the designation for an individual serving as the President, Director, Secretary, and Treasurer.

² VP is the designation for an individual serving as the Vice President.

13. A keyman insurance policy may be owned by an individual involved in a business for the life of another key individual employed in the business. *See Ventura v. State*, 794 So. 2d 553, 558 (Fla. 2001) (“In brief, the evidence established that Jerry Wright held a keyman insurance policy on the victim [Robert Clemente].”).

14. Because Webb was a 40% shareholder of the Firm, Cantor decided to obtain a keyman insurance policy on the life of Webb.

15. On October 27, 2003, Cantor took out a \$1 million keyman life insurance policy on the life of Webb, which was issued by American General Life Insurance Company as policy number YH00168130.

16. On October 31, 2003, Cantor received a correspondence from the agent stating “[e]nclosed please find your key-man life insurance policy for \$1,000,000 on Hal Webb.”

17. Additionally, the policy stated the “Reason for Insurance” as “Key-Man.”

18. However, for tax reasons, the beneficiary on this keyman life insurance policy on the life of Webb was listed as “Steven Cantor,” rather than the Firm.

19. Approximately four (4) years later, Webb, in turn, took out a \$2 million keyman insurance policy on the life of Cantor, which was issued by Pruco Life Insurance Company, a subsidiary of The Prudential Insurance Company of America, on Prudential Financial, Inc. letterhead, as policy number L8178124 and which had an issue date of November 9, 2007 (the “Keyman Policy”).

20. On October 22, 2007, Prudential sent Webb a letter thanking him for purchasing a life insurance policy and referring him to the attached “Policy at a Glance” information sheet which contained a brief summary of Webb’s policy’s features and benefits.

21. The Policy at a Glance information sheet provided as follows: “You have told us that you also want to provide for key person coverage, business continuation and cross purchase.”

22. Consistent with the intention to provide key person coverage as expressly stated in the Policy at a Glance information sheet, the Keyman Policy references the beneficiary as “HAL J WEBB, business associate” and/or “HAL J WEBB, business associate of the Insured.”

23. However, for tax reasons, the beneficiary of the Keyman Policy was listed as “HAL J WEBB, business associate, if living, otherwise the estate of said HAL J WEBB,” rather than the Firm.

24. Thereafter, on July 28, 2010, Cantor took out another \$1 million keyman insurance policy on the life of Webb, which was issued by Massachusetts Mutual Life Insurance Company as policy number 21142912.

25. Yet again, for tax reasons, the beneficiary on this second keyman life insurance policy on the life of Webb was listed as “STEVEN CANTOR, BUSINESS PARTNER,” rather than the Firm.

26. Accordingly, as of 2010, Cantor and Webb each had \$2 million of keyman life insurance on the life of each other and the Firm paid the premiums on all of these policies.

27. Specifically, the Firm paid all of the annual premiums owed under the Keyman Policy from the date of its inception in 2007, totaling more than \$63,225.00 over the course of nine (9) years.

28. The Firm was not reimbursed by Webb for these premium payments.

29. The Firm’s financial statements show the payments made for the premiums owed under the Keyman Policy and the keyman policies owned by Cantor for the life of Webb as business expenses.

30. Additionally, Firm records evidence that the Keyman Policy and the keyman policies owned by Cantor for the life of Webb were policies that belonged to the Firm. Specifically, it lists all of the life insurance policies paid by the Firm, including the details pertaining to each policy, and states, in pertinent part:

Mass Mutual (HJW office policy)
Mass Mutual (HJW personal policy)
American General (HJW office policy)
Prudential (SLC office policy)
Banner (SLC personal policy)

(Emphasis added).

31. Section 14 of the Shareholder’s Agreement, entitled “Insurance,” provides that “[t]he [Firm] shall have the right but not the obligation to purchase in its own name as the owner, life insurance . . . on a Shareholder or “key man” as may be desirable from time to time and/or to help fund a buyout, liquidity or for any other proper reason the [Firm] wishes,” and that “[a]ny such policy shall belong to the [Firm].”

32. The last sentence of Section 14 of the Shareholder’s Agreement provides that “[t]he [Firm] shall not be deemed the owner of any life insurance policy that is owned by a Shareholder or any third party, notwithstanding the fact that the [Firm] may have made any payments of any of the premiums for such life insurance policies.”

33. Webb, knowing that he and Cantor each had keyman life insurance policies on one another which belonged to the Firm, including the Keyman Policy, and recognizing that the last sentence of Section 14 applied only to life insurance policies personally owned by a shareholder for the benefit of someone other than another shareholder,³ proposed an amendment to include the

³ This sentence was incorporated into the Shareholder’s Agreement, as the Firm had been paying, and would continue to pay for the premiums on Cantor’s personal life insurance policy in which Cantor’s wife was the beneficiary, and for Webb’s personal life insurance policy in which his wife

revised ownership structure of the keyman life insurance policies when a shareholder leaves the Firm.

34. In addition, Webb realized that, pursuant to the Shareholder's Agreement, Webb would be financially penalized if he chose to leave the Firm. As such, Webb wanted the Shareholder's Agreement to be changed to allow him to leave the Firm with no penalty or responsibility.

35. On March 13, 2016, Webb sent an email to Cantor enclosing a proposed Amendment to the Shareholder's Agreement. Webb's proposed Amendment to the Shareholder's Agreement included the following paragraph, which was to be inserted at the end of Section 14 of the Shareholder's Agreement:

If the employment of a Shareholder ceases for any reason other than his death (for purposes of this sentence, the "Departing Shareholder"), and on the Triggering Event Date a shareholder other than the Departing Shareholder owns any life insurance policies insuring the life of the Departing Shareholder, then such other Shareholder shall transfer at Settlement⁴ the ownership of such policies to the Departing Shareholder. **Likewise, if on the Triggering Event Date the Departing Shareholder owns any life insurance policies insuring the life of any other Shareholder, then the Departing Shareholder shall transfer at Settlement the ownership of such policies to such other Shareholder.** (Emphasis added).

36. On May 19, 2016, Cantor sent Webb the most updated version of the Amendment to the Shareholder's Agreement, to which he explained that he left in "virtually everything" Webb wanted. Specifically, Cantor did not remove or revise any of Webb's proposed terms for Section

was the beneficiary. It was this specific situation that was contemplated when Webb and Cantor decided to incorporate the second sentence into Section 14.

⁴ Pursuant to the Shareholder's Agreement, "[t]he date for consummating any transfer of Stock under this Section 7 shall be determined by the [Firm], at a time and place designated by the [Firm] not later than one hundred twenty (120) days after the Triggering Event Date (as defined herein) . . ." (the "Settlement").

14, but simply incorporated some additional language (emphasized in italics) pertaining to termination of a shareholder for cause:

If the employment of a Shareholder ceases for any reason other than *either* his death *or for Cause as defined in Paragraph B. of Section 15* (for purposes of this sentence, the “Departing Shareholder”), and on the Triggering Event Date a shareholder other than the Departing Shareholder owns any life insurance policies insuring the life of the Departing Shareholder, then such other Shareholder shall transfer at Settlement the ownership of such policies to the Departing Shareholder. Likewise, if on the Triggering Event Date the Departing Shareholder owns any life insurance policies insuring the life of any other Shareholder, then the Departing Shareholder shall transfer at Settlement the ownership of such policies to such other Shareholder. *If the Departing Shareholder is terminated for Cause he thereby shall contemporaneously forfeit any rights he may have had to any and all insurance policies insuring either his life or the life of any other Shareholder.*

37. Accordingly, the material terms of the Amendment to Section 14 of the Shareholder’s Agreement—that, upon Webb or Cantor’s departure from the Firm, both Webb and Cantor were to transfer ownership of their keyman life insurance policies to each other—were agreed upon by both Webb and Cantor.

38. Cantor then executed the Amendment to the Shareholder’s Agreement and advised Webb that he gave his original signed copy to Grace Lopez, and that she would be providing it to Webb for his execution.

***June 9, 2016: Webb’s Resignation as a Shareholder of the Firm and
Termination of Classification as Business Partner of Cantor***

39. On May 23, 2016, Webb notified Cantor that he was resigning from the Firm effective June 9, 2016.

40. Between May 23, 2016 and June 3, 2016, Webb contacted Prudential regarding the process for changing the ownership and beneficiary arrangement on the Keyman Policy consistent with the negotiated Amendment to Shareholder Agreement which required Webb as a “Departing Shareholder” to transfer the policy to the Firm and/or to Cantor.

41. On June 3, 2016, Prudential sent a letter to Webb “in response to [his] request to change the ownership arrangement” on the Keyman Policy, and provided him with a Request to Change Ownership/Beneficiary form to fill out so that the policy could be transferred to the Firm and/or to Cantor.

42. On June 6, 2016, Webb sent an email to Grace Lopez, the Chief Operating Officer for the Firm, entitled “To do list,” in which he stated that “[a]ttached is a working draft of the To Do List.” The document attached to this email was entitled “To Do For Move.” Item number 8 on Webb’s to do list stated: “*Change ownership of life insurance policies.*”

43. As a departing shareholder, Webb knew that he was required to turn over the Keyman Policy to the Firm, as he was no longer a “business associate” as stated in the policy, and knew that the policy not only did not belong to him personally, but belonged to the Firm consistent with the intent of the parties under the Shareholder Agreement and Amendment.

44. Additionally, Grace Lopez created a “Checklist Related to Hal’s Departure” and a “Checklist For Dissolving Cantor & Webb, P.A.” which both reference the need to change the beneficiary designations contained in Cantor and Webb’s keyman life insurance policies.

45. Webb was a shareholder of the Firm and business partner of Cantor until June 9, 2016, when he departed from the Firm and resigned all positions with the Firm.

46. As of June 9, 2016, the Keyman Policy no longer served its desired purpose. Webb voluntarily resigned from the Firm and had no legal or equitable right to maintain an ownership or beneficial interest on the life of Cantor.

47. Consistent with the intentions of Webb and Cantor as reflected in the Amendment to the Shareholder’s Agreement, Webb was required to transfer ownership of the Keyman Policy to Cantor and/or the Firm following his resignation from the Firm.

48. On June 28, 2016, Cantor filed an amendment with the Florida Department of State Division of Corporations to change the name of the corporation to The Cantor Group Law P.A. (“The Cantor Group”) and removed Webb as an officer and director.

49. Between July 28 and 29, 2016, Webb exchanged several emails with Grace Lopez regarding signing the forms from Prudential necessary to transfer his ownership of and beneficiary designation on the Keyman Policy.

50. On September 1, 2016, email correspondence entitled “Hal’s release of the insurance policy” was exchanged between Cantor, Grace Lopez, and Neal Slafsky, the insurance agent who sold the Keyman Policy to Webb, regarding the status of Webb’s execution of the insurance forms to transfer ownership of the Keyman Policy to The Cantor Group.

51. On October 5, 2016, Webb noted in an email to Grace Lopez that Cantor might not be in the right state of mind. Webb was intimately familiar with Cantor’s longstanding battle with depression, including Cantor’s prior suicide attempts. It was apparent to Webb that Cantor might be contemplating suicide. Webb knew that should Cantor die in the near future, Webb stood to financially benefit from his death. Webb purposely delayed and avoided transferring the Keyman Policy to The Cantor Group with this morbid aspiration in mind.

52. On October 11, 2016, Cantor, the insured on the Keyman Policy, committed suicide by jumping from a high rise building, causing his wife, Sharon Dresser (“Dresser”), to become a 53 year-old widow.

53. Upon hearing of Cantor’s death, Dresser immediately went to the site of the incident, where she observed her deceased husband in an extremely graphic state.

54. Prior to and as of the date of Cantor’s death, Webb was employed as a “partner” with the law firm of Bilzin Sumberg Baena Price & Axelrod LLP (“Bilzin”).

55. As of the date of Cantor's death, no additional documentation was ever provided by Webb to Prudential to complete the transfer of the Keyman Policy to the Firm.

***Preview to a Suicide: Webb's Refusal to Share in the Firm's Liabilities
During the Months Leading Up to Cantor's Suicide***

56. In December of 2015, the Firm over-distributed in year-end draws to Cantor and Webb. Upon learning of the over-distributions in December of 2015, Cantor and Webb both agreed to return their respective draws from the year-end distributions to the Firm to be used as working capital for the Firm.

57. In January of 2016, the Firm was short on cash to cover its expenses since the Firm had over-distributed year-end draws to Cantor and Webb in December of 2015.

58. On April 14, 2016, Cantor issued a personal check to the Firm in the amount of \$287,500.00, and which stated as follows: "SLC Portion – Return of Working Capital."

59. Webb's corresponding share of the 2015 year-end draw that had to be returned to the Firm for working capital amounted to \$212,500.00.

60. Between January of 2016 and April of 2016, Webb purported to be committed to the Firm and its success. However, instead of reimbursing the Firm for his 2015 overdraft, Webb schemed to leave the Firm without paying his share.

61. Specifically, Webb refused to pay his share of the 2015 overdraft as a means to create leverage in order to financially pressure Cantor to attempt to extort changes in the Shareholder's Agreement to facilitate his planned departure without penalty.

62. As planned by him, Webb's refusal to reimburse the Firm for his overdraft put severe financial pressure on Cantor.

63. Ironically, Cantor's return of his share of the 2015 overdraft even went to pay Webb's salary, in addition to the salary of all other employees, and all of the other firm expenses.

64. Additionally, at the time of Webb's departure from the Firm, the Firm had not funded the 401k employee pension funds for 2015. The total amount to be funded into the employee pension funds for 2015 was \$109,000.00. However, the Firm did not have sufficient monies to fund the employee pension contributions.

65. On August 31, 2016, Cantor took out a loan in the amount of \$109,000.00 to pay the 401k employee pension funds for 2015, for which a majority of the monies went to fund Cantor and Webb's 401k pension funds. The Cantor Group repaid the entire amount of the loan, even though this liability was to be shared with Webb.

66. Accordingly, Webb never funded his portion of the 401k employee pension funds for 2015, and never submitted any monies to The Cantor Group to repay the loan.

***Webb, As a Departing Shareholder, Was Not Entitled to the \$2 Million
Life Insurance Proceeds from the Keyman Policy***

67. As a departing shareholder of the Firm, Webb was entitled to receive, for the transfer of his shares of stock, the greater of: (i) one dollar per share, or (ii) the cash basis book value of the Firm as of June 9, 2016, as determined by the certified public accountant of the Firm, multiplied by the fraction with the numerator being the total number of shares of stock being transferred and the denominator being the total number of shares of stock issued and outstanding (the "Purchase Price"), to be paid over a period of two (2) years in equal annual installments, as provided for in Paragraph 7(D) of the Shareholder's Agreement.

68. The book value of the Firm was to be computed without regard to work in progress, accounts receivable, goodwill, accounts payable (other than rent and payroll), life insurance proceeds and other accruals of the Firm.

69. Additionally, Webb was entitled to receive “AR Deferred Compensation,” to be calculated in accordance with the method provided for in Paragraph 12 of the Shareholder’s Agreement.

70. However, the total amount of the Purchase Price and AR Deferred Compensation being paid in any one year to a departing Shareholder could not exceed 7% of the gross receipts of the Corporation in any one year as provided in Section 13 of the Shareholder’s Agreement. Such payments were also subject to a further limitation of a maximum of 7 years after which any unpaid accrued amounts would be deemed fully paid and discharged. Pursuant to this limitation provision, Webb, as a departing shareholder who voluntarily chose to resign from the Firm, was only entitled to a small payment for the next seven (7) years following his departure, not the huge windfall that Webb managed to extract from the Firm from his fraudulent scheme described below.

***Webb’s Fraudulent and Illegal Scheme to Obtain the \$2 Million
Life Insurance Proceeds from the Keyman Policy***

71. Upon Cantor’s death, Webb seized on the opportunity to perpetrate a fraud upon The Cantor Group and Prudential by claiming the life insurance proceeds from the Keyman Policy which Webb had purposely delayed transferring to the Firm. (the “Scheme”).

72. In furtherance of his fraudulent and illegal Scheme, approximately one week after Cantor’s death, Webb requested and received a copy of Cantor’s death certificate, **even before Cantor’s own wife received a copy of the death certificate.**

73. After quickly securing the death certificate, Webb submitted it to Prudential, requesting a pay out of the insurance proceeds from the Keyman Policy.

74. Prudential did not conduct any due diligence with respect to the proper owner and beneficiary of the Keyman Policy, despite having received a request from Webb to change the ownership and beneficiary arrangement on the Keyman Policy only four (4) months prior. Instead,

Prudential promptly but negligently and improperly paid the proceeds of the Keyman Policy to Webb.

75. The Cantor Group did not learn of Webb's fraudulent and illegal Scheme, including his receipt of the life insurance benefits from the Keyman Policy, until approximately one month after Cantor's death.

Invalidity of the Settlement Agreement and Release Entered Into With Webb, Dresser's Financial Hardship in the Wind Up of The Cantor Group, and Dresser's Sale of the Assets of The Cantor Group to Bilzin—the Law Firm at Which Webb Was Now a "Partner"

76. Immediately following Cantor's death, Webb resumed his discussions pertaining to a settlement with Dresser, Cantor's widow and personal representative of his estate. David Trench ("Trench"), a partner at Bilzin, was also intimately involved in these discussions and negotiations.

77. Simultaneously, Webb and his law firm, Bilzin, began discussions with Dresser regarding purchasing the assets of The Cantor Group. In that vein, Webb and Trench were both intimately involved in these discussions and negotiations.

78. As the personal representative of Cantor's estate, Dresser was forced into the role of having to attempt to negotiate a settlement with Webb and also to administer the wind up of The Cantor Group, all within one month of her husband's death.

79. Webb and Trench possessed superior knowledge as compared to Dresser, a non-lawyer without familiarity or knowledge of the legal structure of the Firm or the prior dealings between Cantor and Webb. Webb capitalized on his superior knowledge and bargaining position by asserting fraudulent claims in his negotiations with Dresser as to the compensation due to him and as to his right to receive the proceeds from all of the keyman life insurance policies.

80. Dresser, or any attorney she retained, would have needed to thoroughly review hundreds of documents, including communications between Webb and Cantor spanning over the course of the Firm's seven (7) year existence to understand the rights that could be asserted on behalf of The Cantor Group, and to verify the validity of the positions taken by Webb, and put The Cantor Group in a fair bargaining position.

81. However, Webb sought to prevent Dresser from conducting a thorough investigation by placing unreasonable time pressure restrictions upon her to conclude a settlement in order to prevent her from discovering the truth about Webb's fraudulent and improper claims.

82. Similarly, Bilzin, through Trench, imposed the same unreasonable time pressure restrictions upon Dresser to close on the sale of the assets of The Cantor Group to Bilzin.

83. On or about October 26, 2016, Dresser, individually and on behalf of The Cantor Group, retained attorney Brian Goodkind, with the law firm of Goodkind & Florio, P.A., to represent her in negotiating the terms of the Settlement and the sale of The Cantor Group's assets to Bilzin.

84. On or about November 8, 2016, Dresser, who was in a severe state of emotional distress following her husband's suicide, was Baker Acted and taken to a nearby hospital for evaluation.

85. Additionally, in or about November of 2016, Dresser received an anonymous letter which was purportedly sent by "friends of" her husband, which contained highly disturbing information about Cantor's personal life, and stated that this was the reason for Cantor having committed suicide. Dresser was understandably tormented by this letter and the accusations made in the letter, sending her into an even more severe state of emotional distress.

86. On or about November 15, 2016, Dresser's uncle died. As such, Dresser had to deal with yet another familial death—the loss of her uncle—not even one month after losing her husband.

87. On November 26, 2016, six weeks after her husband's death, 10 days after her uncle's death, and not even one (1) month after retaining an attorney, Dresser, individually, on behalf of the estate of Cantor, and on behalf of The Cantor Group, executed an Agreement with Hal J. Webb, P.A. and Webb individually for the transfer of his shares in the Firm and other businesses owned jointly with Cantor (the "Agreement").

88. The Agreement with Webb included a provision entitled "Life Insurance Policies," which addressed the Keyman Policy and the keyman life insurance policies owned by Cantor on the life of Webb.

89. The Agreement provided that, as to the keyman life insurance policies owned by Cantor on the life of Webb, "[The] Cantor [Group], Dresser and/or the Estate shall transfer to Hal J. Webb ownership of any life insurance policies on the life of Hal J. Webb owned by [The] Cantor [Group], Dresser or by the Estate (together with all cash or surrender values accumulated on the policy through the Closing)"

90. The Agreement further provided that, as to the Keyman Policy, "[The] Cantor [Group], Dresser and the Estate each agree that they have no or interest in or claim to (and will make no claim for, directly or indirectly) the death benefit proceeds of the \$2,000,000 life insurance policy owned by Hal J. Webb on the life of Steven L. Cantor"

91. Dresser, on behalf of herself, the Estate of Cantor, and The Cantor Group, also entered into a Release with Webb, in which she agreed to release Webb from all claims, including

any claim to the death benefit or proceeds of the \$2 million Keyman Policy, and any claim relating to the Shareholder's Agreement (the "Release").

92. Pursuant to the terms of the Agreement, Webb was to receive ownership of the two (2) keyman life insurance policies owned by Cantor on the life of Webb, in addition to the \$2 million in life insurance proceeds from the Keyman Policy—the keyman life insurance policy held by Webb on the life of Cantor, while Dresser and The Cantor Group were to receive nothing.

93. Accordingly, and contrary to the clear intentions of the parties and the Amendment to the Shareholder's Agreement, Webb ended up receiving all three (3) keyman life insurance policies, including the proceeds from the Keyman Policy, while Dresser, the individual plagued with the responsibility of winding up The Cantor Group, was entitled to none of the policies to assist her in the substantial expenses involved in winding up the Firm.

94. That same day, November 26, 2016, Dresser signed the forms transferring ownership of Cantor's keyman life insurance policies on the life of Webb to Webb, consistent with the intentions of the parties and the Amendment to the Shareholder's Agreement.

95. Aside from the above provisions, the Agreement also contained numerous other provisions which are unconscionable, ridiculously unfair and prejudicial to Dresser and The Cantor Group, and all of which substantially benefit and enrich Webb.

96. A plain reading of the Agreement demonstrates that Dresser and The Cantor Group were not adequately represented in the negotiation of the Settlement with Webb.

97. Throughout October and November of 2016, Dresser had repeatedly expressed her extreme dissatisfaction with the terms of the proposed Agreement, and, as such, did not want to sign the Agreement.

98. However, on the day of the Settlement, Dresser's attorney, Brian Goodkind demanded that Dresser sign the Agreement that day or he would no longer represent her. Dresser, already suffering severe mental anguish following the events described above, felt that she had no choice with this added pressure from her own attorney, but to execute the Agreement and Release with Webb.

99. On November 26, 2016, Dresser, on behalf of The Cantor Group, also entered into an Asset Purchase Agreement with Bilzin for Bilzin's purchase of the assets of The Cantor Group (the "Asset Purchase Agreement") at a price which was substantially less than what the assets were worth.

100. Dresser suffered a substantial financial hardship in trying to wind up The Cantor Group, as she desperately needed the proceeds from the Keyman Policy to properly do so as was originally intended by Cantor and Webb.

101. All conditions precedent to bringing this action have been waived, excused, performed or otherwise occurred.

102. As a result of Webb and Prudential's wrongful conduct, as described herein, and The Cantor Group's need to protect and enforce its legal rights, The Cantor Group has retained the undersigned attorneys and is obligated to pay said firm's attorneys' fees.

COUNT I – RESCISSION
(As to Hal J. Webb)

103. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

104. Dresser, individually and on behalf of The Cantor Group, and Webb, an experienced attorney and former shareholder, were negotiating the settlement/closing for Webb's

transfer of his shares in the Firm and for several other businesses owned jointly by Webb and Cantor.

105. Dresser, individually and on behalf of The Cantor Group, entered into the Agreement on November 26, 2016, and the Release on November 27, 2016.

106. Given the factual circumstances surrounding the nature of the Agreement and Release as set forth in Paragraphs 70 through 99, *supra*, including the unequal bargaining position of the respective parties, the inequitable and unconscionable terms of the Agreement and Release, the time frame in which the Agreement and Release were signed relative to Cantor's death and other traumatic events, Dresser's mental state, and Dresser's emotionally fragile nature, the Agreement and Release were the product of coercion, false representations, duress, unconscionability, undue influence and/or unilateral mistake, such that denial of granting The Cantor Group a release from the Agreement and Release would be inequitable.

107. The Cantor Group has rescinded the Agreement and Release, and notified Webb of such rescission.

108. The Cantor Group will restore any benefits which it has received from the Agreement and Release.

109. The Cantor Group has no adequate remedy at law.

WHEREFORE, Plaintiff, The Cantor Group, prays that the Court enter an order rescinding the above-mentioned Agreement and Release and declaring the same to be null, void and of no effect, awarding reasonable attorneys' fees and costs for the institution and prosecution of this suit, and any other relief as this Court deems just and proper.

COUNT II – REFORMATION
(As to Hal J. Webb)

110. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

111. Dresser, individually and on behalf of The Cantor Group, and Webb, a former shareholder, were negotiating the settlement/closing for Webb's transfer of his shares in the Firm and for several other businesses owned jointly by Webb and Cantor.

112. Dresser, individually and on behalf of The Cantor Group, entered into the Agreement on November 26, 2016, and the Release on November 27, 2016.

113. The factual circumstances set forth in Paragraphs 10 through 69, *supra*, clearly demonstrate that prior to Cantor's death, the true intention of the parties was for Webb to transfer the Keyman Policy to The Cantor Group, such that he would no longer have any interest in the Keyman Policy. Sections 2.3 and 2.8 of the Agreement, and the portions of the Release pertaining to the Keyman Policy, is the product of a unilateral mistake on the part of Dresser and inequitable conduct by Webb.

114. In reforming the Agreement and Release, the agreement of the parties is in no way altered, but merely corrects the defects in the written documents to reflect the true terms of the parties' agreement.

WHEREFORE, Plaintiff, The Cantor Group, prays that the Court enter an order reforming the Agreement and the Release to reflect the true intent of the parties as described above, awarding reasonable attorneys' fees and costs for the institution and prosecution of this suit, and any other relief as this Court deems just and proper.

COUNT III – BREACH OF FIDUCIARY DUTY
(As to Hal J. Webb)

115. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

116. Webb, as a shareholder and director of the Firm, owed a fiduciary duty to the Firm and a duty to comply with the general standards required by section 607.0830, Florida Statutes, and Florida law in discharging his duties.

117. Pursuant to section 607.0830, Florida Statutes, Webb was required to discharge his duties as a shareholder and director:

- a. In good faith;
- b. With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- c. In a manner he reasonably believes to be in the best interests of the Firm.

118. Webb breached his fiduciary duty to the Firm, including his duty of loyalty, and failed to carry out such duties in compliance with section 607.0830, Florida Statutes, by:

- a. Failing to return his portion of the over distributed year-end draws to the Firm to be used as working capital for the Firm after learning from Cantor that the Firm had insufficient funds to pay its debts as they came due;
- b. Failing to share in the liabilities of the Firm;
- c. Failing to fund the 401k employee pension funds for 2015;
- d. Failing to turn over the Keyman Policy to the Firm upon his departure as a director and shareholder of the Firm;
- e. Failing to discharge his duties consistent with the obligation of good faith and fair dealing; and

- f. Engaging in unlawful self-dealing, including but not limited to, taking the Keyman Policy proceeds for himself instead of allowing them to be paid to The Firm
119. Webb did not act in good-faith when he undertook each of the above stated acts.
120. Webb did not use ordinary care when he undertook each of the above stated acts.
121. Webb did not have a reasonable belief that he was acting in the best interests of the Firm when he undertook each of the above stated acts.

WHEREFORE, Plaintiff, The Cantor Group, demands a judgment for damages against Defendant, Hal J. Webb, along with an award for interest, costs and any other relief as this Court deems just and proper.

COUNT IV – NEGLIGENT MISREPRESENTATION
(As to Hal J. Webb)

122. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.
123. Webb made misrepresentations of material fact, including, but not limited to:
- a. that Webb was entitled to the life insurance proceeds from the Keyman Policy; and
 - b. that Webb was entitled to compensation from the Firm following his resignation despite having failed to return his portion of the over distributed year-end draws from 2015 to the Firm as working capital.
124. Webb knew of the misrepresentations, made the misrepresentations without knowledge of its truth or falsity, or should have known the representations were false. Webb also concealed the truth from The Cantor Group and Dresser regarding each of the matters referenced in the preceding paragraph.

125. Webb intended to induce The Cantor Group to act on the misrepresentations thereby taking unfair advantage of The Cantor Group and Dresser and obtaining a windfall for himself.

126. Injury resulted to The Cantor Group by acting in justifiable reliance upon the misrepresentations and concealment of the truth by Webb.

WHEREFORE, Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., demands a judgment for damages against Defendant, Hal J. Webb, along with an award for interest, costs and any other relief as this Court deems just and proper.

COUNT V – CONVERSION
(As to Hal J. Webb)

127. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

128. Webb knew that the Keyman Policy was a keyman/key person life insurance policy: a policy of insurance on the life of Cantor, an officer, shareholder, and key person of the Firm, and Webb’s business partner.

129. The Keyman Policy became an asset of The Cantor Group where all premiums paid on the policy were paid by the Firm.

130. “It is well established that although the officer of a corporation may take title to property in his own individual name, if funds of the corporation are used to pay for such property it will ordinarily be considered to be an asset of the corporation, under the theory of an implied trust for its benefit.” *Gas-Ice Corp. v. Newbern*, 501 P. 2d 1288, 1292 (Or. 1972). “[T]his rule is applicable to a policy of insurance on the life of the officer of a corporation for which the premiums are paid by the corporation, with the result that such an insurance policy is an asset of the corporation.” *Id.*

131. The Keyman Policy, although purchased by the Firm in Webb's name, became corporate assets and were impressed with a trust under which Webb held them as a fiduciary for the benefit of the Firm.

132. In the alternative, The Cantor Group should be deemed to have been the owner and beneficiary of the Keyman Policy as of June 9, 2016, the date that Webb resigned from the Firm.

133. Prior to Cantor's death, The Cantor Group demanded that Webb return the Keyman Policy to The Cantor Group, as Webb was no longer a key person of the Firm or business partner/business associate of Cantor.

134. However, at the time of Cantor's death, The Cantor Group's demand had not been met.

135. As such, Webb, wrongfully and without authorization, covertly made a claim for and received the \$2 million life insurance proceeds from the Keyman Policy, which was the property of The Cantor Group, without the knowledge of Dresser or The Cantor Group, thereby permanently depriving The Cantor Group of the life insurance proceeds from the Keyman Policy, which were to be used towards the wind up of The Cantor Group following Cantor's death.

WHEREFORE, Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., demands a judgment for damages against Defendant, Hal J. Webb, along with an award for interest, costs and any other relief as this Court deems just and proper.

COUNT VI –ASSET MISAPPROPRIATION
(As to Hal J. Webb)

136. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

137. Webb knew that the Keyman Policy was a keyman/key person life insurance policy: a policy of insurance on the life of Cantor, an officer, shareholder, and key person of the Firm, and Webb's business partner.

138. The Keyman Policy became an asset of The Cantor Group where all premiums paid on the policy were paid by the Firm.

139. "It is well established that although the officer of a corporation may take title to property in his own individual name, if funds of the corporation are used to pay for such property it will ordinarily be considered to be an asset of the corporation, under the theory of an implied trust for its benefit." *Gas-Ice Corp. v. Newbern*, 501 P. 2d 1288, 1292 (Or. 1972). "[T]his rule is applicable to a policy of insurance on the life of the officer of a corporation for which the premiums are paid by the corporation, with the result that such an insurance policy is an asset of the corporation." *Id.*

140. The Keyman Policy, although purchased by the Firm in Webb's name, became corporate assets and were impressed with a trust under which Webb held them as a fiduciary for the benefit of the Firm.

141. In the alternative, The Cantor Group should be deemed to have been the owner and beneficiary of the Keyman Policy as of June 9, 2016, the date that Webb resigned from the Firm.

142. Upon Webb's departure, Webb and Cantor clearly intended for Webb to transfer the Keyman Policy to The Cantor Group, which included naming The Cantor Group as owner and beneficiary and removing himself as owner and beneficiary under the policy.

143. As of the date of Cantor's death, the Keyman Policy, an asset of The Cantor Group, was kept by Webb through trickery and/or deceit.

144. Upon Cantor's death, Webb, fraudulently and deceitfully, made a claim for and received the \$2 million life insurance proceeds from the Keyman Policy, an asset of The Cantor Group, for his own personal benefit, which he concealed from Dresser and The Cantor Group.

WHEREFORE, Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., demands a judgment for damages against Defendant, Hal J. Webb, along with an award for interest, costs and any other relief as this Court deems just and proper.

**COUNT VII – VIOLATION OF FLORIDA'S CIVIL THEFT STATUTE,
SECTION 772.11, FLORIDA STATUTES
(As to Hal J. Webb)**

145. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

146. Webb knew that the Keyman Policy was a keyman/key person life insurance policy: a policy of insurance on the life of Cantor, an officer, shareholder, and key person of the Firm, and Webb's business partner.

147. The Keyman Policy became an asset of The Cantor Group where all premiums paid on the policy were paid by the Firm.

148. "It is well established that although the officer of a corporation may take title to property in his own individual name, if funds of the corporation are used to pay for such property it will ordinarily be considered to be an asset of the corporation, under the theory of an implied trust for its benefit." *Gas-Ice Corp. v. Newbern*, 501 P. 2d 1288, 1292 (Or. 1972). "[T]his rule is applicable to a policy of insurance on the life of the officer of a corporation for which the premiums are paid by the corporation, with the result that such an insurance policy is an asset of the corporation." *Id.*

149. The Keyman Policy, although originally purchased by Webb in his individual name, became corporate assets and were impressed with a trust under which Webb held them as a fiduciary for the benefit of the Firm.

150. In the alternative, The Cantor Group should be deemed to have been the owner and beneficiary of the Keyman Policy as of June 9, 2016, the date that Webb resigned from the Firm.

151. Upon Cantor's death, Webb, fraudulently and deceitfully, made a claim for and received the \$2 million life insurance proceeds from the Keyman Policy that belonged to The Cantor Group.

152. Webb endeavored to obtain, and did obtain, the Keyman Policy with the felonious intent to commit a theft.

153. As a direct and proximate result of Webb's actions and omissions, The Cantor Group has suffered damage.

154. Pursuant to section 772.11, Florida Statutes, The Cantor Group is entitled to recover from Webb three times the current monetary value in compensatory damages for which Webb would otherwise be liable.

155. Moreover, pursuant to section 772.11, Florida Statutes, The Cantor Group is entitled to recover from Webb the reasonable amount of attorneys' fees that The Cantor Group has had to incur in representing its interests in this matter.

WHEREFORE, Plaintiff, The Cantor Group, demands a judgment for damages against Defendant, Hal J. Webb, for attorneys' fees and costs pursuant to section 772.11, Florida Statutes, along with an award for interest, costs and any other relief as this Court deems just and proper.

COUNT VIII – VIOLATION OF THE FLORIDA BUSINESS CORPORATION ACT
(As to Hal J. Webb)

156. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

157. This is an action for violation of the Florida Business Corporation Act, section 607.0101, Florida Statutes, *et seq.*

158. In December of 2015, Webb, a director and one of two shareholders in the Firm, voted for or assented to a distribution in violation of section 607.06401, Florida Statutes.

159. In January of 2016, the Firm did not have enough money to pay its bills, as the Firm improperly over distributed to Cantor and Webb in December of 2015.

160. Cantor and Webb agreed to return their respective shares of the working capital to the Firm.

161. On April 14, 2016, Cantor issued a personal check to the Firm in the amount of \$287,500.00, and which stated as follows: “SLC Portion – Return of Working Capital.”

162. Webb’s share of the working capital that was to be returned to the Firm amounted to \$212,500.00.

163. Webb further ratified the improper and unlawful distribution by refusing to return his share of the working capital to the Firm.

164. Webb, as a director and one of two shareholders in the Firm, wrongfully profited by refusing to share in the liabilities of the Firm.

165. Through his actions, as fully set forth above, Webb violated section 607.0834(1), Florida Statutes.

166. Through his actions, as set forth above, Webb did not perform his duties in compliance with section 607.0830, Florida Statutes.

WHEREFORE, Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., demands a judgment for damages against Defendant, Hal J. Webb, along with an award for interest, costs and any other relief as this Court deems just and proper.

COUNT IX – UNJUST ENRICHMENT
(As to Hal J. Webb)

167. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

168. The Cantor Group conferred a benefit on Webb, who has knowledge of the benefit conferred, as he received the life insurance proceeds from the Keyman Policy.

169. The Cantor Group was the sole source of the premium payments which led to the payment of the policy proceeds.

170. Webb has accepted this benefit by accepting receipt of the life insurance proceeds from the Keyman Policy.

171. Under the circumstances, it would be inequitable for Webb to retain the policy proceeds without having contributed anything towards payment of the policy premiums.

172. Upon Webb's departure from the firm on June 9, 2016, it was understood by Webb and The Cantor Group that the Keyman Policy was to be turned over to The Cantor Group, and that Webb would no longer be named as the owner and beneficiary under the policy.

173. To allow Webb to retain the policy benefits would represent a windfall to Webb where the facts reflect that Webb never contributed anything to the payment of the policy premiums and voluntarily resigned from the Firm prior to Cantor's death.

174. The Cantor Group intended and believed that it was the policy owner and beneficiary at the time of Cantor's death and it would have been so had Webb not purposely delayed turning over the policy to the Firm following his resignation.

175. Accordingly, it would be inequitable for Webb to retain the policy proceeds.

WHEREFORE, Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., demands a judgment for damages against Defendant, Hal J. Webb, along with an award for interest, costs and any other relief as this Court deems just and proper.

COUNT X – ESTOPPEL
(As to Hal J. Webb)

176. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

177. Upon Webb's departure from the Firm, Webb represented that he would be transferring the Keyman Policy to The Cantor Group, which included naming The Cantor Group as the owner and beneficiary of the Keyman Policy.

178. As of the date of Cantor's death, Webb had not transferred the Keyman Policy to The Cantor Group, and thereafter asserted rights to the Keyman Policy, contrary to his earlier representations.

179. The Cantor Group relied on Webb's representation that he was transferring the Keyman Policy to The Cantor Group to its detriment by granting various concessions to Webb and by delaying to take action against Webb for recovery of the funds which Webb refused to repay the Firm.

WHEREFORE, Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., demands a judgment for damages against Defendant, Hal J. Webb, along with an award for interest, costs and any other relief as this Court deems just and proper.

COUNT XI – REFORMATION

*(As to Prudential Financial, Inc., Pruco Life Insurance Company,
and Prudential Insurance Company of America)*

180. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

181. In order to protect the Firm Cantor and Webb each purchased key man life insurance policies on the life of the other.

182. In particular, in November of 2007, Webb took out the Keyman Policy.

183. The cover page to the policy, entitled “Policy at a Glance,” expressly recognized Webb’s intention “to provide for key person coverage, business continuation and cross purchase” coverage on the life of Cantor, his business associate and remaining shareholder of the Firm.

184. Consistent with the express intention to provide key person coverage, the Keyman Policy references the beneficiary as “HAL J WEBB, business associate” and/or “HAL J WEBB, business associate of the Insured.”

185. However, for tax reasons, the beneficiary of the Keyman Policy was listed as “HAL J WEBB, business associate, if living, otherwise the estate of said HAL J WEBB,” rather than the Firm.

186. The factual circumstances clearly demonstrate that by inadvertence, fraud, or mutual mistake of the parties, the Keyman Policy fails to express or conform to the contemplation of the parties.

187. Specifically, after Webb’s resignation from the Firm in June 2016, by agreement of the parties, Webb was required to sign the Keyman Policy to the Firm.

188. Accordingly, the parties clearly intended that the Firm would be the one to actually receive and benefit from any life insurance proceeds.

189. In reforming the named beneficiary of the Keyman Policy to The Cantor Group, the terms contemplated as part of the policy are in no way altered, but merely corrects the defects in the policy to reflect the true terms of the agreement between the parties.

WHEREFORE, Plaintiff, The Cantor Group, prays that the Court enter an order reforming the Agreement and the Release to reflect the true intent of the parties as described above, awarding reasonable attorneys' fees and costs for the institution and prosecution of this suit, and any other relief as this Court deems just and proper.

COUNT XII – NEGLIGENCE

*(As to Prudential Financial, Inc., Pruco Life Insurance Company,
and Prudential Insurance Company of America)*

190. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

191. At all times material hereto, Prudential owed a duty to The Cantor Group to exercise reasonable and ordinary care in ensuring that any proceeds from the Keyman Policy were paid to the proper person, and to take such precautions as were reasonably necessary to protect The Cantor Group and ensure that any proceeds from the Keyman Policy were paid to the proper person.

192. Between May 23, 2016 and June 3, 2016, Webb contacted Prudential regarding the process for changing the ownership and beneficiary arrangement on the Keyman Policy.

193. On June 3, 2016, Prudential sent a letter to Webb “in response to [his] request to change the ownership arrangement” on the Keyman Policy, and provided him with a Request to Change Ownership/Beneficiary form to fill out.

194. As of the date of Cantor's death, Webb had failed to submit the completed Change of Ownership/Beneficiary form to Prudential.

195. Approximately four (4) months after notifying Prudential of his intention to change the ownership and beneficiary arrangement on the Keyman Policy, Webb submitted a copy of Cantor's death certificate to Prudential, requesting a pay out of the insurance proceeds from the Keyman Policy.

196. Thereafter, Prudential promptly and improperly paid the proceeds of the Keyman Policy to Webb.

197. Prudential knew, or in the exercise of reasonable care should have known, that the Keyman Policy was intended to benefit Webb so long as Webb remained a shareholder of the Firm and business partner of Cantor; that, when Webb made a claim for the insurance proceeds from the Keyman Policy, Webb no longer had an insurable interest, as the purpose of the Keyman Policy had ceased where Webb was no longer a shareholder of the Firm or a business partner of Cantor; that Webb was not the proper person to receive the insurance proceeds from the Keyman Policy; and that The Cantor Group was the proper owner and beneficiary of the Keyman Policy.

198. Prudential was negligent and breached its duty of reasonable care to take such precautions as were reasonably necessary to protect The Cantor Group and ensure that any proceeds from the Keyman Policy were paid to the proper person in all or more of the following ways:

- a. By failing to conduct any due diligence with respect to determining the proper owner and beneficiary of the Keyman Policy as of the date of Cantor's death, despite that the clear intention and purpose of the policy was "to provide for key person coverage, business continuation and cross purchase" coverage on the life of Cantor, one of the two named partners of the Firm and Webb's business partner;

- b. By failing to conduct any due diligence with respect to determining the proper owner and beneficiary of the Keyman Policy as of the date of Cantor's death when Webb had already resigned from the Firm;
- c. By failing to conduct any due diligence with respect to determining the proper owner and beneficiary of the Keyman Policy as of the date of Cantor's death where Prudential received a request from Webb to change the ownership and beneficiary arrangement on the Keyman Policy only four (4) months prior to submitting a claim for the \$2 million life insurance proceeds from the policy;
- d. By accepting over \$63,225.00 in premiums over the course of nine (9) years, all of which were paid by the Firm, and subsequently improperly dispersing the \$2 million life insurance proceeds from the Keyman Policy to Webb;
- e. By improperly dispersing the \$2 million life insurance proceeds from the Keyman Policy to Webb;
- f. By failing to implement adequate policies and procedures for investigating the proper and/or intended owner and beneficiary of a keyman/key person life insurance policy as of the date of the insured's death; and
- g. By failing to take additional measures after being put on notice that Webb was not the proper owner and beneficiary of the Keyman Policy, and, in turn, was not the proper person to receive the \$2 million life insurance proceeds from the Keyman Policy.

199. As a direct and proximate result of the above-described carelessness and negligence of Prudential, The Cantor Group sustained substantial damages, as it was permanently deprived of the \$2 million life insurance proceeds from the Keyman Policy.

WHEREFORE, Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., demands a judgment for damages against Defendants, Prudential Financial, Inc., Pruco Life Insurance Company, and Prudential Insurance Company of America, along with an award for reasonable attorneys' fees and costs, interest, and any other relief as this Court deems just and proper.

COUNT XIII – WRONGFUL DISTRIBUTION OF POLICY PROCEEDS
*(As to Prudential Financial, Inc., Pruco Life Insurance Company,
and Prudential Insurance Company of America)*

200. The Cantor Group incorporates each and every allegation set forth in Paragraphs 1 through 102, *supra*, as if fully set forth herein.

201. Prudential knew that the Keyman Policy was a keyman/key person life insurance policy: a policy of insurance on the life of Cantor, an officer, shareholder, and key person of the Firm, and Webb's business partner.

202. The Keyman Policy became an asset of The Cantor Group where all premiums paid on the policy were paid by the Firm.

203. "It is well established that although the officer of a corporation may take title to property in his own individual name, if funds of the corporation are used to pay for such property it will ordinarily be considered to be an asset of the corporation, under the theory of an implied trust for its benefit." *Gas-Ice Corp. v. Newbern*, 501 P. 2d 1288, 1292 (Or. 1972). "[T]his rule is applicable to a policy of insurance on the life of the officer of a corporation for which the premiums are paid by the corporation, with the result that such an insurance policy is an asset of the corporation." *Id.*

204. The Keyman Policy, although purchased by the Firm in Webb's name, became corporate assets and were impressed with a trust under which Webb held them as a fiduciary for the benefit of the Firm.

205. The fact that the policies provide that the ownership or name of the beneficiary could be changed by submitting a request to Prudential, without regard to the Firm, does not change the Keyman Policy's status as a firm asset, where the premiums for the policies were paid by the Firm.

206. In the alternative, The Cantor Group should be deemed to have been the owner and beneficiary of the Keyman Policy as of June 9, 2016, the date that Webb resigned from the Firm.

207. As of June 9, 2016, Webb no longer had any interest in the Keyman Policy.

208. Notwithstanding the above, Prudential wrongfully paid the \$2 million life insurance proceeds from the Keyman Policy, a corporate asset, to Webb, to be used for his own personal benefit.

209. The Cantor Group has notified Prudential of its claim to the \$2 million life insurance proceeds from the Keyman Policy.

210. As a direct and proximate result of Prudential's wrongful distribution, The Cantor Group sustained substantial damages, as it was permanently deprived of the \$2 million life insurance proceeds from the Keyman Policy.

WHEREFORE, Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., demands a judgment for damages against Defendants, Prudential Financial, Inc., Pruco Life Insurance Company, and Prudential Insurance Company of America, along with an award for reasonable attorneys' fees and costs, interest, and any other relief as this Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff, The Cantor Group Law P.A. f/k/a Cantor & Webb, P.A., hereby demands a trial by jury on all matters properly triable by jury under the laws of the United States and the State of Florida.

Dated: January 8, 2018

Respectfully submitted,

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