

IN THE CIRCUIT COURT OF THE 15TH
JUDICIAL CIRCUIT, IN AND FOR PALM
BEACH COUNTY, FLORIDA

CASE NO.: 502016CA013264XXXXMBAN

FLORIDA INSURANCE ADVISORY GROUP,
LLC, FLORIDA INSURANCE ADVISORY
GROUP, II, LLC, MRB & ASSOCIATES II,
LLC, MRB & ASSOCIATES III, LLC,
FLORIDA PROPERTY & CASUALTY
INSURANCE AGENCY, LLC and INSURANCE
ADVISORS OF SOUTH FLORIDA, LLC,

Plaintiffs,

vs.

RELIANCE AGENCY NETWORK, LLC and
DeSOTO MOULTON, LLC,

Defendants.

_____ /

AMENDED COMPLAINT

Plaintiffs, Florida Insurance Advisory Group, LLC, Florida Insurance Advisory Group II, LLC, MRB & Associates II, LLC, MRB & Associates III, LLC, Florida Property & Casualty Insurance Agency, LLC and Insurance Advisors of South Florida LLC (collectively, "Plaintiffs" or "Sellers"), by and through their undersigned counsel, sues Defendants, Reliance Agency Network, LLC and DeSoto Moulton, LLC, Florida limited liability companies (together, "Defendants" or "Buyers").

PARTIES, JURISDICTION, AND VENUE

1. Plaintiff, Florida Insurance Advisory Group, LLC, is a Florida limited liability company registered and authorized to do business in Florida.

2. Plaintiff, Florida Insurance Advisory Group II, LLC, is a Florida limited liability company registered and authorized to do business in Florida.

3. Plaintiff, MRB & Associates II, LLC, is a Florida limited liability company registered and authorized to do business in Florida.

4. Plaintiff, MRB & Associates III, LLC, is a Florida limited liability company registered and authorized to do business in Florida.

5. Plaintiff, Florida Property & Casualty Insurance Agency, LLC, is a Florida limited liability company registered and authorized to do business in Florida.

6. Plaintiff, Insurance Advisors of South Florida LLC, is a Florida limited liability company registered and authorized to do business in Florida.

7. Defendant, Reliance Agency Network, LLC ("Reliance"), is a Florida limited liability company registered and authorized to do business in Florida.

8. Defendant, DeSoto Moulton, LLC ("DeSoto"), is a Florida limited liability company registered and authorized to do business in Florida.

9. This is an action for damages in excess of \$15,000, exclusive of interest, attorneys' fees and costs.

10. Jurisdiction and venue are proper before this Court because Plaintiffs and Defendants agreed that jurisdiction and venue for any action arising out of a breach of the Asset Purchase Contract & Receipt dated May 22, 2016 (the "Asset Purchase Contract"), a copy of which is attached as Exhibit "A," shall be the Circuit Court in and for Palm Beach County, Florida, pursuant to section 32 of the Asset Purchase Contract.

ALLEGATIONS

11. Sellers are Florida limited liability companies that previously were engaged in the business of selling insurance products and services in Florida (the "Insurance Brokerage Business").

12. In 2016, Buyers entered into negotiations for the purchase of Sellers' Insurance Brokerage Business, culminating in the Asset Purchase Contract between Reliance and Sellers.

13. Reliance and Sellers agreed Reliance would close the transaction in the name of its newly formed company, DeSoto, pursuant to Addendum #1 to the Asset Purchase Contract ("Addendum #1").

14. Addendum #1 also provided that Reliance shall not be relieved from any responsibility and/or liability under the terms of and conditions of the Asset Purchase Contract.

15. Pursuant to the Asset Purchase Contract, the total purchase price for Sellers' Insurance Brokerage Business was \$18,800,000. This amount included (a) \$200,000 deposit due upon acceptance of the offer by Sellers, (b) \$15,300,000 due at closing, and, (c) \$3,300,000 to be held in escrow.

16. Pursuant to the terms of the Asset Purchase Contract, Buyers had the right to inspect Sellers' accounting, financial records and other business records as part of a due diligence review of Sellers' business.

17. Sellers produced complete accounting, financial records and other business records in response to Buyers' itemized list for due diligence, and Buyers actually conducted due diligence thereupon.

18. Buyer and/or Buyers' business broker prepared an analysis of the Insurance Brokerage Business, including a calculation of earnings before interest, tax, depreciation and

amortization, based upon the complete records provided by Sellers during the due diligence period.

19. Buyers did not ask for additional due diligence information or to extend the time to conduct due diligence.

20. On June 17, 2016, Sellers and DeSoto entered into the Escrow Agreement dated June 17, 2016 (the "Escrow Agreement") with Oak Street Funding, LLC, as the escrow agent (the "Escrow Agent"), a copy of which is attached as Exhibit "B."

21. Sellers and Buyers closed on June 17, 2016 (the "Closing Date") as contemplated by the Asset Purchase Contract. At that time, Buyers caused \$3,300,000 to be transferred to the Escrow Agent in accordance with the terms of the Asset Purchase Contract and the Escrow Agreement.

22. On or about August 4, 2016, Buyers provided a claims notice to the Escrow Agent and Sellers pursuant to section 4(b) of the Escrow Agreement to assert an indemnification claim for \$129,153.64, a copy of which is attached as Exhibit "C."

23. On or about August 8, 2016, Sellers timely sent a dispute notice to the Escrow Agent and Buyers pursuant to section 4(c) of the Escrow Agreement, a copy of which is attached as Exhibit "D."

24. On or about September 8, 2016, Buyers sent another claims notice (the "Buyer Claims Notice") to the Escrow Agent and Sellers pursuant to section 4(b) of the Escrow Agreement to assert damages in excess of \$4,000,000, a copy of which is attached as Exhibit "E."

25. Pursuant to section 4(c) of the Escrow Agreement, Sellers had thirty (30) days after the delivery of a claims notice to the Escrow Agent to notify the Escrow Agent in a dispute

notice that it disagrees with the basis or amount of the claim for indemnification set forth in a claims notice.

26. Section 9 of the Escrow Agreement provides that all notices "shall be deemed to have been given . . . (c) on the next Business Day if sent by facsimile or email of a PDF document (with confirmation of transmission), and on the next Business Day if sent after normal business hours of the recipient or (d) on the third (3rd) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid (with written confirmation of receipt)."

27. On October 4, 2016, Sellers timely sent a dispute notice (the "Dispute Notice") to the Escrow Agent and Buyers pursuant to section 4(c) of the Escrow Agreement, a copy of which is attached as Exhibit "F."

28. Sellers sent the Dispute Notice to the Buyers, the Escrow Agent, and their respective attorneys via certified mail on October 4, 2016. Pursuant to section 9 of the Escrow Agreement, the Dispute Notice was deemed given by certified mail on the third business day after being sent, October 7, 2016. Copies of the USPS tracking information and confirmation of receipt are attached as Exhibit "G."

29. The Dispute Notice was also sent by email to Buyers at jsasson@reliancegh.com; and the attorney for Buyers at jglaser@bj-law.com on October 4, 2016. Such notice by email was not required by the Escrow Agreement because the Dispute Notice was also sent by certified mail, return receipt requested, postage prepaid.

30. Despite having received the Dispute Notice on a timely basis, the Buyers improperly directed the Escrow Agent to disburse the balance of the escrow account to Buyers, leaving a zero balance. A letter from Alicia Mitchell Chandler, on behalf of the Escrow Agent,

indicating that the funds were released and the escrow account balance was zero is attached at Exhibit "H."

31. On or about November 22, 2016, Sellers sent a letter to the Kay Dee Baird, Esq. of Krieg DeVault LLP, counsel to the Escrow Agent, demanding the escrow account be replenished, a copy of which is attached as Exhibit "I." The escrow account was not replenished.

32. All conditions precedent to bringing this action have occurred or been waived.

33. Plaintiffs/Sellers have been forced to retain counsel and agreed to pay the counsel for the costs incurred and reasonable attorneys' fees for their services.

34. Pursuant to section 32 of the Asset Purchase Contract, Plaintiffs are entitled to recover their attorneys' fees and costs in the event Plaintiffs are the prevailing party.

COUNT I
BREACH OF CONTRACT

35. Plaintiffs/Sellers adopt and reallege paragraphs 1 through 34 above.

36. This is an action against Reliance and DeSoto for damages for breach of contract.

37. Sellers and Buyers entered into a valid contract for the sale of the Seller's investment brokerage business to the Buyers – the Asset Purchase Contract.

38. Pursuant to the Asset Purchase Contract, the total purchase price for Sellers' Insurance Brokerage Business was (a) \$200,000 deposit to Sellers upon Sellers' acceptance of the Asset Purchase Contract, (b) \$15,300,000 on the Closing Date, and (c) \$3,300,000 to be held in an escrow account.

39. Despite the due diligence performed by Buyers and the ample opportunity the Buyers had to perform due diligence, Buyers sent the Escrow Agent the Buyer Claims Notice

seeking to have the purchase price amended or reduced due to Buyers' post-closing income and therefore, to have the escrow funds released.

40. Sellers provided a timely Dispute Notice to the Escrow Agent and Buyers in which it objected to the claims set forth in the Claims Notice and the disbursement of the escrow funds.

41. Notwithstanding Sellers' timely Dispute Notice, Buyers caused the balance of the escrow funds to be disbursed, thereby preventing Sellers from receiving the \$3,300,000 balance of the purchase price owed to them under the terms of the Asset Purchase Contract. This was a breach of the Asset Purchase Contract.

42. As a result of Buyer's breach of the Asset Purchase Contract, Sellers have been damaged.

WHEREFORE, Plaintiffs, Florida Insurance Advisory Group, LLC; Florida Insurance Advisory Group II, LLC; MRB & Associates II, LLC; MRB & Associates III, LLC; Florida Property & Casualty Insurance Agency, LLC; and Insurance Advisors of South Florida LLC, demand judgement against Defendants, Reliance Agency Network, LLC and DeSoto Moulton, LLC, for compensatory damages, prejudgment interest, costs, attorneys' fees pursuant to any applicable contract or statute (including the Asset Purchase Contract), and such other and further relief as this Court deems just and proper.

COUNT II
DECLARATORY JUDGMENT

43. Plaintiffs/Sellers adopt and reallege paragraphs 1 through 34 above.

44. This is an action against Reliance and DeSoto for declaratory relief pursuant to Chapter 86 of the Florida Statutes.

45. Sellers and Buyers entered into a valid contract for the sale of the Seller's Investment Brokerage Business to the Buyers – the Asset Purchase Contract.

46. Pursuant to the Asset Purchase Contract, the total purchase price for Sellers' Insurance Brokerage Business was (a) \$200,000 deposit to Sellers upon Sellers' acceptance of the Asset Purchase Contract, (b) \$15,300,000 on the Closing Date, and (c) \$3,300,000 to be held in an escrow account.

47. Despite the due diligence performed by Buyers and the ample opportunity the Buyers had to perform due diligence, Buyers sent the Escrow Agent the Buyer Claims Notice seeking to have the purchase price amended or reduced due to Buyers' post-closing income and therefore, to have the escrow funds released.

48. Sellers provided a timely Dispute Notice to the Escrow Agent and Buyers in which it objected to the claims set forth in the Claims Notice and the disbursement of the escrow funds.

49. Notwithstanding Sellers' timely Dispute Notice, Buyers caused the balance of the escrow funds to be disbursed or, alternatively, accepted the return of the escrow funds despite actual notice of Seller's Dispute Notice. Seller asserts that Buyer violated the Asset Purchase Contract and, at a minimum, the implied covenant of good faith and fair dealing in connection with the escrow funds. The amount of \$3,300,000 should be returned to escrow immediately and is owed to Sellers under the terms of the Asset Purchase Contract.

50. Based upon the claims raised by Buyers, Sellers are in doubt as to their rights under the parties' contract, specifically the Asset Purchase Contract.

51. Sellers will suffer irreparable harm if relief is not granted.

52. There is no other adequate remedy at law.

53. The relief sought constitutes and deals with a bona fide question between Sellers and Buyers.

54. The declaration sought deals with a present state of facts or presents a controversy as to a state of facts.

55. Plaintiffs/Sellers have a justiciable question and have a bona fide, actual, and present practical need for a declaration from this Court.

56. Plaintiffs/Sellers' rights, duties, and obligations are dependent upon the facts or law applicable to the facts.

57. The seeds of litigation are ripening such that a declaration from this Court will benefit the parties.

WHEREFORE, Plaintiffs, Florida Insurance Advisory Group, LLC; Florida Insurance Advisory Group II, LLC; MRB & Associates II, LLC; MRB & Associates III, LLC; Florida Property & Casualty Insurance Agency, LLC; and Insurance Advisors of South Florida LLC, request that this Court enter a declaratory judgment that: (i) declares that Sellers have complied with the parties' contracts, including by timely sending the Dispute Notice; (ii) declares that Buyers' claims to the have the escrow funds released are not valid; (iii) orders Buyers to immediately return to the Escrow Agent the full sum of \$3,300,000; (iv) determines which party or parties are entitled to the funds which were deposited into the escrow account; (v) grants supplemental relief as appropriate; and (vi) awards costs and attorneys' fees pursuant to any applicable contract or statute (including the Asset Purchase Contract), and such other and further relief as this Court deems just and proper.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on March 21, 2017, I electronically filed the foregoing document with the Clerk of the Court via the Florida Courts eFiling Portal, which will serve the same via email transmission on all counsel on the attached Service List.

Respectfully submitted,

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Attorneys for Defendants,

Reliance Agency Network, LLC and

DeSoto Moulton, LLC

ASSET PURCHASE CONTRACT AND RECEIPT

Date: May 22, 2016

Reliance Agency Network, LLC (herein referred to as "Buyer" and Florida Insurance Advisory Group, LLC, Florida Insurance Advisory Group II, LLC, MRB & Associates II, LLC, MRB & Associates III, LLC, Florida Property & Casualty Insurance Agency, LLC and Insurance Advisors of South Florida, LLC, each a Florida Limited Liability Company (the "Sellers"), and the shareholders of the Sellers listed on Schedule 1 (the "Seller Shareholders," and together with the Seller, the "Seller Parties" and each, a "Seller Party") (Buyer and Seller Parties collectively are "Parties") hereby agree that, upon acceptance of this Asset Purchase Contract and Receipt (the "Agreement"), the Seller Parties shall sell and Buyer shall purchase the insurance brokerage businesses owned by the Seller Parties (the "Business or Businesses") including certain assets as described in Section 5 herein pursuant to the terms and conditions of this Agreement.

- \$ 200,000 A. As deposit upon acceptance of this offer by Seller, to be received in the form of a check ("Deposit").
Deposits to be held by Bonnie A. Brown, Attorney at Law, 514 Colorado Avenue, Stuart, FL 34994, (772) 221-9024 (hereinafter referred to as "Closing Agent".) Seller and Buyer acknowledge that checks accepted by Broker and/or Closing Agent are subject to collection. Escrow funds will not be disbursed until they have been cleared by said bank. Escrow accounts will not bear interest.
- \$ 15,300,000 B. Wire transfer payable to Closing Agent at Closing.
- \$ 3,300,000 C. Escrow Amount to be held by A prudent and reputable Escrow Agent shall be agreed to between the Buyer and the Seller Parties using good judgment.
- \$ 18,800,000 D. PURCHASE PRICE TOTAL

IT IS HEREBY AGREED THAT:

1. **ACCEPTANCE OF OFFER AND COUNTEROFFER:** Buyer's offer shall remain open for Seller's written acceptance on or before: Five o'clock PM on May 23, 2016. Seller shall accept this offer by executing this Asset Purchase Contract and Receipt and delivering to Broker.
2. **CLOSING:** The undersigned hereby agree to execute any and all documents necessary to close this transaction. The date of Closing for this sale shall be on or before June 17, 2016 ("Closing Date"). Any extension of this Closing Date must be in writing and signed by Buyer and Seller.
3. **CLOSING AGENT, COSTS AND PRORATIONS:** The parties agree that the Closing Agent shall prepare and obtain escrow instructions, closing documents and instruments evidencing the terms and conditions of this transaction as are required for the closing and conduct the closing and provide for recording of the documents. Buyer and Seller agree to execute said documents as are reasonably requested by the Closing Agent. The Parties shall pay their own legal fees incident to this transaction and the execution thereof. Documentary stamps, intangible tax, recording of UCC-1's, judgment and lien searches, and any other fees related to Buyers financing of the transaction shall be paid by the Buyer. Such closing documents shall include Seller(s) and Buyer(s) Affidavits, Bill of Sale, Escrow Agreement, Closing Statements, and other documents as may be necessary, in the opinion of the Closing Agent, to effectuate the transaction. The parties agree that the Closing Agent shall not be representing either Seller or Buyer. All-transferable taxes, insurance, licenses, rents, utilities and any other customarily prorated items shall be prorated as of the date of Closing.
4. **Closing Payment; Escrow.** In consideration of the purchase and sale of the Acquired Assets, as described herein, and the Seller Parties' entering into the Restrictive Covenants at Section 10 herein, Buyer shall assume the Assumed Liabilities at Closing and Buyer shall pay to the Sellers the amount listed on section D of page 1 based upon the Sellers having Three

SELLER'S INITIALS

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Page 1 of 14

CBI Standard Asset Purchase Agreement 12-09

BUYER'S INITIALS

[Signature]

Asset Purchase Agreement, Continued

Million Dollars (\$3,000,000) of Net Income as defined herein, subject to Section 4(a) and 4(b) below (the "Purchase Price"), which Purchase Price is subject to adjustment in accordance with this Agreement and is payable as follows:

- (a) At Closing, the Escrow Agent shall retain Three Million and Three Hundred Thousand Dollars (\$3,300,000) (the "Escrow Amount" or "the Escrow Funds") from the Purchase Price for a period of One Hundred and Twenty (120) days (the "Escrow Period"), in an escrow account to secure the Seller Parties' indemnification responsibilities as provided for in this Agreement. Any and all rights to indemnifications shall not be limited in any way to the Escrow Amount or to the amount of time the funds are held in escrow. Buyer shall pay the Sellers a cash payment in the amount of the Purchase Price, less the Escrow Amount (referred to herein as the "Net Closing Payment"), to be paid in accordance with the bank instructions provided by the Closing Agent and the Seller Parties. At Closing, Buyer shall deposit the Escrow Amount by wire transfer into an account designated in the Escrow Agreement to be held and disbursed by the Escrow Agent in accordance with the provisions of this Agreement to (i) pay amounts due to the applicable parties under and in accordance with this Agreement and (ii) satisfy any and all claims made by Buyer or any other Buyer Indemnitee, as defined herein, against any of the Seller Parties pursuant to Section 8. The Escrow Amount will be held in escrow by the Escrow Agent during the Escrow Period as a non-exclusive source of recovery for any claims, debt, and expenses owed, and to the extent no claims have been made against the Escrow Amount, released to the Sellers after the end of the Escrow Period, subject to the provisions of this Agreement and the Escrow Agreement as provided by the Escrow Agent. No funds shall be released from escrow by the Escrow Agent without prior written authorization signed by the Buyer and Seller Parties.
- (b) The Purchase Price is based upon the assumption that the Sellers have a Net Income, as defined below, of Three Million Dollars (\$3,000,000) before loan payments and shareholder salaries only. Should the Net Income be reduced, the Purchase Price shall be reduced accordingly. For illustration, the current Purchase Price is 6.27 times the presumed net income (\$3,000,000). On or before the expiration date of the due diligence period, the net income will be determined by the Buyer and agreed to by the Seller based on the definition of Net Income in this Agreement. The Net Income will then be multiplied by 6.27 to find the final purchase price. Notwithstanding the above, the Purchase Price shall not exceed 18,800,000. Net Income shall be defined as operational income less operational expenses. However, if it is determined that the representation made in Section 7(o) is in any way false or inaccurate then Buyer shall have the right to purchase the Business at an adjusted rate using the calculations set forth above.

5. ASSETS AND BILL OF SALE: Seller shall deliver to Buyer at the Closing an Absolute Bill of Sale as Provided by the Closing Agent for all of the assets to be purchased pursuant to this Agreement (the "Acquired Assets" or "Assets"), including, but not be limited to:

- (a) The list of Sellers' Clients to this Agreement, singularly, a "Client" or collectively, "Clients") and Active Prospective Clients, all of the Sellers' insurance expirations and all rights of renewal thereof and any other Client or renewal lists used in connection with providing Company Business, together with associated Goodwill, Confidential Information, files, claim files, books, records, ledgers, correspondence, and other usual and customary records, and advertising and promotional materials, studies, and reports used in connection therewith shall be provided by Seller at the time of closing via login information to the management system;
- (b) All of the Sellers' right, title, and interest in and to those certain contracts, licensing agreements, equipment leases, and to the extent permissible by law, employment and independent contractor agreements listed and described in Schedule 5(b) (the "Assumed Contracts");
- (c) All production agreements, insurance accounts, insurance policies, renewals and expirations associated with Sellers' production agreements (the "Acquired Accounts"), a list of which shall be provided at closing and attached hereto as Schedule 5(c);
- (d) The property, real or personal and mixed, tangible, and intangible, of the Sellers, including, without limitation, all furniture, fixtures, equipment, machinery, office equipment, supplies, computers, telephones, and other tangible personal property as fictitious and operating names of the Sellers, all as listed on Schedule 5(d), to the extent they are not Excluded Assets;
- (e) Goodwill;
- (f) Except as otherwise required by applicable law, all officers, directors, consultants, and employees of the Sellers, including, without limitation, Producers (each an "Employee"), and the rate of compensation (and the portions

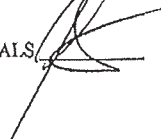
SELLER'S INITIALS



Page 2 of 14

Asset Purchase Agreement

BUYER'S INITIALS



Asset Purchase Agreement, Continued

- thereof attributable to salary, bonus, and other compensation, respectively) and any accrued sick leave and accrued vacation of each of such persons as of the Closing Date are all as listed on Schedule 5(f);
- (g) All rights, to the extent assignable or transferable by law, to all permits issued by a governmental entity relating to the Company Business, including those set forth on Schedule 5(g);
 - (h) All rights and interests in and to the Sellers' telephone numbers, domain name registrations, and electronic mail addresses, including those set forth on Schedule 5(h);
 - (i) All Accounts Receivable as provided in section 6 herein, including those set forth on Schedule 5(i);
 - (j) The exclusive right to occupy the Premises for the period that Buyer funds the lease of Premises in accordance with Section 25 of this Agreement;
 - (k) All books and records, including, but not limited to, books of account, ledgers, and general, financial, and accounting records, machinery and equipment maintenance files, customer lists, customer purchasing histories, price lists, distribution lists, supplier lists, production data, quality control records and procedures, customer complaints and inquiry files, research and development files, records and data (including all correspondence with any Governmental Entity) sales material and records (including pricing history, total sales, terms and conditions of sale, sales and pricing policies and practices), strategic plans, internal financial statements, and marketing and promotional surveys; and
 - (l) Any and all other assets of the Sellers of every kind and description, tangible or intangible, pertaining to or used in the Sellers' insurance sales business and agency, with the exception of all personal assets owned by seller and listed on the attached Schedule 5(l).

Notwithstanding the foregoing, Buyer shall not assume any liability or obligation of Sellers, other than liabilities specifically assumed herein, arising on or after and relating to periods from and after the Closing Date.

The Parties shall allocate the Purchase Price among the Acquired Assets for financial accounting and tax purposes as set forth on Schedule 5(m) provided prior to the Closing Date. The Parties acknowledge and agree that the tax allocation, if any, of Purchase Price to Restrictive Covenants does not, in any way, limit any remedy available to Buyer for any breach by any Seller Party of any Restrictive Covenants.

6. ACCOUNTS RECEIVABLE: It is agreed that Sellers' Accounts Receivable are included in the Purchase Price. Should the Closing take place on any other day besides the first or last day of a month, the Parties agree to prorate the revenue and expenses based on the number of days that each Party owned the Businesses and any amount owed to Buyer shall be deducted from the funds escrowed at Closing per section 8 herein.

7. WARRANTY: The Seller Parties warrant that all outstanding liabilities of the Sellers, except as specifically set forth herein, shall be paid in full on or upon the Closing, and that Sellers are the owners of and have good and marketable title to all of the assets of the Business and that Buyer shall receive the assets of the Businesses free and clear of any encumbrances other than the security interest which may be created pursuant to the terms of this transaction.

The Seller Parties also represents and warrant to Buyer as of the Closing that:

- (a) The Seller Parties are in good standing and have the power to sell the Acquired Assets as provided herein.
- (b) The undersigned have the full authority to enter into this Agreement and to conclude the transaction described herein. This Agreement has been duly authorized, executed and delivered by the Sellers and Buyer and constitutes a legal, valid and binding obligation, enforceable against each of them in accordance with its terms. The execution, delivery and performance of this Agreement by the Sellers and Buyer will not constitute a violation of its Certificate of Incorporation or its By-Laws or any other third party agreement.
- (c) The Sellers represent and warrant that the Net Income as defined herein is equal to Three Million Dollars as shown in Schedule 7(c).
- (d) The Seller Parties do not have any liability, whether known or unknown except as disclosed herein.
- (e) There are no judgments, liens, actions, arbitrations, decrees, investigations or legal or administrative proceedings pending or threatened against the Seller Parties or the Businesses except as provided for in Schedule 7(e) all of which will be discharged and settled prior to Closing.
- (f) There are no monies due and owing by the Seller Parties to vendors, trade creditors or to any third parties except as

SELLER'S INITIALS

Page 3 of 14

Asset Purchase Agreement

BUYER'S INITIALS

Asset Purchase Agreement, Continued

- provided in Schedule 7(f). All such monies due and owing by the Seller Parties will be paid off prior to or at closing.
- (g) The Businesses are in compliance with all applicable laws, rules and regulations and have been conducted by the Seller Parties up to the date of the Closing in accordance with said laws, rules and regulations.
 - (h) The Businesses are current with respect to the payment of all state, federal and municipal taxes except as provided for in Schedule 7(h). All such taxes will be and liens will be discharged prior to or at closing.
 - (i) The financial records and tax returns provided or to be provided by the Seller Parties to Buyer in connection with the Buyer's due diligence investigation fully and accurately reflect the financial condition and results of operation of the Businesses for the periods that said records or returns cover. The financial records and tax returns shall be provided to Buyer within five (5) days of the effective date of this Agreement.
 - (j) There are no existing or threatened matters that could adversely affect the Businesses, could result in a loss of any customers' accounts or could result in a lien or encumbrance on any of the assets known to the Seller Parties at the time of Closing.
 - (k) The Sellers have complied and are in compliance with all applicable employment laws, rules, regulations, and ordinances, and the Sellers are not liable for any arrears of wages, Taxes, or penalties for failure to comply with any of the foregoing. All Employees and Producers possess insurance and other Permits issued by regulatory and other Governmental Entities that are necessary to perform the function of their current position. Each Employee and Producer of the Sellers is a party to a written contract that is in full force and effect and each such contract contains restrictive covenants regarding maintaining the Sellers' confidentiality and non-solicitation/non-acceptance of the Sellers' Client Accounts post-termination of employment.
 - (l) The Seller Parties have operated the business up through the Closing in the usual and ordinary manner and have not entered into employment contracts, an incentive or deferred compensation contracts, or any transactions outside the regular course of business.
 - (m) No officer, director, shareholder, member or affiliate is a party to any contract or transaction with the Sellers or has any interest in the Acquired Assets or any other asset that is used in or necessary for the conduct or operation of the Business.
 - (n) The Seller Parties shall purchase a three-year extended reporting errors and omissions insurance tail policy (the "E&O Tail"). The E&O Tail will have limits of liability of Two Million Dollars (\$2,000,000.00) per claim and Four Million Dollars (\$4,000,000) in aggregate and a Five Thousand Dollar (\$5,000) deductible and shall be purchased within 45 days of Closing.

8. INDEMNIFICATION AND RIGHT OF SET-OFF. All representations and warranties of the Seller Parties set forth in this Agreement survive the Closing for thirty six (36) months. The Seller Parties jointly and severally shall defend, indemnify, and hold harmless Buyer and its Affiliates and their respective directors, officers, shareholders, members, and employees (the "Buyer Indemnitees") from and against any adverse consequences resulting from, arising out of, or otherwise relating to:

- (a) Any inaccurate representation or warranty made by the Seller Parties, or any of them, in this Agreement;
- (b) Any breach or default in the performance of any of the covenants or agreements made by the Seller Parties, or any of them, in this Agreement;
- (c) Taxes (or the non-payment thereof) of the Sellers for all taxable periods ending before, on, or after the Closing Date or any Taxes relating to the ownership or operation of any of the Acquired Assets for the taxable periods (or portions thereof) ending on or before the Closing Date;
- (d) Any of the Sellers' liabilities, including, but not limited to, (i) Out-of-Trust Exposure and (ii) any adverse consequences related to any legal action or proceeding; or
- (e) The Sellers' ownership or operation of the Businesses or any of the Acquired Assets prior to the Closing.

The warranties of the Seller Parties are joint and several obligations. Each Seller Party is responsible for the entirety of any adverse consequence suffered by any Buyer as a result of a breach of a warranty. Any delay in providing, or the failure to provide, notice does not affect the right to indemnification.

9. ACCOUNTS PAYABLE: All accounts payable accruing up to and including the date of the Closing shall remain the responsibility of the Sellers, including insurance premiums or other debts owed to insurance companies, brokers or customers

SELLER'S INITIALS

BUYER'S INITIALS

Asset Purchase Agreement, Continued

relating to the operation of the Businesses. Immediately from and after the Closing, all incurred accounts payable shall be the sole responsibility of Buyer.

10. RESTRICTIVE COVENANTS: Each of the Seller Parties acknowledges and agrees that substantial and valuable assets are being transferred to Buyer under this Agreement that include Confidential Information, relationships with Clients and Active Prospective Clients, and associated Goodwill, that the relationships that Buyer (including as a result of the transactions contemplated by this Agreement) has with its employees and producers are significant business relationships necessary for Buyer to continue to operate the business being acquired hereunder and the Acquired Assets, and that Buyer, as a result of the transactions contemplated by this Agreement, will be engaged in providing business, including Businesses, throughout the Restricted Territory as defined below. Each of the Seller Parties further acknowledges and agrees that Buyer and each of Buyer's Affiliates has a reasonable, necessary, and legitimate business interest in protecting the aforesaid assets and relationships and businesses, and that the covenants set forth in this Section 10 are reasonable and necessary to protect these legitimate business interests. Each of the Seller Parties further acknowledges and agrees that the payment of the Net Closing Payment to the Sellers at Closing (and Buyer's depositing of the Escrow Amount in escrow with the Escrow Agent) constitutes, among other things, full consideration for such covenants, and the associated Goodwill included in the Acquired Assets. Each of the Seller Parties further acknowledges and agrees that the Restrictive Covenants in this section are to be construed as agreements independent of any other provision in this Agreement, and the existence of any claim or cause of action of any Seller Party against Buyer, whether predicated upon this Agreement or otherwise, will not constitute a defense to the enforcement by Buyer of any Restrictive Covenant, and that Buyer has fully performed all obligations entitling it to the Restrictive Covenants, and the Restrictive Covenants therefore are not executory or otherwise subject to rejection under Chapter 11 of Title 11 of the United States Code. Each of the Seller Parties acknowledges and agrees that monetary damages will not be an adequate remedy for any breach of any of the Restrictive Covenants and that irreparable injury may result to Buyer and Buyer's Affiliates, or their successors in interest.

NON-COMPETITION AND NON-SOLICITATION: From and after the Closing, the Seller Parties, including all officers, directors and shareholders of Seller each jointly and severally, will not: (a) directly or indirectly engage in or become interested in a similar business or any business or activity incidental to the sales or servicing of insurance or become the agent or employee of any competitor of Buyer, or in any other way compete with Buyer, other than employment of the Seller by the Buyer at the Business, within the State of Florida ("Restricted Territory"), for a period of **Three (3) years** from the Closing Date; (b) solicit or entice or attempt to solicit or entice any of the Businesses' current employees or independent contractors to terminate or diminish a relationship with the Businesses or Buyer, for a period of **Five (5) Years** from the Closing Date; (c) solicit or entice or attempt to solicit or entice, whether on behalf of the Seller Parties or a third party, any Clients, Active Prospective Clients, insurance companies, insurance brokerages, vendors, suppliers, contractors, subscribers, lessors, lessees, and licensees (the "Business Associations") to terminate or diminish a relationship with the Businesses or Buyer; (d) in any way seek to harm the reputation of the Business or Buyer's relationship with the Business Associations (collectively, the "Restrictive Covenants"). Notwithstanding the above, Michael R Buza ("Buza") may continue to own his one third (1/3rd) interest in The Insurance Store USA located at 511 So. Orange Blossom Trail, Apopka, FL 32703 as well as his 40% interest in his father's Blue Cross General Agency located in Vero Beach, Florida. However, this exception shall in no way be construed to allow neither Buza nor any of the Seller Parties to compete with or sell insurance to any of the Clients or Active Prospective Clients, unless agreed to in writing by the Buyer.

CONFIDENTIAL INFORMATION: The Seller Parties acknowledge and agree that:

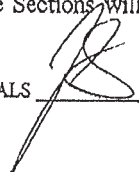
- (a) The Confidential Information as defined herein is being sold to and shall remain the sole and exclusive property of the Buyer. After Closing, the Seller Parties will not ever, directly or through another under the Seller Party's supervision or control use and/or disclose at any time, at any place, for any reason the Confidential Information.
- (b) In the event that the Seller Parties receive a request or demand, orally, in writing, electronically or otherwise, for the disclosure or production of Confidential Information, the Seller Parties shall, if legally permissible, use their best efforts to notify Buyer in writing of such request and shall cooperate with Buyer in protecting the Confidential Information.

11. REMEDY: The Seller Parties acknowledge that any remedy at law for breach of the covenants in Sections 10 would be inadequate and that Buyer will be entitled to injunctive relief to enforce the restrictive covenants, in addition to any other legal remedies available to Buyer for such breach of the restrictive covenants. The Seller Parties acknowledge that the area covered by the covenant not to compete, and the nature and duration of the restrictions in Section 10, are reasonable and necessary for the proper protection of Buyer. If any part of the restrictive covenants is invalidated, the remainder of these Sections will

SELLER'S INITIALS



BUYER'S INITIALS



Asset Purchase Agreement, Continued

nevertheless continue to be valid and enforceable. If anyone successfully contests the validity or enforceability of these Sections in their present form predicated upon the duration or area of coverage, the provisions will not be deemed invalid or unenforceable, but will instead be deemed modified, so as to be valid and enforceable, to provide coverage for the maximum duration that any Court of competent jurisdiction will deem reasonable, necessary and equitable.

12. FINANCIAL INFORMATION AND DUE DILIGENCE: From the date of execution of this Agreement, Buyer shall, at its option, have until May 27, 2016 to conduct a due diligence on the Businesses with such requests for information from the Seller Parties being made in writing. During this due diligence period, Buyer, in its sole discretion, may cancel this Agreement by written notice to the Seller Parties. Buyer's failure to notify the Seller Parties within the time specified shall constitute Buyer's absolute waiver of this provision.

13. BUYER'S ACKNOWLEDGMENT: Buyer hereby acknowledges that Buyer is relying solely on Buyer's own inspection of the Businesses and the representations of the Seller Parties regarding the Businesses operating history, the value of the assets being purchased and all other material facts. Broker(s) neither represented nor warranted the accuracy of any facts, figures, books, records, memoranda, financial information or data, of any kind, concerning the operations of the Seller Parties. Broker has not conducted any independent investigation whatsoever of the Business and the information provided by the Seller Parties to Broker. Moreover, Buyer acknowledges that Broker has not verified any of the representations made by the Seller Parties and Broker has recommended that Buyer seek professional legal and accounting advice prior to completing the transaction.

14. SELLER'S ACKNOWLEDGMENT: Seller acknowledges that Broker made no representations concerning the creditworthiness, integrity or ability of Buyer to complete this transaction. Seller has relied solely on Buyer's representations with respect thereto.

15. DEFAULT: If Buyer fails to perform this Agreement within the time specified herein, including the payment of all deposits, the deposits paid by Buyer may be retained by the Seller Parties as liquidated damages and full settlement of any claims or the Sellers may proceed in equity to enforce the Agreement, as well as seek reimbursement for any and all reasonable legal and accounting fees and other costs incidental to enforcing this Agreement. In the event the Seller Parties shall default by failing to perform any of the covenants contained in this Agreement, or fail to provide information specified herein within five (5) days after a written request from Buyer to do so, or to otherwise close according to the terms and conditions of this Agreement, Buyer may seek specific performance or terminate this Agreement and receive the return of Buyers' Deposit, as well as seek reimbursement for any and all reasonable legal and accounting fees and other costs incidental to inspecting the Business.

16. LOSS OR DAMAGE: In the event there is any loss or damage to the Business premises or any of the assets, improvements, systems or equipment included in this sale at any time prior to Closing, the risk of loss shall be upon the Seller Parties. Immediately from and after Closing, all risk of loss or damage shall be upon Buyer.

17. BUSINESS DEPOSITS: Any and all amounts currently on deposit for the benefit of the Businesses for utility services, leases, insurance, etc., are and shall remain the sole property of the Seller Parties and are not included as part of the Purchase Price. Buyer shall, as of the date of Closing, deposit such monetary amounts as is necessary to continue the operation of the Businesses or the Sellers shall receive a credit for such deposits at Closing.

18. OPERATION OF THE BUSINESS BEFORE CLOSING: The Seller Parties hereby agree, from the date of execution of this Agreement to the date of Closing, to carry on the business activities and operations of the Businesses diligently and in substantially the same manner as has been customary in the past, and the Seller Parties shall not remove any items, except as might be carried out in the normal course of business.

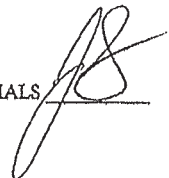
19. BUSINESS MAIL: After Closing, the Seller Parties agrees that all mail it receives relating to the Businesses, shall be immediately forwarded to Buyer, and Buyer agrees to immediately forward to the Seller Parties any personal mail of Sellers.

20. BUSINESS RECORDS: At Closing, the Sellers shall deliver copies of all customer accounts, records, and any other documents pertinent to the operation of the Businesses which the Seller Parties have in their possession. Such records shall include copies of those documents necessary to conduct business with insurance companies and brokers, and customers of the Businesses.

SELLER'S INITIALS



BUYER'S INITIALS



Asset Purchase Agreement, Continued

21. BUSINESS PREMISES: Until Closing, the Seller Parties agree to maintain the Businesses premises, including heating, cooling, plumbing and electrical systems and built-in fixtures, together with all other equipment and assets included in this sale, in good working order and to deliver the premises in a clean and orderly condition.

22. LICENSES AND PERMITS: Unless otherwise specified herein, the Seller Parties agree to cooperate with Buyer for a period of up to one year from the Closing date in obtaining, at Buyer's expense, any licenses, permits, approvals or certificates necessary for the continued operation of the Businesses. At closing, the Seller Parties warrant that, to the best of their knowledge, the Businesses and premises are in compliance with all government regulations as to health, fire, zoning and other licensing laws. The Sellers shall bear the cost of repairs and/or alterations which are or may be required up to the date of closing, to allow Buyer to operate the Businesses in a lawful manner. Buyer shall bear the cost of repairs and/or alterations which are or may be required following the date of closing.

23. EMPLOYMENT/FAMILIARIZATION: At Closing, Buza, as the primary Seller Shareholder, shall execute an employment agreement with Buyer for a minimal period of one (1) year and shall be paid \$41,666 per month for his services as manager of the Businesses acquired by Buyer from the Seller Parties. A copy of the employment agreement is, attached hereto as Schedule 23.

24. BUSINESS TRADE NAME: The Seller Parties hereby grant Buyer, effective with the Closing of this sale, any and all rights held by the Sellers in the trade names associated with the Businesses per Schedule 24 and any variations thereof. The Seller Parties hereby waives any rights thereto, and shall not directly or indirectly, after Closing, make use of such names except under the employment of Buyer. If the corporate and business trade names of the Seller are the same or similar, the Seller Parties shall be obligated to change its corporate names to a name unrelated to the Businesses name within 90 days from the date of Closing.

25. LEASE OF PREMISES: Schedule 25(a) sets forth a list of all real property occupied by the Businesses (the "Premises") and all leases for such real property (the "Premises") to which the Sellers are a party (each, a "Lease"). With respect to each Lease: (a) the Lease is the legal, valid, binding, and enforceable obligation of the Sellers and the lessor thereto and is in full force and effect and has not been amended or supplemented in any manner since a copy thereof was delivered to Buyer; (b) the Sellers have duly performed all of their obligations under the Lease to the extent such obligations to perform have accrued; (c)(i) neither the Sellers nor the lessors thereto are in breach of or default under the Lease and (ii) no event has occurred that, with notice or lapse of time, would constitute a default, or give rise to a right of offset or a defense by either the Sellers or the lessors under the Lease; (d) neither the Sellers nor the lessors thereto have repudiated any provision of the Lease; (e) the Lease is assignable by the Sellers to Buyer without the consent or approval of the lessors, or the lessors' consent to assignment will have been obtained by Closing; and (f) the Sellers enjoy quiet enjoyment of the real property subject to the Leases. The Sellers have complied with all Environmental, Health, and Safety Laws, and no proceeding has been filed, commenced, or threatened against the Sellers alleging any failure so to comply, with respect to any real property owned or leased by the Sellers and used in connection with the Businesses. In instances where the Sellers have not entered into a lease for real property occupied by the Businesses, the Seller Shareholders agree to assist Buyer in the execution of a new lease prior to Closing, under terms reasonably acceptable to Buyer. Buyer shall lease the premises owned by the Seller parties located in Vero Beach, Arcadia, Bonifay, and Rockledge, Florida for no less than a five (5) year period. Buyer shall pay rents for each property as described in Schedule 25(b). Buyer shall pay first, last and security deposit at the time of entering into the lease agreements.

26. INSURANCE COMPANY APPROVALS: The Seller parties shall use best efforts in assisting the Buyer to obtain authorizations, approvals and consents of the insurance companies set forth in Schedule 26, each in a form and substance reasonably acceptable to Buyer and under terms similar to those contracted with Seller, which shall be completed prior to the date of Closing. If any of the authorizations etc. are not received prior to Closing then the Seller Parties commit to using their best efforts to facilitate Buyer in receiving such authorizations. If notwithstanding the above, the authorizations are unable to be obtained, or until such authorizations are obtained, the Seller Parties agrees to convey any and all funds received on behalf of the Buyer, directly to the Buyer by wire transfer on a weekly basis.

27. THIRD PARTY BENEFICIARY: Any third party lender will be a third party beneficiary to this Agreement and any amendments thereto.

28. PRE-CLOSING COVENANTS: Prior to Closing, Buyer and Seller agree: (a) not to disclose to any third party the terms and conditions of this transaction, except to the party's attorneys, accountants, other professional advisors, or vendors of the

SELLER'S INITIALS

MB

Page 7 of 14

Asset Purchase Agreement

BUYER'S INITIALS

JL

Asset Purchase Agreement, Continued

Sellers, with the latter on an as-need basis; (b) that time is of the essence and each shall use their reasonable best efforts to diligently consummate the transaction contemplated in this Agreement; and (c) that each are not aware of any reason as to why any consents, contracts, approvals or authorizations necessary to consummate the transaction contemplated in this Agreement may not be received.

29. NON SOLICITATION OF OTHER BIDS:

- (a) The Seller Parties shall not, and shall not authorize or permit any of their respective Affiliates or representatives to, directly or indirectly, (i) encourage, solicit, initiate, facilitate, or continue inquiries regarding an Acquisition Proposal (as herein defined); (ii) enter into, engage in, participate in, or encourage discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreement or other instrument (whether or not binding) regarding an Acquisition Proposal. The Seller Parties shall immediately cease and cause to be terminated, and shall cause their respective Affiliates and representatives to immediately cease and cause to be terminated, all existing discussions and negotiations with any Person with respect to, or that could lead to, an Acquisition Proposal. For purposes hereof, "Acquisition Proposal" means any inquiry, proposal, or offer from any Person (other than Buyer or any of its Affiliates) relating to the direct or indirect disposition, whether by sale, merger, or otherwise, of all or any portion of the Company Business or the Acquired Assets.
- (b) In addition to the other obligations under this Section, the Seller Parties shall promptly (and in any event within three (3) Business Days after receipt thereof by any of the Seller Parties or their Representatives) advise Buyer orally and in writing of any Acquisition Proposal, any request for information with respect to any Acquisition Proposal, or any inquiry with respect to or that could reasonably be expected to result in an Acquisition Proposal, the material terms and conditions of such request, Acquisition Proposal, or inquiry, and the identity of the Person making the same.
- (c) The Seller Parties agree and acknowledge that the rights and remedies for noncompliance with this section include having such provisions specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed by the Seller Parties that any such breach or threatened breach will cause irreparable injury to Buyer and that money damages would not provide an adequate remedy to Buyer.

30. POST-CLOSING COVENANTS OF SELLER: At and after Closing, the Seller Parties agrees to: (a) promptly comply in signing any forms required to transfer the Assumed Contracts and production agreements; (b) assist Buyer, to the best of Seller's ability, in obtaining executed non-competition agreements with the employees and independent contractors of the Businesses; (c) use all reasonable best efforts to provide Buyer with the rights and benefits of any of the Assumed Contracts or production agreements that were not transferred to Buyer at or before Closing for a period of time not to exceed five months, or other period agreed to by the Parties, with any associated expenses, obligations and other burdens of such arrangement(s) accruing and being carried by Buyer; (d) assist Buyer, at Buyer's expense, in enforcing any non-compete or non-solicitation agreements that the Sellers had in-force as of the Closing date and assign such agreements, to the extent permissible by law, to Buyer; and (e) grant Buyer login access to all of Sellers' bank accounts and grant Buyer permission to inspect and audit the Sellers' books and records related to each of Seller's bank accounts for a period six months after Closing with the Seller Parties delivering copies of all of its bank account statements within ten (10) days after receipt thereof by the Seller Parties; (f) within one (1) week of receipt, transfer any and all funds that are deposited in the Sellers' bank accounts subsequent to Closing, directly to Buyers' bank account provided upon request. Seller shall close all bank accounts related of the Seller Parties in this transaction on or before January 1, 2017. Section (c) above shall not be construed as a waiver by either Party of the obligation to obtain such consents, approvals or authorizations to transfer the Assumed Contracts prior to Closing.

31. POST-CLOSING COVENANTS OF BUYER: At and after Closing, Buyer agrees to: (a) retain, for a period of three (3) years, the financial books and records of the Sellers that have been transferred to Buyer relating to the periods prior to Closing; and (b) afford the Seller Parties, or an authorized representatives of the Seller Parties, reasonable access for the purposes of filing income taxes, income tax audits, or for any errors and omissions claims or litigation issues that may arise, including the right to make photocopies at the Seller Parties expense, of such books and records during normal business hours and upon reasonable advanced notice. All such records shall be maintained in compliance with state and federal laws and in compliance with the requirements of insurance companies that are contracted with the Business.

32. GOVERNING LAW: This Agreement shall be governed by the laws of the state of Florida. The parties hereby consent to personal jurisdiction and venue, for any action arising out of a breach or threatened breach of this Agreement in the Circuit Court in and for Palm Beach County, Florida. The parties hereby agree that any controversy which may arise under this

SELLER'S INITIALS



Page 8 of 14

Asset Purchase Agreement

BUYER'S INITIALS



Asset Purchase Agreement, Continued

Agreement would involve complicated and difficult factual and legal issues. Therefore, any action brought by either party, alone or in combination with others, whether arising out of this Agreement or otherwise, shall be determined by a Judge sitting without a jury. Any breach of this Agreement shall result in the prevailing party being entitled to receive from the other party all of its reasonable attorney's fees, costs, and expenses incurred at both the trial and appellate levels.

33. ESCROW DISPUTES: In the event of a dispute at any time among Buyer or Seller which may involve funds held in escrow by the Escrow Agent, all parties shall agree to be bound under the terms of Paragraph 32 herein above. Escrow Agent may hold such funds in escrow until such time as the parties have either resolved the dispute or submitted it to resolution through mediation, arbitration, or otherwise. The Escrow Agent shall be under no responsibility in respect to the Escrow Funds deposited with it other than faithfully to follow the instructions herein contained. The Escrow Agent may advise with counsel and shall be fully protected in any actions taken in good faith, in accordance with such advice. The Escrow Agent shall not be required to institute legal proceedings of any kind and shall be fully protected in acting in accordance with any written instructions given to the Escrow Agent hereunder and believed by the Escrow Agent to have been signed by the proper parties. The Escrow Agent assumes no liability under this Agreement except that of a stakeholder. If there is any dispute as to whether the Escrow Agent is obligated to deliver the Escrow Funds, or as to whom that sum is to be delivered, the Escrow Agent will not be obligated to make any delivery of said sum, but in such event may hold said sum until receipt by the Escrow Agent of any authorization in writing signed by all of the persons having an interest in such dispute, directing the disposition of said sum, or in the absence of such authorization, the Escrow Agent may hold the sum until the final determination of the rights of the parties in an appropriate proceeding. If such written authorization is not given, or proceedings for such action or proceeding for leave to deposit said sum in court, pending such determination. In making delivery of the Escrow Funds in the manner provided for in this Agreement, the Escrow Agent shall have no further liability in the matter, and Seller and Buyer shall be jointly and severally liable for all of Escrow Agent's costs and fees, to include without limitation attorney's fees related to the performance of Escrow Agent's duties hereunder.

34. WAIVER: No waiver of any provisions of this Agreement shall be effective unless it is in writing, signed by the party against whom it is asserted and any such waiver shall only be applicable to the specific instance to which it relates and shall not be deemed to be a continuing waiver.

35. PARAGRAPH HEADLINES: Captions and paragraph headlines in this Agreement are for convenience and reference only and do not define, describe, extend or limit the scope or intent of this Agreement or provision herein.

36. BINDING EFFECT: This Agreement shall bind and inure to the benefit of the successors, assigns, personal representatives, heirs and legatees of the parties hereto. The parties acknowledge that this Agreement, including all covenants, representations, warranties and agreements, shall survive the Closing of this transaction.

37. ENTIRE AGREEMENT: Time is of the essence. This Agreement and Receipt constitutes the entire agreement and understanding of the parties and cannot be modified except in writing executed by all parties. All the terms, conditions, covenants and representations made herein shall survive the Closing of this transaction.

38. SEVERABILITY: In the event that any of the terms, conditions or covenants of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby and effect shall be given to the remaining provisions.

39. CONTRACT REVIEW: From the date of acceptance of this Agreement, Buyer and the Seller Parties shall have five (5) business days from the date of the last party to execute the Agreement to have this Agreement including all addenda, amendments, reviewed by their respective attorneys for the sole purpose of verifying that the form and language used here adequately protects their clients and to make any necessary language changes within such time. The substance and material terms of this Agreement shall remain unchanged. Both Buyer and Seller acknowledge having been advised by Broker have this Agreement reviewed by their own legal representation.

40. BROKER: Broker shall be deemed to be *Coastal Business Intermediaries, Inc.*, doing business as *Agency Brokers Consultants*. Payment to Broker shall be the sole liability of Buyer.

SELLER'S INITIALS

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Page 9 of 14

Asset Purchase Agreement

BUYER'S INITIALS

[Signature]

Asset Purchase Agreement, Continued

41. ENVIRONMENTAL: The parties acknowledge having been advised by the Broker that they are aware of the health, liability and economic impact of environmental matters relative to real estate transactions, which may include the sale of the Business or the lease of the premises where the Business is conducted. The Broker specifically affirms that it does not conduct, advise and/or have any knowledge of environmental matters, nor does it undertake or conduct analyses thereof. The parties are advised to retain qualified environmental professionals to determine if any hazardous toxic wastes, substances or other undesirable materials or conditions exist on the property and if so, whether any health danger or other liability exists and whether such substances may have been used during the construction or operation of the business or buildings, or may be present as a result of previous activities on property. Various laws and regulations have been enacted at the federal, state and local level dealing with the use, storage, handling, removal, transportation and disposal of toxic or hazardous wastes and substances. Depending upon past, current and proposed uses of this property, the parties acknowledge that it is prudent to retain an environmental expert to conduct a site investigation and/or building inspection. If hazardous or toxic substances exist or are contemplated to be used at the property, special governmental approvals or permits may be required. Further, the cost of removal and disposal of such materials may be substantial. Consequently, the assistance of legal and technical experts should be obtained where these substances are or may be present.

42. NOTICE: Each Party giving or making any notice, request, consent, approval, claim, waiver, demand, or other communication (each, a "Notice") under this Agreement shall give the Notice in writing and use one of the following methods of delivery, each of which for purposes of this Agreement is a writing: (a) personal delivery; (b) registered or certified mail (in each case, return receipt requested and postage prepaid); (c) nationally recognized overnight courier (with all fees prepaid); (d) facsimile; or (e) email.

If to any Seller Party:

Michael R. Buza

Facsimile: None

Email: mbuza@pbiag.com

With a required copy to:

Bonnie A. Brown, Esq.

Facsimile: (772) 221-9086

Email: bonnie@bonnieabrownpa.com

If to Buyer:

Joey Sasson

Facsimile: (212) 747-0022

Email: jsasson@reliancegh.com

With a required copy to:

Esther Ovadia, Esq.

Facsimile: (212) 747-0022

Email: eovadia@reliancegh.com

43. AMENDMENTS: The Parties may amend, restate, change, modify, alter, supplement, rescind, or repeal this Agreement only by a written agreement of the Parties that each Party signs and that identifies itself as an amendment, restatement, change, modification, alteration, supplement, rescission, or repeal of or to this Agreement, as applicable.

44. CUMULATIVE REMEDIES. The rights and remedies set forth in this Agreement are not intended to be exhaustive and the exercise by any Party of any right or remedy under this Agreement does not preclude the exercise of any other right or remedy. All of the rights and remedies of each Party are cumulative and are in addition to any other right or remedy set forth in this Agreement or in any other agreement between the Parties, or that may now or subsequently exist at law or in equity or by statute or otherwise.

45. COUNTERPARTS. The Parties may execute this Agreement in multiple counterparts, each of which is deemed an original, and all of which, collectively, constitute only one agreement. The signatures of all of the Parties need not appear on the same counterpart, and delivery of an executed counterpart signature page by facsimile, email, or other means of electronic transmission is as effective as executing and delivering this Agreement in the presence of the other Parties. This Agreement is

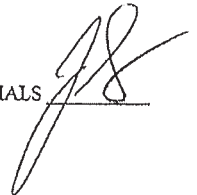
SELLER'S INITIALS



Page 10 of 14

Asset Purchase Agreement

BUYER'S INITIALS



Asset Purchase Agreement, Continued

effective upon delivery of one executed counterpart from Buyer to the Seller Parties and from the Seller Parties to Buyer. In proving this Agreement, a Party must produce or account for only the executed counterpart of the Party to be charged.

46. DEFINITIONS:

- (a) "Accounts Receivable" means all accounts or notes receivable held by the Sellers, and any security, claim, remedy, or other right related to any such receivable, including, without limitation, all amounts owed to the Sellers as of the Closing for any new or renewed insurance policies in respect of which the Sellers have not been paid by the insurance carriers or Clients.
- (b) "Active Prospective Client" means any Person, or a group of Persons, (a) who or which had been identified with reasonable particularity by the Sellers or the Seller Shareholders or any of the Sellers' employees, agents, or independent contractors in the business records of the Sellers or such other Person within the twenty-four (24) months preceding the Closing Date (or, as such term is used in Section 10, the date of the activity restricted by Section 10), with reasonable particularity as a possible client or customer of such Person or (b) to whom the Sellers or the Seller Shareholders or any of the Sellers' employees, agents, or independent contractors had communicated within the twenty-four (24) months preceding the Closing Date (or, as such term is used in Section 10, the date of the activity restricted by Section 10), in writing or otherwise, as set forth in the business records of the Sellers or such other Person, with respect to the provision of any services that such Person provides in the conduct of its business.
- (c) "Affiliate" means, with respect to any Person, (a) any Person controlling, controlled by, or under common control with such Person (or an Affiliate of such Person), where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by contract, or otherwise; and (b) if such Person is a partnership, any general partner thereof.
- (d) "Assumed Liabilities" (a) all Office Lease Rent (as herein defined); and (b) the Sellers' performance obligations under the Assigned Contracts included in the Acquired Assets that, by the terms of such Assigned Contracts, arise after the Closing in the Ordinary Course of Business (other than by virtue of a breach, default, or violation of any Assigned Contract occurring at or prior to the Closing), relate to periods following the Closing, and are by their terms to be observed, paid, discharged, and performed, as the case may be, after the Closing.
- (e) "Client" means any Person (including, without limitation, any insured, or any insured to whom or which any sub-producer provides insurance services) to whom or which the Sellers or the Seller Shareholders or any of the Sellers' employees, agents, or independent contractors on behalf of the Sellers has provided, at any time within the twenty-four (24) months preceding the Closing (or, as such term is used in Section 10, the date of the activity restricted by Section 10), any services that the Sellers provide in the conduct of Company Business. For purposes of this Agreement, "Client" includes, without limitation, any employer, employer group, affinity group, association, and any shareholder or member of any of the foregoing, any individual insured, retail insurance agent or broker, and any insurance carrier or other entity to the extent third-party administration claims processing or underwriting is performed by such person for such carrier or other entity.
- (f) "Client Account" means each business account between the Seller and any Client, including, without limitation, any Person who or which is provided any Company Business by the Seller or the Seller Shareholder or any of the Seller's employees, agents, or independent contractors on behalf of the Seller as of the Closing Date, regardless of whether such services are provided by, or through the licenses of, the Seller or the Seller Shareholder or any of the Seller's employees, agents, or independent contractors.
- (g) "Company Business" means the business conducted and presently proposed to be conducted by the Sellers (and, for purposes of Article 9, by Buyer after Closing), including, without limitation, providing any insurance agency, brokerage, and related services, including, without limitation, sale or brokerage of property and casualty products and services, sale or brokerage of life insurance and annuity products and services, risk management and loss control, analysis of loss exposures and designs, loss reserves and rate reviews, self-insurance consulting, management of insurance programs, and management and oversight of, and responsibility for, Clients and Active Prospective Clients.
- (h) "Confidential Information" means any information of a Person that is not already generally available to the public (unless such information has entered the public domain and become available to the public through fault on the part of the Party to be charged hereunder), all of which are deemed hereunder to be trade secrets under the governing

SELLER'S INITIALS

Page 11 of 14

Asset Purchase Agreement

BUYER'S INITIALS

Asset Purchase Agreement, Continued

trade secrets law, including but not limited to: (i) the identity of any Client whose account constituted a Client Account at any time within the 24 months preceding the Closing Date, as well as the identity of any Active Prospective Client as of such date; (ii) the identity, authority, and responsibilities of key contacts at each such Client and Active Prospective Client; (iii) the service cost burden with respect to each such Client and Active Prospective Client; (iv) the identities of markets or companies from which insurance coverages or other commitments, benefits, or services for Clients are obtained; (v) the types of insurance coverages, and/or consulting, third-party administration, employee communication, investment management, managed care, human resource, and other services provided or to be provided specifically to any Client or Active Prospective Client, and the internal corporate policies relating thereto; (vi) the specific insurance policies purchased by or for such Clients or Active Prospective Clients; (vii) the expiration dates, commission rates, fees, premiums, and other terms and conditions of such policies; (viii) the risk specifications and other characteristics, and claims loss histories of such Clients or Active Prospective Clients; (ix) the nature of programs and plans, including their design, funding, and administration, demographic characteristics and any other information supplied by, or developed for, such Clients or Active Prospective Clients; (x) operations manuals, prospecting manuals and guidelines, pricing policies and related information, marketing manuals and plans, and business strategies, techniques, and methodologies; (xi) financial information, including information set forth in internal records, files, and ledgers, or incorporated in profit and loss statements, fiscal reports, and business plans; (xii) technology and e-commerce strategies, business plans and implementations, inventions, algorithms, computer hardware, software, and applications (including but not limited to any source code, object code, documentation, diagrams, flow charts, know-how, methods, or techniques associated with the development or use of the foregoing computer software); (xiii) all internal memoranda and other office records, including electronic and data processing files and records; and (xiv) any other information constituting a trade secret under the governing trade secrets law.

- (i) "Goodwill" means the expectation of continued patronage from Clients and new patronage from prospective clients.
- (j) "Governmental Entity" means any government or any agency, bureau, board, commission, court, department, official, political subdivision, tribunal, or other instrumentality of any government, whether federal, state, or local, or any arbitral or mediational tribunal.
- (k) "Out-of-Trust Exposure" means any adverse consequences including without limitation costs, fines, fees, judgments, orders, injunctions, decrees, stipulations, expenses or penalties owed to insurance carriers or Clients, or awards associated with, or related to, the Sellers' non-compliance with the premium trust fund requirements of the State of Florida.
- (l) "Tax" means any federal, state, local, or foreign income, gross receipts, payroll, employment, excise, premium, franchise, withholding, social security (or similar tax), unemployment, real property, personal property, sales, use, transfer, alternative, or add-on minimum (including taxes under Code Sec. 59A), profits, estimated, or other tax of any kind whatsoever, including any liability therefore as a transferee or successor under applicable law or by contract, or as a result of any Tax sharing or similar agreement, together with any interest, penalty, or addition thereto, whether disputed or not.

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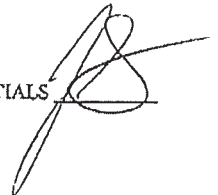
SELLER'S INITIALS



Page 12 of 14

Asset Purchase Agreement

BUYER'S INITIALS



Acceptance

THIS IS A LEGALLY BINDING AND FULLY ENFORCEABLE CONTRACT, read it carefully. If you wish counsel then please seek assistance from an attorney and/or accountant prior to executing this document. Broker is not qualified to give legal or financial advice. A facsimile copy of this document and signatures shall be considered for all purposes as original.

DATED and RECEIVED on _____, _____ at the hour of _____ o'clock ____ M.
The undersigned Buyer expressly acknowledges fully reading, understanding and receiving a copy of this document.

<u>Reliance Agency Network, LLC</u>	<u>40 Wall Street, 60th Floor</u>
Buyer Printed Name	Street Address
X <u><i>Joey Sasson</i></u>	New York NY 10005
By: Signature Title, if a Corporation	City State Zip
<u>Joey Sasson, Managing Director</u>	<u>917-362-6841</u>
	Work Phone Cell Phone
	<u>jsasson@reliancegh.com</u>
	Email Address

SELLERS ACCEPTANCE: I/we accept the foregoing offer and agree to sell the above-described business and assets on the terms and conditions of the Agreement. The Sellers acknowledges fully reading, understanding and receiving a copy of this document.

DATED and RECEIVED on MAY 23rd, 2014 at the hour of 10:45 o'clock A M.


<u>Florida Insurance Advisory Group, LLC</u>	<u>947 20th Place</u>
Seller Printed Name	Street Address
<u><i>M. Buza</i></u>	Vero Beach FL 32960
By: Signature Title, if a Corporation	City State Zip
<u>Michael R. Buza</u>	<u>(561) 282-7071</u>
By: Printed Name	Office Phone Cell Phone
<u><i>M. Buza</i></u>	<u>mbuza@pbiag.com</u>
By: who personally guarantees Seller's performance of this Agreement	Email Address

<u>Florida Insurance Advisory Group II, LLC</u>	<u>2025 Murrell Road, Suite 130</u>
Seller Printed Name	Street Address
<u><i>M. Buza</i></u>	Rockledge FL 32955
By: Signature Title, if a Corporation	City State Zip
<u>Michael R. Buza</u>	<u>(561) 282-7071</u>
By: Printed Name	Office Phone Cell Phone
<u><i>M. Buza</i></u>	<u>mbuza@pbiag.com</u>
By: who personally guarantees Seller's performance of this Agreement	Email Address

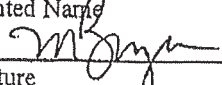
<u>MRB & Associates II, LLC</u>	<u>243 N Brevard Ave</u>
Seller Printed Name	Street Address
<u><i>M. Buza</i></u>	Arcadia FL 34266

SELLER'S INITIALS *MB*

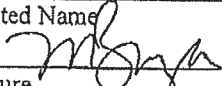
BUYER'S INITIALS *[Signature]*

By: Signature  Title, if a Corporation
Michael R. Buza
By: Printed Name
By: who personally guarantees Seller's performance of this Agreement

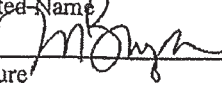
City _____ State _____ Zip _____
(561) 282-7071
Office Phone _____ Cell Phone _____
mbuza@pbiag.com
Email Address _____

MRB & Associates III, LLC
Seller Printed Name _____
By: Signature  Title, if a Corporation
Michael R. Buza
By: Printed Name
By: who personally guarantees Seller's performance of this Agreement

948 20th Street
Street Address _____
Vero Beach FL 32960
City _____ State _____ Zip _____
(561) 282-7071
Office Phone _____ Cell Phone _____
mbuza@pbiag.com
Email Address _____

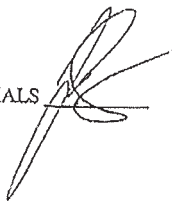
Florida Property & Casualty Insurance Agency, LLC
Seller Printed Name _____
By: Signature  Title, if a Corporation
Michael R. Buza
By: Printed Name
By: who personally guarantees Seller's performance of this Agreement

2025 Murrell Road, Suite 130
Street Address _____
Rockledge FL 32955
City _____ State _____ Zip _____
(561) 282-7071
Office Phone _____ Cell Phone _____
mbuza@pbiag.com
Email Address _____

Insurance Advisors or South Florida, LLC
Seller Printed Name _____
By: Signature  Title, if a Corporation
Michael R. Buza
By: Printed Name
By: who personally guarantees Seller's performance of this Agreement

770 Ponce De Leon Blvd, Suite 307
Street Address _____
Coral Gables FL 33134
City _____ State _____ Zip _____
(561) 282-7071
Office Phone _____ Cell Phone _____
mbuza@pbiag.com
Email Address _____

SELLER'S INITIALS 

BUYER'S INITIALS 

ADDENDUM #1 TO ASSET PURCHASE CONTRACT AND RECEIPT

Buyer and Seller hereby agree that Buyer shall close in the name of Buyer's newly formed company, DeSoto Moulton, LLC, a Florida limited liability company.

Buyer and Seller further agree that Buyer, Reliance Agency Network, LLC, a Florida limited liability company, shall not be relieved from any responsibility and/or liability under the terms and conditions of the Asset Purchase Contract and Receipt entered into on or about May 23, 2016 between buyer and Seller, Florida Insurance Advisory Group, LLC, Florida Insurance Advisory Group II, LLC, MRB & Associates II, LLC, MRB & Associates III, LLC, Florida Property & Casualty Insurance Agency, LLC and Insurance Advisors of South Florida, LLC, each a Florida Limited Liability Company.

All other terms and conditions of the Asset Purchase Contract and Receipt entered into between the parties on or about May 23, 2016, shall remain in full force and effect.

Florida Insurance Advisory Group, LLC, a Florida Limited Liability Company
Florida Insurance Advisory Group II, LLC, a Florida Limited Liability Company
MRB & Associates II, LLC, a Florida Limited Liability Company
MRB & Associates III, LLC, a Florida Limited Liability Company
Florida Property and Casualty Insurance Agency, LLC, a Florida Limited Liability Company
Insurance Advisors of South Florida, LLC, a Florida Limited Liability Company

ADDENDUM #2 TO ASSET PURCHASE CONTRACT AND RECEIPT

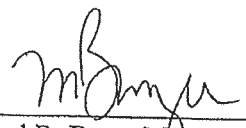
Pursuant to section 25 of the Asset Purchase Contract and Receipt dated May 23, 2016, the Buyer and the Sellers hereby agree that:

- a) The Sellers have completed their obligations related to assisting Buyer with obtaining a new lease for the office located at 2401 Cattlemen Road, Sarasota, FL 34232.
- b) After the closing, Buyer shall sublease the office located at 2411 US Highway 98 N, Lakeland, FL 33805 (the "Lakeland Office") from the Sellers through the term of Sellers' lease, which expires on August 31, 2016, or until Buyer is able to secure a new lease. Buyer shall act in accordance with all terms and conditions detailed in the Lakeland Office lease executed with Lakeland Investments, LLC. All payments for rent and any additional rents shall be due on the first of every month and sent to:

Michael R. Buza
947 20th Place
Vero Beach, FL 32960
mbuza@pbiag.com

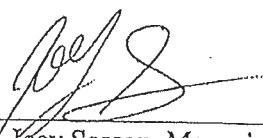

All other terms and conditions of the Asset Purchase Contract and Receipt entered into between the parties on or about May 23, 2016, shall remain in full force and effect.

Florida Insurance Advisory Group, LLC, a Florida Limited Liability Company
Florida Insurance Advisory Group II, LLC, a Florida Limited Liability Company
MRB & Associates II, LLC, a Florida Limited Liability Company
MRB & Associates III, LLC, a Florida Limited Liability Company
Florida Property and Casualty Insurance Agency, LLC, a Florida Limited Liability Company
Insurance Advisors of South Florida, LLC, a Florida Limited Liability Company

By: 
Michael R. Buza, Manager

Date: 6/24/2016

Desoto Moulton Southern Insurance Group, LLC, a Florida Limited Liability Company

By:  
Joey Sasson, Managing Director

Date: 6/17/16

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement") is entered into as of June 17, 2016 (the "Effective Date"), and is made by and among (i) Desoto Moulton, LLC, a Florida limited liability company (herein referred to as "Buyer"), (ii) Florida Insurance Advisory Group, LLC, Florida Insurance Advisory Group II, LLC, MRB & Associates II, LLC, MRB & Associates III, LLC, Florida Property & Casualty Insurance Agency, LLC and Insurance Advisors or South Florida, LLC, each a Florida limited liability company (collectively, hereinafter the "Sellers"), and the shareholders of the Sellers listed on Exhibit A, attached hereto and incorporated herein by reference (collectively, the "Seller Shareholders" and, together with the Seller, the "Seller Parties" and each, a "Seller Party") and (iii) Oak Street Funding, LLC, a Delaware limited liability company ("Escrow Agent"). Buyer, Seller Parties, and Escrow Agent are sometimes referred to herein individually as a "Party" and collectively as the "Parties".

WHEREAS, Reliance Agency Network, LLC, a Florida limited liability company ("Original Buyer"), and Seller have entered into that certain Asset Purchase Agreement dated as of even date herewith, as subsequently assigned from Original Buyer to Buyer pursuant to that certain Assignment of Asset Purchase Agreement dated June 14, 2016 (collectively, the "Asset Purchase Agreement"), whereby Buyer has agreed to purchase from Seller, and Seller has agreed to sell to Buyer, certain assets, subject to the terms and conditions of the Asset Purchase Agreement (capitalized terms used but not otherwise defined herein shall have the meaning assigned to them in the Asset Purchase Agreement);

WHEREAS, pursuant to the terms and conditions of the Asset Purchase Agreement, Buyer and Sellers have agreed to deposit an amount equal to Three Million Three Hundred Thousand and 00/100 Dollars (\$3,300,000.00) (the "Escrow Funds") in an escrow account with an Escrow Agent, the purpose of which is to satisfy claims made by Buyer or any other Buyer Indemnitee against Seller or the Shareholders pursuant to Section 8 of the Asset Purchase Agreement (the "Escrow Account");

WHEREAS, Escrow Agent has agreed to act as the escrow agent with respect to the Escrow Funds, and the Parties are entering into this Agreement to establish the terms and conditions pursuant to which the Escrow Accounts are established and maintained and, in particular, the terms and conditions pursuant to which the Escrow Funds are to be distributed from the Escrow Accounts.

NOW, THEREFORE, the Parties hereby agree that, in consideration of the mutual promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, Escrow Agent shall hold in escrow and shall distribute the Escrow Funds subject to the following:

1. Appointment of Escrow Agent. The Parties hereby appoint Escrow Agent as escrow agent of the Escrow Funds in accordance with the terms and conditions set forth herein, and Escrow Agent hereby accepts such appointment.

2. Escrow Deposit. Buyer hereby delivers to Escrow Agent, and Escrow Agent acknowledges the receipt of, the Escrow Funds. Escrow Agent agrees to hold the Escrow Funds in the Escrow Account as a separate and distinct account subject to the terms and conditions of this Agreement. Escrow Agent shall not distribute or release the Escrow Funds except in accordance with the express terms and conditions of this Agreement.

3. Permitted Investments. Escrow Agent shall deposit the Escrow Funds into fully-liquid, interest bearing accounts that are insured by the United States Federal Deposit Insurance Corporation.

4. Release of Escrow Funds. Escrow Agent shall release and disburse the Escrow Funds in accordance as set forth in the terms and conditions in this Section 4.

(a) The Escrow Funds shall be available to pay, in accordance with the procedures set forth herein, any losses for which any Buyer Indemnitee is entitled to indemnification pursuant to Section 8 of the Asset Purchase Agreement; provided that any claims for losses by a Buyer Indemnitee pursuant to the Asset Purchase Agreement must be made within one hundred twenty (120) days of the Closing Date.

(b) On each occasion on which any Buyer Indemnitee requests in good faith payment of a claim for indemnification under Section 8 of the Asset Purchase Agreement, Buyer shall deliver to Escrow Agent and the Seller Parties a written notice (an "Claim Notice") that (i) describes in reasonable detail the facts giving rise to any claims for indemnification hereunder, including any relevant documentation in support of the claim, and shall include in such Claim Notice, the amount of such claim, or, if not known, a reasonable estimate thereof. Escrow Agent shall not inquire into or consider whether a claim for an indemnity obligation complies with the requirements of the Asset Purchase Agreement.

(c) If, within thirty (30) days after Buyer's delivery of a Claim Notice pursuant to Section 4(b) hereof, the Seller Parties do not notify Escrow Agent in writing (with a copy to Buyer) that it disagrees in good faith with the basis or amount of the claim for indemnification set forth in the Claim Notice (a "Dispute Notice"), which objection shall identify in reasonable detail the reasons for and include any relevant documentation in the possession of the Seller Parties in support of the objection, Escrow Agent promptly shall disburse that portion of the Escrow Funds from the Escrow Account to such Buyer Indemnitee in the amount of such claim and in accordance with Buyer's written payment and tax reporting instructions to Escrow Agent for such Buyer Indemnitee payee. The failure of the Seller Parties to provide a Dispute Notice as set forth in this Section shall be deemed an irrevocable acceptance of liability on behalf of the Seller Parties for any amount contained in the applicable Claim Notice.

(d) If, within thirty (30) days after Buyer's delivery of a Claim Notice pursuant to Section 4(b) hereof, the Seller Parties deliver to Escrow Agent (with a copy to Buyer) a Dispute Notice, Escrow Agent shall not disburse, and shall continue to hold in the Escrow Account, the amount requested in the Claim Notice, or the disputed portion thereof, as the case may be, pending either (i) joint written instructions from Buyer and the Seller Parties specifying their agreement as to the action to be taken with respect to such Claim Notice ("Payment

Instructions") or (ii) receipt by Escrow Agent of instructions contained in a certified copy of a final decision of a court of competent jurisdiction, as to the matter in such Claim Notice ("Court Order"). Upon receipt of Payment Instructions or a Court Order, as applicable, Escrow Agent shall thereafter act in accordance with Section 4(e) below.

(e) If Escrow Agent has received Payment Instructions or a Court Order, as applicable, and if such Payment Instructions or Court Order, as applicable, indicates that Buyer Indemnitee is entitled to payment in respect of all or any portion of a Claim Notice, then Escrow Agent shall release from the Escrow Account and pay to Buyer Indemnitee that portion of the Escrow Funds from the Escrow Account in an amount equal to the amount due Buyer Indemnitee, as indicated in such Payment Instructions or Court Order, as applicable. If such Payment Instructions or Court Order, as applicable, indicates that Buyer Indemnitee is not entitled to all or any portion of the amount claimed in the Claim Notice (a "Discharge Notice"), then Escrow Agent shall hold the amount which Buyer Indemnitee is determined not to be entitled in accordance with the terms of this Agreement until such amounts are to be disbursed pursuant to the terms of this Agreement.

(f) Excess Escrow Funds, if any, less all amounts due and owing Escrow Agent hereunder, shall be released to Sellers on the first (1st) Business Day following the date that is one hundred twenty (120) days from the Closing Date (the "Expiration Date"); provided, that Escrow Agent shall continue to hold a reasonable reserve amount reasonably necessary to pay any pending Claim Notices received on or before the Expiration Date and for which Escrow Agent has neither paid out in accordance with Section 4(c) hereof or pursuant to Payment Instructions or a Court Order ("Pending Claims"). Notwithstanding the Expiration Date, any Pending Claims shall be paid by Escrow Agent to Buyer Indemnitee in accordance with Sections 4(c)-(e) hereof, with any excess Escrow Funds remaining thereafter promptly delivered to Sellers.

5. Conditions to Escrow. Escrow Agent agrees to hold the Escrow Funds and to perform its obligations in accordance with the terms and provisions of this Agreement. The Parties agree that Escrow Agent shall not assume any responsibility for the failure of the other Parties (excluding Escrow Agent) to perform in accordance with the Asset Purchase Agreement or this Agreement. The acceptance by Escrow Agent of its responsibilities hereunder is subject to the following terms and conditions, which the Parties agree shall govern and control with respect to Escrow Agent's rights, duties and liabilities hereunder:

(a) Documents. Escrow Agent shall be protected in acting upon any written notice, request, waiver, consent, receipt or other paper or document furnished to it, not only as to its due execution and validity and the effectiveness of its provisions, but also as to the truth and accuracy of any information therein contained, which Escrow Agent in good faith believes to be genuine and what it purports to be. Should it be necessary for Escrow Agent to act upon any instructions, directions, documents or instruments issued or signed by or on behalf of any corporation, partnership, fiduciary or individual acting on behalf of another Party hereto, it shall not be necessary for Escrow Agent to inquire into such corporation's, partnership's, fiduciary's or individual's authority. Escrow Agent is also relieved from the necessity of satisfying itself as

to the authority of the persons executing this Agreement in a representative capacity on behalf of any of the Parties.

(b) Liability. Escrow Agent shall not be liable for anything which it may do or refrain from doing in connection herewith, except for its own fraud, negligence or willful misconduct.

(c) Legal Counsel. Escrow Agent may, at escrow agent's cost, consult with, and obtain advice from, legal counsel in the event of any question as to any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in good faith in accordance with the opinion and instructions of such counsel.

(d) Limitation of Duties. Escrow Agent shall have no duties except those which are expressly set forth herein with respect to the subject matter hereof, and it shall not be bound by any agreements of the other Parties hereto to which it is not a party, including, without limitation, the Asset Purchase Agreement (whether or not it has any knowledge thereof). Escrow Agent shall not be deemed a fiduciary for any Party to this Agreement solely by virtue of this Agreement or the subject matter hereof. ESCROW AGENT SHALL NOT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (I) DAMAGES, LOSSES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES, LOSSES OR EXPENSES WHICH HAVE BEEN FINALLY ADJUDICATED TO HAVE DIRECTLY RESULTED FROM ESCROW AGENT'S FRAUD, NEGLIGENCE OR WILLFUL MISCONDUCT, (II) SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES OR LOSSES OF ANY KIND WHATSOEVER (INCLUDING WITHOUT LIMITATION LOST PROFITS), EVEN IF ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES AND REGARDLESS OF THE FORM OF ACTION, OR (III) AN AMOUNT IN EXCESS OF THE VALUE OF THE ESCROW FUNDS, VALUED AS OF THE DATE OF DEPOSIT.

(e) Resignation or Termination of Escrow Agent. Escrow Agent shall have the right to resign at any time by giving thirty (30) calendar days' prior written notice of such resignation to the Parties specifying the effective date of resignation. Within thirty (30) days after receiving the aforesaid notice, as the case may be, the Parties agree to appoint a successor escrow agent to which Escrow Agent shall distribute the Escrow Funds, then held hereunder in accordance with the terms hereof. If a successor escrow agent has not been appointed and has not accepted such appointment by the end of such thirty (30) day period, Escrow Agent may apply to a court of competent jurisdiction for the appointment of a successor escrow agent, and the reasonable costs and expenses which are incurred in connection with any such proceeding shall be paid equally by the Buyer and Seller parties. Except as otherwise set forth in a written instrument signed by all the Parties, no Escrow Funds shall be released from the Escrow Accounts after the resignation of Escrow Agent unless and until a successor escrow agent has been appointed in accordance with this Section 5(e).

(f) Discharge of Escrow Agent. Upon delivery of all of the Escrow Funds pursuant to the terms of Section 4 above or to a successor Escrow Agent, Escrow Agent shall thereafter be discharged from any further obligations hereunder. Escrow Agent is hereby authorized, in any

and all events, to comply with and obey any and all judgments, orders and decrees of any court of competent jurisdiction which may be filed, entered or issued and all arbitration awards and, if it shall so comply or obey, it shall not be liable to any other person by reason of such compliance or obedience.

(g) Interpleading of Assets upon Dispute. In the event that (i) any dispute shall arise between the Parties with respect to the disposition or disbursement of any of the Escrow Funds or (ii) Escrow Agent shall be uncertain as to how to proceed in a situation not explicitly addressed by the terms of this Agreement whether because of conflicting demands by the other Parties hereto or otherwise, Escrow Agent shall be permitted to interplead all of the assets held hereunder, including the Escrow Funds, into a court of competent jurisdiction, and thereafter be fully relieved from any and all liability or obligation with respect to such interpleaded assets. Escrow Agent shall be entitled to recover reasonable attorneys' fees, expenses and other costs incurred in commencing and maintaining any such interpleader action. The Parties further agree to pursue any redress or recourse in connection with such a dispute, without making Escrow Agent a party to the same.

(h) Agency. Escrow Agent shall have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees at the expense of Escrow Agent.

(i) Merger of Escrow Agent. Any entity into which Escrow Agent may be merged, converted or with which Escrow Agent may be consolidated, or any entity resulting from any merger, conversion or consolidation to which Escrow Agent shall be a party, or any entity to which all or substantially all of the corporate trust business of Escrow Agent shall be transferred, shall succeed to all Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the Parties, anything herein to the contrary notwithstanding.

(j) Garnishment of Escrow Funds. In the event that any of the Escrow Funds shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the property deposited under this Agreement, Escrow Agent is hereby expressly authorized, in its reasonable discretion, to obey and comply with all writs, orders or decrees so entered or issued, which are binding upon it, with jurisdiction, and in the event that Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the Parties hereto or to any other person, firm or corporation, by reason of such compliance, notwithstanding such writ, order or decree being subsequently reversed, modified, annulled, set aside or vacated.

6. Indemnification. Buyer and Seller Parties, jointly and severally, shall indemnify, defend and hold harmless Escrow Agent from and against any and all loss, liability, cost, damage and expense, including, without limitation, attorneys' fees and expenses or other professional fees and expenses which Escrow Agent may suffer or incur by reason of any action, claim or proceeding brought against Escrow Agent, arising out of or relating in any way to this Agreement, unless such loss, liability, cost, damage or expense shall have been caused by the

fraud, willful misconduct or negligence of Escrow Agent. The provisions of this Section 6 shall survive the resignation of Escrow Agent and the termination of this Agreement.

7. Escrow Costs. Escrow Agent shall be entitled to be paid a fee for its services in connection with maintaining the Escrow Account hereunder in an amount equal to Seven Thousand Five Hundred and 00/100 Dollars (\$7,500.00) which shall be paid by Buyer.

8. Force Majeure. Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligation under this Agreement arising out of or caused directly or indirectly by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; acts of terrorism; civil or military disturbances; sabotage; epidemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that Escrow Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

9. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the next Business Day if sent by facsimile or e-mail of a PDF document (with confirmation of transmission), and on the next Business Day if sent after normal business hours of the recipient or (d) on the third (3rd) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid (with written confirmation of receipt). Such communications must be sent or delivered to the respective Party at one or more of its following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section):

If to any Seller Party:

9245 W. MARSH ISLAND DRIVE
VERO BEACH, FL 32963

Attn: Michael R. Buza
E-mail: mbuza@pbiag.com

With a copy to:
(which shall not
constitute notice)

Law Offices of Bonnie A. Brown
514 Colorado Avenue
Stuart, Florida 34994
Attn: Bonnie A. Brown, Esq.
E-mail: bonnie@bonnieabrownpa.com

If to Buyer:

Desoto Moulton, LLC

Attn: Joe Sasson
E-mail: jsasson@reliancegh.com

With a copy to:

Reliance Global Holdings, LLC

(which shall not constitute notice)

40 Wall Street, 60th Floor
New York, New York 10005
Attn: Esther Ovadia, Esq.
E-mail: eovadia@reliancegh.com

If to Escrow Agent:

Oak Street Funding, LLC
11350 N. Meridian Street, Suite 600
Carmel, Indiana 46032
Attn: Alicia M. Mitchell Chandler
E-mail: Alicia.chandler@oakstreetfunding.com

With a copy to:
(which shall not constitute notices)

Krieg DeVault LLP
12800 N. Meridian St., Suite 300
Carmel, Indiana 46032
Attn: John Baxter, Esq.
E-mail: jbaxter@kdlegal.com

10. Entire Agreement; Amendments. This Agreement and, solely as between the parties subject thereto, the Asset Purchase Agreement, contain the entire understanding of the Parties hereto with respect to the subject matter hereof and supersedes any prior understandings or agreements by or among the Parties hereto, whether written or oral, which may have related to the subject matter hereof in any way. This Agreement may be amended, or any provision of this Agreement may be waived, so long as such amendment or waiver is set forth in a writing executed by each of the Parties, including Escrow Agent. No course of dealing between or among the Parties shall be deemed effective to modify, amend or discharge any part of this Agreement of any rights or obligations of any Party under or by reason of this Agreement.

11. Assigns and Assignment. This Agreement and all actions taken hereunder shall inure to the benefit of and shall be binding upon all of the Parties hereto and upon all of their respective successors and permitted assigns; provided that (a) Escrow Agent shall not be permitted to assign its obligations hereunder except as provided in Sections 5(e) and 5(i) above, and (b) no assignment of any of the Parties shall be binding against Escrow Agent unless and until written notice of such assignment is delivered to and agreed and accepted by Escrow Agent.

12. No Third Party Beneficiaries. Nothing herein expressed or implied is intended or shall be construed to confer upon or to give any Person other than Escrow Agent, the Parties and their permitted assigns any rights or remedies under or by reason of this Agreement.

13. Interpretation. The headings in this Agreement are inserted for convenience of reference only and shall not be a part of or control or affect the meaning hereof.

14. No Waiver. No failure or delay by a Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof, and no single or partial exercise thereof shall preclude any right of further exercise or the exercise of any other right, power or privilege. The right of the Parties to receive all or a portion of the Escrow Funds under the circumstances described in Section 4 above is in addition to, and not in lieu of, any other remedies that any

Person may have against another Person pursuant to the Asset Purchase Agreement in the event of a breach of, or other liability thereunder.

15. Severability. The Parties hereto agree that (a) the provisions of this Agreement shall be severable in the event that for any reason whatsoever the provisions hereof are invalid, void or otherwise unenforceable, (b) such invalid, void or otherwise unenforceable provisions shall be automatically replaced by other provisions which are as similar as possible in terms to such invalid, void or otherwise unenforceable provisions, but are valid and enforceable, and (c) the remaining provisions shall remain enforceable to the fullest extent permitted by law.

16. No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties hereto to express their collective mutual intent, and no rule of strict construction shall be applied against any person. The term "including" as used herein shall be by way of example, and shall not be deemed to constitute a limitation of any term or provision contained herein. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form.

17. Governing Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Florida or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Indiana.

18. JURISDICTION AND VENUE. ANY LEGAL SUIT, ACTION OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY MAY BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA OR THE COURTS OF THE STATE OF FLORIDA, IN EACH CASE, LOCATED IN PALM BEACH COUNTY, AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

19. WAIVER OF JURY TRIAL. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR EACH OF THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT (WITH EACH PARTY HERETO HAVING HAD OPPORTUNITY TO CONSULT COUNSEL), EACH OF THE PARTIES HERETO EXPRESSLY AND IRREVOCABLY WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT OR ANY ACTION OR PROCEEDING ARISING OUT OF THE TRANSACTIONS CONTEMPLATED HEREBY, REGARDLESS OF WHICH PARTY

HERE TO INITIATES SUCH ACTION OR PROCEEDING, AND ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT OR ANY ACTION OR PROCEEDING ARISING OUT OF THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

20. Specific Performance. The obligations of the Parties hereto (including Escrow Agent) are unique in that time is of the essence, and any delay in performance hereunder by any Party hereto will result in irreparable harm to the other Parties hereto. Accordingly, any Party hereto may seek specific performance and/or injunctive relief before any court of competent jurisdiction in order to enforce this Agreement or to prevent violations or threatened violations of the provisions hereof, and no Party hereto shall object to specific performance or injunctive relief as an appropriate remedy. Escrow Agent acknowledges that its obligations, as well as the obligations of any Party hereunder, are subject to the equitable remedy of specific performance and/or injunctive relief.

21. Business Days. If any date on which Escrow Agent is required to make an investment or a delivery pursuant to the provisions hereof is not a Business Day, then Escrow Agent shall make such investment or delivery on the next succeeding Business Day. For purposes of this Agreement, the term "Business Day" means any day other than a Saturday or a Sunday or a day on which banks located in Indianapolis, Indiana generally are required by law to close.

22. Counterparts. This Agreement may be executed and delivered by the Parties hereto individually or in any combination, in one or more counterparts (including by means of facsimile or electronically transmitted signature pages), each of which shall be deemed an original and all of which shall together constitute one and the same agreement.

23. Conflicts. The Parties hereto agree and acknowledge that to the extent any terms and provisions of this Agreement are in any way inconsistent with or in conflict with any term, condition or provision of the Asset Purchase Agreement, the terms of the Asset Purchase Agreement shall govern and control. Unless and until Escrow Agent shall be notified in writing that an inconsistency or a conflict exists between this Agreement and the Asset Purchase Agreement, it shall be entitled to conclusively assume that no such inconsistency or conflict exists. In the event that Escrow Agent shall be notified that an inconsistency or a conflict exists between this Agreement and the Asset Purchase Agreement, Escrow Agent shall be permitted to interplead assets held hereunder pursuant to Section 5(g) hereof.

24. Termination. This Agreement shall terminate when all of the Escrow Funds have been released and distributed in accordance with Section 4. Upon such termination, this Agreement shall have no further force and effect, except that the provisions of Sections 6 through 24 shall survive such termination and the resignation of Escrow Agent.

25. Attorneys' Fees. In the event of any action, litigation or proceeding arising under this Agreement, the prevailing Party shall be entitled to its reasonable attorneys' fees and reasonable costs, in addition to any other relief to which such Party may otherwise be entitled at law or equity. The prevailing Party is the Party who receives substantially the relief sought by said

Party, whether by final unappealable order, dismissal or settlement, including any mediation or arbitration.

[REMAINDER OF PAGE LEFT BLANK]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first above-written.

SELLERS:

Florida Insurance Advisory Group, LLC

By: *M. Buza*
Printed: Michael R. Buza
Title: Managing Member

MRB & Associates II, LLC

By: *M. Buza*
Printed: Michael R. Buza
Title: Manager

Insurance Advisors of South Florida, LLC

By: *M. Buza*
Printed: Michael R. Buza
Title: Managing Member

BUYER:

Desotó Moulton, LLC

By: *Debra Baymen*
Printed: Debra Baymen
Title: _____

ND_8196237_2.docx

Florida Insurance Advisory Group II, LLC

By: *M. Buza*
Printed: Michael R. Buza
Title: Managing Member

MRB & Associates III, LLC

By: *M. Buza*
Printed: Michael R. Buza
Title: Authorized Member

Florida Property & Casualty Insurance Agency, LLC

By: *M. Buza*
Printed: Michael R. Buza
Title: Managing Member

ESCROW AGENT:

Oak Street Funding, LLC

By: *Alicia Chandler*
Printed: Alicia Chandler
Title: Chief Counsel

EXHIBIT A

SHAREHOLDERS

Exhibit A to Escrow Agreement

August 4, 2016

Esther Ovadia, Esq.
Reliance Global Holdings, LLC
40 Wall Street, 60th Floor
New York, NY 10005
212-293-8500 Ext: 4645

Via Email

Michael R. Buza
mbuza@pbiag.com

RE: Claim notice regarding out of trust exposure.

Dear Mr. Buza,

As per Section 8 of the Asset Purchase Agreement dated May 22, 2016, and per the Escrow Agreement signed on June 17, 2016, Desoto Moulton, LLC (my client) is hereby making a claim for indemnification in the amount of \$129,153.64 for the reasons stated below.

After purchasing seven insurance agencies from you for the sum of \$18,800,000, it has come to my client's attention that you have not been holding trust funds as Florida law requires you to, and that you are personally holding onto \$129,153.64 that you received from insured customers on behalf of the insurance companies. In fact, you have admitted that you are holding onto this amount, but insist that the amount owed to insurance companies should be pro-rated between my client and yourself for the month of June based on the closing date of June 17th. Pro-rating trust funds is obviously not feasible since the funds neither belong to you nor to my client. You were entrusted to hold on to them in a separate account and then pay the funds over to the insurance companies, the true owners of these funds. You have failed to do so, and the potential repercussions are immense. Any client whose funds do not reach the insurance company will have his policy cancelled. This is a problem for my client, because they will lose customers. However, the bigger issue is that an insured event may occur and the customer will not be covered.

In order to determine the amount that is still owed by you to insurance companies, my client has worked in good faith with you and with your accountant for the past couple of weeks. My client has gone above and beyond to try and help you understand your own financial statements. However, all

communication from you has ceased on July 26th. Attached as Exhibit A is a spreadsheet drafted for you by my client, that shows all premiums that we know of so far that were due to be paid to insurance companies for the month of June. The amounts that are in the column titled "Mike Portion" are funds that were received by you and not forwarded over to the insurance companies. The amounts titled "Desoto Moulton Portion", were received by my client and have or will be paid to the insurance companies at the appropriate time. Exhibit B is a more detailed description of Exhibit A, giving exact amounts and dates of deposits and bank accounts deposited to.

I understand that you have been made aware of Section 626.561 of the Florida Statutes, which states in part that "all premiums... received by an agent... are trust funds received by the licensee in a fiduciary capacity. An agent or insurance agency shall keep the funds belonging to each insurer for which an agent is not appointed... in a separate account so as to allow the department or office to properly audit such funds. The licensee...shall account for and pay the same to insurer...". The statute goes on to say that "Any agent... who, not being lawfully entitled thereto, either temporarily or permanently diverts or misappropriates such funds or any portion thereof... commits the offense described below: ... if the funds are \$100,000 dollars or more, a felony of the first degree."

My client hereby demands that you either pay the funds described above to the insurance companies immediately, or allow the escrow agent holding onto the funds in escrow as per Section 4 of the Asset Purchase Agreement to release the \$129,153.64 to my client immediately. My client further reserves the right to adjust the amount that is owed pending any further notices from insurance companies and/or to compensate for any other claims.

Thank you,


Esther Ovadia, Esq.

Cc: Law Offices of Bonnie A. Brown. Att: Bonnie Brown - bonnie@bonniebrownpa.com
Cc: Oak Street Funding, LLC. Att: Alicia M. Mitchel Chandler – Alicia.chandler@oakstreetfunding.com
Cc: Kleg DeVault LLP. Att: John Baxter, Esq. – jbaxter@kdlegal.com

Exhibit A

Payments To Make With Division Between Former Owner and Current Owner

<u>Payee</u>	<u>Total Due</u>	<u>Mike Portion</u>	<u>DeSoto Moulton Portion</u>
1 Atlantic Specialty Lines	\$21,058.13	21,058.13	-
All Risks	\$809.61		809.61
2 Hull & Company (St. Petersburg)	\$37,165.93		
3 Hull & Company (Jacksonville)	\$2,543.89	-	2,543.89
4 Hull & Company (Dania Beach)	\$10,058.10	10,058.10	-
Insurance Intermediaries (Kortz, Andrew)	\$926.17		926.17
5 John J & Shirley Leonardo (Cancellation - RP)	\$357.51	-	357.51
6 Players Club Condominium Association (Overpymt)	\$76.00	76.00	
7 Hartford Fire Insurance Co (Symtech)	\$1,271.00	1,271.00	
8 Heritage Insurance Co (Players Club)	\$7,421.00	7,421.00	
9 FedNat Underwriters (Gevais)	\$330.00	330.00	
10 Hartford Steam Boiler (Nice Ice)	\$5,859.00		
Florida Workers Comp JUA	\$21.85		21.85
Liberty Mutual	\$9.30		9.30
Florida Workers Comp JUA	\$39.15		39.15
Infinity Insurance Co	\$118.80		
11 C NA Surety	\$80.00	80.00	
12 The Hartford	\$839.30	839.30	
13 PGIT	\$330.30		330.30
14 R-T Specialty	\$2,712.31	2,186.41	525.90
15 Hull & Company	\$14,791.32		
16 Hull & Company	\$1,775.70	1,775.70	
17 Atlantic Specialty Insurance	\$4,618.55	4,325.34	293.21
18 Hearts Afire, Inc.	\$110.22	110.22	
19 Aphrodite Soussa Trust	\$204.04		
20 Hull & Company	\$3,228.04	3,139.69	88.35
21 Gulfcoast Drywall	\$1,064.00	1,064.00	
22 CRC	\$27,012.88	23,520.07	3,492.81
Total:	\$144,832.10	129,153.64	15,678.46

Exhibit B

Broken down by which account deposited to

		Deposited to	
		Mike	Desoto
1	Atlantic Specialty \$21,058.13		
	BU 5668 6/3/2016 Asar Investment	1,017.64	
	BU 5668 6/3/2016 Asar Investment	562.55	
	BU 5668 6/13/2016 C. Garfield Neely, P. E.	4,678.00	
	BU 5668 5/25/2016 Coast To Coast Marine In	1,900.00	
	BU 5668 6/29/2016 Danny Aldrich	377.49	
	BU 5668 5/26/2016 Finn, Mike	3,186.05	
	BU 5668 6/16/2016 Sentury Security Agency	1,088.30	
	BU 5668 6/7/2016 Steven Smith	10,445.50	
		<u>23,255.53</u>	
2	Hull&Co \$37,165.93		
	BU 5668 wire June Seabreeze	9,046.69	
	BU 5668 June, 2016 A&M Cocoa	1,037.97	
	BU 5668 June, 2016 Alliance & Associates	5,728.87	
	BU 5668 6/6/2016 Catherine Cross	1,766.99	
	BU 5668 6/3/2016 Debary Civic Association	3,175.87	
	BU 5668 6/11/2016 Hidden Acres Rescue for	8,303.00	
	BU 5668 6/15/2016 Jill and Darwyn Jones	1,748.91	
	BU 5668 6/2/2016 Kite Tax Lien Capital	897.15	
	BU 5668 6/21/2016 Little Folks Child	95.18	
	BU 5668 wire June Seabreeze	5,365.30	
		<u>37,165.93</u>	
3	Hull&Co \$2,543.89		
	WF 0228 7/6/2016 Ashwood of Brevard		1,069.18
	WF 0228 7/6/2016 Ashwood of Brevard		1,474.71
			<u>2,543.89</u>
4	Hull&Co \$10,058.10		
	BU 5668 6/29/2016 Rancho Teresita	10,058.10	
7	Harford Fire Insurance		
	WF 0960 6/24/2016 Symtech	1,271.00	
6 & 8	Heritage Ins Co \$7,421/players club \$76		
	WF 0960 6/17/2016 Players Club	7,421.00	
9	Federated National \$ 330		
	WF 0960 6/24/2016 Gervais	330.00	
10	Hartford Steam Boiler \$ 5,859		
	WF 0960 6/9/2016 Nice Ice Co	5,859.00	
11	C NA Surety \$ 80		
	WF 0960 5/27/2016 The Oaks of Arcadia	100.00	

		Deposited to	
		Mike	Desoto
12	The Hartford \$ 839.30		
	WF 0960 5/19/2016 Harlan Long	136.00	
	WF 0960 6/13/2016 Spinnaker Point	931.00	
13	PGIT \$ 330.30		
	WF 0228 7/21/2016 City of Arcadia		367
14	RT Specialty \$ 2,712.31		
	D'Vines Wine		
	WF 0228 7/12/2016 (Down Payment)	525.9	
	WF 0960 7/5/2016 (First Ins Fund)	2186.41	
15	Hull & Company \$14,791.32		
	WF 0228 7/1/2016 Accardi, John P		4,075.51
	WF 0960 5/26/2016 Betty Grady	5,018.71	
	WF 0228 7/19/2016 Hitzing, Justin		695.04
	WF 0960 6/16/2016 Kinard Tree Service	356.75	
	Kinard Tree Service	(124.08)	
	WF 0960 6/2/2016 Murray, Robert S III	3,605.49	
	WF 0228 7/11/2016 Turner Loose, LLC		2,700.00
	Total	8,856.87	7,470.55
16	Hull&Co \$1,775.70		
	WF 0960 6/24/2016 Symtech	1,973.00	
17	Atlantic Specialty \$4,618.55		
	WF 0960 6/21/2016 A Cut Above	500.00	
19	Canc. RP Aphrodite Soussa Trust	(204.04)	
18	Hearts Afire Inc	310.48	
	WF 0960 6/13/2016 Hochstetler Portable Welding	2,190.27	
	WF 0960 6/21/2016 South Trail Associates	562.55	
	WF 0960 6/21/2016 Tuckers Grade Associates	562.55	
	WF 0960 6/27/2016 Warren Horner Rentals	1,164.01	
		5,085.82	
20	Hull & Company \$ 3,228.04		
	WF 0960 6/11/2016 C J Hilgendorf Inc	562.55	
	WF 0960 6/21/2016 Helmuth, Beverly I	2,908.24	
	WF 0228 7/12/2016 Palm Grove Mennonite Church		88.35
		3,470.79	88.35
21	Gulfcoast Drywall \$1,064		
	WF 0960 5/9/2016 Gulfcoast Drywall	1,064.00	

22 CRC 27012.88

		Deposited to		
		Mike	Desoto	
WF 0960	6/24/2016	Brownville Baptist	485.30	
WF 0960	6/29/2016	Brownville Baptist	1,288.22	
WF 0960	6/2/2016	The Learning Tree	680.00	
WF 0960	6/7/2016	The Learning Tree	1,339.33	
WF 0960	6/24/2016	Gary J Mundell	1,375.28	
WF 0960	6/28/2016	Gary J Mundell	3,633.86	
WF 0960	6/29/2016	Dereck Manley	462.99	
WF 0228	7/18/2016	Dereck Manley		1,295.96
WF 0960	6/1/2016	William Delaney	720.28	
WF 0960	6/9/2016	H-17 INC	3,105.93	
WF 0960	6/29/2016	Wouthwest Fending	1,606.69	
WF 0960	6/1/2016	Frierson, Gary	1,879.88	
WF 0960	6/1/2016	DA Manor	2,722.14	
WF 0960	6/9/2016	Dale Thomas	562.67	
WF 0960	6/28/2016	Dale Thomas	1,510.68	
WF 0228	7/11/2016	Turner Loose		1,877.98
WF 0960	6/20/2016	Total Pest	845.00	
WF 0960	6/21/2016	Total Pest	334.58	
WF 0960	6/21/2016	DeSoto Coin Laundry	1,141.24	
WF 0228	7/16/2016	DeSoto Coin Laundry		3,006.72
		23,694.07	6,180.66	

Peterson Bernard

ATTORNEYS AT LAW

Established 1981

Reply to: Edwin E. Mortell, III
Stuart, FL 34996
edwin.mortell@petersonbernard.com

August 8, 2016

VIA EMAIL & U.S. Mail
zglaser@bj-a-law.com
Zachary J. Glaser, Esquire
Bennett, Jacobs & Adams, P.A.
Post Office Box 3300
Tampa, FL 33601

Re: Michael R. Buza - Claim notice

Dear Mr. Glaser:

Please be informed that our Firm represents Mr. Michael Bouza with respect to the above-referenced matter. Pursuant to paragraph 4(c) of the Escrow Agreement, please let this serve as Mr. Buza's "Dispute Notice."

As you are aware from the daily emails for the last three weeks, this \$129,153.64 dispute arises out of a disagreement regarding the proration of the month of June 2016.

Prior to closing, Mr. Buza agreed to provide Desoto Moulton, LLC with a \$166,000 credit to pro-rate for the month of June for the closing date of June 17, 2016. The contract provided that Mr. Buza would be entitled to the proceeds received prior to June 17th and would be responsible for the expenses incurred up to June 17th. As set forth in Mr. Buza's email attached hereto as Exhibit "A," Desoto Moulton, LLC did not even have operating accounts set up to handle post-closing expenses. For approximately six weeks' post-closing, Mr. Buza, as an accommodation to Dosoto Moulton, continued to pay expenses with the understanding that Desoto Moulton would reimburse him for all expenses paid for expenses incurred after June 17, 2016. As set forth in Mr. Buza's email directed to Desoto Moulton's CFO, Dave Teiler, after the credit and funds advanced by Mr. Buza, Mr. Buza is owed \$56,186.29.

FORT LAUDERDALE
707 S.E. 3rd Avenue, Suite 500
Fort Lauderdale, Florida 33316
Phone: 954.763.3200
Fax: 954.728.9019

1550
West

Fax: 561.471.5603

STUART
416 Flamingo Avenue
Stuart, Florida 34996
Phone: 772.286.9881
Fax: 772.220.1784

www.petersonbernard.com

Mr. Glaser
August 8, 2016
Page 2 of 4

Mr. Buza has attempted to work with your client for weeks to resolve the pro-ration issue. It is our understanding that Desoto Moulton has retained Eric Berkowitz, CPA in Stuart, FL, to continue performing accounting services for the new entity, Desoto Moulton, LLC. Thus, Mr. Berkowitz, Desoto Moulton's own CPA, has confirmed that he agrees with the analysis set forth in Mr. Buza's email of August 1, 2016 attached hereto as Exhibit "A."

Frankly, my client is very concerned that Desoto Moulton, LLC would purchase an insurance operation with over \$50,000,000 in premiums with no bank accounts in place at the time of closing and have failed to set up or transfer proceeds in a timely manner in order to accommodate the handling of receipts and payments by each of the various office locations throughout the State of Florida. The fact that your client asked Mr. Buza to continue paying bills after the sale and transfer of ownership is highly unusual.

Mr. Buza informs me that currently less than half of the insurance agency carrier contracts have been transferred into the name of the new owners. It is almost two months' post-closing. This is very concerning as there are insurance contracts that remain in my client's name. These contracts need to be transferred into the name of the new owners immediately.

As a result of your client's apparent inability to open bank accounts and transfer the agreements, my client continues to allow Desoto Moulton to have premiums deposited into his accounts. Each week he transfers the funds to Desoto Moulton. This week, which is now 7 (seven) weeks after closing, Mr. Buza transferred over \$100,000 to Desoto Moulton, LLC. Your suggestion that Mr. Buza's accommodation to your client has resulted in Mr. Buza's owing your client money is completely wrong. You should speak to Desoto Moulton's accountant, Eric Berkowitz, who will explain to you in detail how it is your client that owes Mr. Bouza. Frankly, your client should pay Mr. Buza what they owe him and thank him for allowing Desoto Moulton to use his operating accounts.

There are a number of operational issues that are also very concerning to my client. See a list of them below:

- There is no sales leadership in place to provide the sales staff with guidance, direction and motivation to hit sales goals;
- No one from Reliance Global Holdings is in Florida to manage the overall day to day operations and give support to the staff who are accustomed to having direction and guidance from management. There is a general feeling of helplessness throughout the organization;

Mr. Glaser
August 8, 2016
Page 3 of 4

- Clearly Reliance is in this for the money but unfortunately insurance is a relationship business and with no management locally in Florida the sales and retention of business will be drastically impacted and has already begun to decrease. This will impact the income of the business;
- Throughout Mr. Buza's month with Reliance as a consultant, Mr. Buza offered suggestions but was always ignored. This has made him question their intentions;
- Further, relationships need to be established with the carriers. It cannot be taken for granted that they will move their agreements to the new ownership. They need to be communicated with and kept informed at every turn. Plus Reliance's stance is that they will have an assistant level staff person meet with the carriers and this is not acceptable or expected by the carriers;
- Reliance has appointed managers in each of the locations without asking for any input or recommendations from Mr. Buza. Their choices have impacted the business and the operations in each and every location. Some of the choices for managers are inexperienced; are just learning the insurance business; do not have the proper licenses; and are not ready to run an office with millions of dollars in revenue; and
- On numerous occasions, existing staff have reached out to Mr. Buza personally with frustrations and fears regarding the practices of Reliance and expressing concern regarding their lack of understanding of insurance industry procedures.

Now that your client has asserted a claim against Mr. Buza, please instruct your client to refrain from any further contact with Mr. Buza. Any communications should be directed to my office. With regard to any ongoing cooperation requirements, my office will work with Mr. Buza to accommodate your requests.

Thank you for your attention to this matter.

Mr. Glaser
August 8, 2016
Page 4 of 4

Very truly yours,

PETERSON BERNARD



Edwyn E. Mortell, III
For the Firm

EEM/cam

Encls.

cc: Michael Buza

cc: Pursuant to Section 9 of the Escrow Agreement:

Bonnie A. Brown, Esquire

bonnie@bonnieabrownpa.com

Joe Sasson, Desoto Moulton, LLC

jsasson@reliancegh.com

Esther Ovadia, Esquire

eovadia@reliancegh.com

Alicia M. Mitchell Chandler

Alicia.chandler@oakstreetfunding.com

John Baxter, Esquire

jbaxter@kdlegal.com

From: Mike Buza
Sent: Monday, August 01, 2016 2:25 PM
To: 'David Teller' (dteller@reliancegh.com); 'Eric Berkowitz'
Cc: Joey Sasson (jsasson@reliancegh.com); Yaakov Beyman (yabeyman@reliancegh.com); Esther Ovadia (eovadia@reliancegh.com)
Subject: Updated Worksheets & Notice

David;

I am in receipt of your Friday emails to Eric and me. After spending the weekend reviewing the spreadsheets and accounting issues, I am prepared to reconcile these issues once and for all.

I have attached a spreadsheet that Eric prepared which we believe properly reflects that I owe \$93,963.38 for commission/premiums that were paid into my accounts in June. You will note that using the \$93,963.38 figure, I am owed \$56,186.29.

The analysis that you previously provided reflects your position that I owe \$129,153.64 for commissions/premiums received in June. The \$35,190.26 difference relates primarily to all of the bills that I paid for the entire month of June. In order to more accurately break down the approximately \$35,000 difference, Eric would have to go through each and every bill for every location and entity. Eric tells me this would take significant accounting time. In an attempt to compromise this matter, I am willing to split the \$35,190.26 difference equally with you. Thus, I am willing to agree to split this amount at \$17,595.13 each. Unfortunately, Reliance was not set up with bank accounts in a timely manner so I was forced to pay bills after selling from my accounts which is unheard of in the insurance industry. This compromise is an attempt to get this June reconciliation behind us once and for all.

Based on my compromise, Eric's spreadsheet would be reduced accordingly. Thus, the \$56,1086.29, that Desoto Moulton, owes me would be reduced to \$38,591.16. This is more than fair in light of the fact that I have continued to fund your operating accounts and work with you to keep the business going for now over a month since closing.

At this point, the most important issue is for you to make sure that the insured's premiums get paid to the carriers today. As you know, because of a number of reasons, the policies are still under my license number. Thus, your failure to pay these July invoices for premiums due today could result in significant harm to my license. Obviously, that would be completely unacceptable.

On another note, please let this serve as my formal notice to you that as of August 5, 2016, all of my accounts will no longer allow sweeps. Thus, by Friday, August 5, 2016, you need to have all of your own operating accounts set up to handle these sweeps. Unfortunately, my banks will not authorize logins to Reliance since you only acquired the assets so as we previously agreed, Eric will send you statements for each account every Friday. Sorry for the inconvenience, but it is the bank's rules.

Any failure on your part to have these bills paid today will cause me issues with my license. It is clear that these invoices came in in July and are the new businesses' responsibility, not mine. As you know, I previously agreed to prorate the month of June by giving Desoto Moulton a \$166,000 credit at the closing. Using the EBITDA figures on the attached spreadsheet, the seller is entitled to a credit of \$47,470. Thus, using these figures, it could certainly be argued that I am owed \$120,000. I have been attempting to work with you guys for 6 weeks now to get these issues resolved. This is your business. Please get the proper bank accounts set up and get the proper licensing in place.

Thanks. Mike

Michael R Buza

561-282-7071 Cell
mbuza@pbiag.com

Detail of items deposited to Brokerage/Trust Accounts
 Broken down by which account deposited to

		Deposited to	
		Mike	Desoto
1	Atlantic Specialty \$21,058.13		
	BU 5668 6/3/2016 Asar Investment	1,017.64	
	BU 5668 6/3/2016 Asar Investment	562.55	
	BU 5668 6/13/2016 C. Garfield Neely, P. E.	4,678.00	
	BU 5668 5/25/2016 Coast To Coast Marine In	1,900.00	
	BU 5668 6/29/2016 Danny Aldrich	377.49	
	BU 5668 5/26/2016 Finn, Mike	3,186.05	
	BU 5668 6/16/2016 Sentury Security Agency	1,088.30	
	BU 5668 6/7/2016 Steven Smith	10,445.50	
		<u>23,255.53</u>	
2	Hull&Co \$37,165.93		
	BU 5668 wire June Seabreeze	9,046.69	
	BU 5668 June, 2016 A&M Cocoa	1,037.97	
	BU 5668 June, 2016 Alliance & Associates	5,728.87	
	BU 5668 6/6/2016 Catherine Cross	1,766.99	
	BU 5668 6/3/2016 Debary Civic Association	3,175.87	
	BU 5668 6/11/2016 Hidden Acres Rescue for	8,303.00	
	BU 5668 6/15/2016 Jill and Darwyn Jones	1,748.91	
	BU 5668 6/2/2016 Kite Tax Lien Capital	897.15	
	BU 5668 6/21/2016 Little Folks Child	95.18	
	BU 5668 wire June Seabreeze	5,365.30	
		<u>37,165.93</u>	
3	Hull&Co \$2,543.89		
	WF 0228 7/6/2016 Ashwood of Brevard		1,069.18
	WF 0228 7/6/2016 Ashwood of Brevard		<u>1,474.71</u>
			2,543.89
4	Hull&Co \$10,058.10		
	BU 5668 6/29/2016 Rancho Teresita	10,058.10	

7	Harford Fire Insurance			
	WF 0960	6/24/2016	Symtech	1,271.00
6 & 8	Heritage Ins Co \$7,421/players club \$76			
	WF 0960	6/17/2016	Players Club	7,421.00
9	Federated National \$ 330			
	WF 0960	6/24/2016	Gervais	330.00
10	Hartford Steam Boiler \$ 5,859			
	WF 0960	6/9/2016	Nice Ice Co	5,859.00
11	C NA Surety \$ 80			
	WF 0960	5/27/2016	The Oaks of Arcadia	100.00
12	The Hartford \$ 839.30			
	WF 0960	5/19/2016	Harlan Long	136.00
	WF 0960	6/13/2016	Spinnaker Point	931.00
13	PGIT \$ 330.30			
	WF 0228	7/21/2016	City of Arcadia	367
14	RT Specialty \$ 2,712.31			
			D'Vines Wine	
	WF 0228	7/12/2016	(Down Payment)	525.9
	WF 0960	7/5/2016	(First Ins Fund)	2186.41
15	Hull & Company \$14,791.32			
	WF 0228	7/1/2016	Accardi, John P	4,075.51
	WF 0960	5/26/2016	Betty Grady	5,018.71
	WF 0228	7/19/2016	Hitzing, Justin	695.04
	WF 0960	6/16/2016	Kinard Tree Service	356.75
			Kinard Tree Service	(124.08)
	WF 0960	6/2/2016	Murray, Robert S III	3,605.49

WF 0228	7/11/2016	Turner Loose, LLC		2,700.00
		Total	8,856.87	7,470.55
16		Hull&Co \$1,775.70		
	WF 0960	6/24/2016 Symtech	1,973.00	
17		Atlantc Specialty \$4,618.55		
	WF 0960	6/21/2016 A Cut Above	500.00	
19		Canc. RP Aphrodite Soussa Trust	(204.04)	
18		Hearts Afire Inc	310.48	
	WF 0960	6/13/2016 Hochstetler Portable Welding	2,190.27	
	WF 0960	6/21/2016 South Trail Associates	562.55	
	WF 0960	6/21/2016 Tuckers Grade Associates	562.55	
	WF 0960	6/27/2016 Warren Horner Rentals	1,164.01	
			5,085.82	
20		Hull & Company \$ 3,228.04		
	WF 0960	6/11/2016 C J Hilgendorf Inc	562.55	
	WF 0960	6/21/2016 Helmuth, Beverly I	2,908.24	
	WF 0228	7/12/2016 Palm Grove Mennonite Church		88.35
			3,470.79	88.35
21		Gulfcoast Drywall \$1,064		
	WF 0960	5/9/2016 Gulfcoast Drywall	1,064.00	
22		CRC 27012.88		
	WF 0960	6/24/2016 Brownville Baptist	485.30	
	WF 0960	6/29/2016 Brownville Baptist	1,288.22	
	WF 0960	6/2/2016 The Learning Tree	680.00	
	WF 0960	6/7/2016 The Learning Tree	1,339.33	
	WF 0960	6/24/2016 Gary J Mundell	1,375.28	
	WF 0960	6/28/2016 Gary J Mundell	3,633.86	
	WF 0960	6/29/2016 Dereck Manley	462.99	
	WF 0228	7/18/2016 Dereck Manley		1,295.96

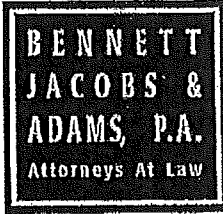
WF 0960	6/1/2016	William Delaney	720.28	
WF 0960	6/9/2016	H-17 INC	3,105.93	
WF 0960	6/29/2016	Wouthwest Fending	1,606.69	
WF 0960	6/1/2016	Frierson, Gary	1,879.88	
WF 0960	6/1/2016	DA Manor	2,722.14	
WF 0960	6/9/2016	Dale Thomas	562.67	
WF 0960	6/28/2016	Dale Thomas	1,510.68	
WF 0228	7/11/2016	Turner Loose		1,877.98
WF 0960	6/20/2016	Total Pest	845.00	
WF 0960	6/21/2016	Total Pest	334.58	
WF 0960	6/21/2016	DeSoto Coin Laundry	1,141.24	
WF 0228	7/16/2016	DeSoto Coin Laundry		3,006.72
			<u>23,694.07</u>	<u>6,180.66</u>

MIKE BUZA'S COMPANIES
FOR THE MONTR ENDED, JUNE 30, 2016

Revenues	Proration 17/30		
	Total	Seller	Proration 13/30 buyer
Commission Income	\$426,533	\$241,589	\$184,744
Less "client costs exp"	(\$241,385)	(\$126,785)	(\$104,600)
Less Refunds	(\$499)	(\$285)	(\$214)
Net Commission	\$184,450	\$104,522	\$79,928
Commission Income Brokerage	\$240,195	\$136,111	\$104,083
Client Cost Brokerage Exp	(\$190,094)	(\$107,726)	(\$82,374)
Less Refunds	(\$5,219)	(\$1,824)	(\$1,395)
Net "brokerage" Income	\$50,101	\$28,391	\$21,711
Additional income per MM			
Rental Income	\$0		
Total Revenue	\$254,551	\$132,912	\$101,639
Operating Expenses			
1 Wages-Other	\$66,293	\$37,566	\$28,727
2 Rent	\$12,673	\$7,181	\$5,492
1 Commissions	\$9,115	\$5,165	\$3,950
3 Office/Computer Exp	\$13,575	\$7,692	\$5,882
1 Taxes-Payroll	\$5,115	\$2,898	\$2,216
3 Utilities	\$6,495	\$3,686	\$2,814
4 Professional Fees	\$7,788	\$4,413	\$3,375
5 Advertising	\$1,775	\$1,006	\$769
3 Repairs & Maint	\$10,473	\$5,954	\$4,538
3 Telephone	\$805	\$456	\$349
1 Contract Labor	\$0	\$0	\$0
3 Licenses	\$1,239	\$702	\$537
3 Postage	\$1,083	\$614	\$469
3 Credit Card Fees	\$132	\$75	\$57
1 Insurance-Health	\$160	\$91	\$69
5 Entertainment and Meals	\$3,545	\$2,009	\$1,536
3 Bank Fees	\$4,573	\$2,591	\$1,982
3 Computer	\$0	\$0	\$0
1 Continuing Education	\$0	\$0	\$0
3 Security/Alarm	\$279	\$158	\$121
3 Dues & Subscriptions	\$465	\$263	\$201
3 Quoting	\$0	\$0	\$0
3 Payroll Co. Fees	\$25	\$14	\$11
3 Donations	\$0	\$0	\$0
3 Equipment Rental	\$31	\$18	\$13
3 Taxes-Property	\$0	\$0	\$0
3 Staff Meals	\$0	\$0	\$0
3 Taxes-Other	\$0	\$0	\$0
Association Fees	\$970	\$556	\$420
Auto Expense	\$2,029	\$1,150	\$879
Consulting	\$2,145	\$1,214	\$929
Penalties	\$0	\$0	\$0
Travel	\$0	\$0	\$0
Wages-Officer	\$0	\$0	\$0
Bonus		\$0	\$0
Storage		\$0	\$0
Gas		\$0	\$0
Gift		\$0	\$0

Total Expenses	\$150,781	\$85,442	\$65,338
Net EBITDA	\$83,778	\$47,470	\$36,300

			\$36,300.49	<-Owed to Desoto Moulton for June 2016
			(\$166,130.97)	<-Prior advance based on June 2015 numbers at closing
			\$45,591.87	<-Desoto Moulton LLC reimbursement to Mike for payroll
			\$93,963.38	<-Money that went into Mike's Brokerage Accts prior to 6/17/16
			(\$37,072.00)	<-Transfer from Mike Personally to MRB3-Acct #5862 - 6/22/16
			(\$900.00)	<-Transfer from Mike Personally to MRB2-Acct #5803 - 6/23/16
			(\$9,500.00)	<-Transfer from Mike Personally to MRB3-Acct #5862 - 6/23/16
			(\$38,510.00)	<-Transfer from Mike Personally to MRB3-Acct #5862 - 6/23/16
			(\$2,200.00)	<-Transfer from Mike Personally to FLAG2-Acct #5528 - 6/29/16
			(\$3,950.00)	<-Transfer from Mike Personally to FLAG2-Acct #5668 - 6/29/16
			(\$2,700.00)	<-Transfer from Mike Personally to FLPCI-Acct #5684 - 6/30/16
			\$32,649.22	<-Mike's Personal Bills Paid from Companies after 6/17/16
(\$1,570.12)	(\$1,699.08)		(\$471.04)	<-FLAG Payroll - 6/24/16 - Mike 70% - DMLLC - S30% - Mike Paid
(\$5,004.40)	(\$3,503.98)		(\$1,501.72)	<-FLAG2 Payroll - 6/24/16 - Mike 70% - DMLLC - S30% - Mike Paid
(\$1,939.83)	(\$1,337.91)		(\$581.96)	<-IASF Payroll - 6/24/16 - Mike 70% - DMLLC - S30% - Mike Paid
(\$1,052.24)	(\$736.57)		(\$315.67)	<-MRB3 Payroll - 6/24/16 - Mike 70% - DMLLC - S30% - Mike Paid
(\$727.00)	(\$508.90)		(\$218.10)	<-FLAG Taxes - 6/24/16 - Mike 70% - DMLLC - S30% - Mike Paid
(\$1,768.48)	(\$957.94)		(\$410.54)	<-FLAG2 Taxes - 6/24/16 - Mike 70% - DMLLC - S30% - Mike Paid
(\$503.95)	(\$354.17)		(\$151.79)	<-IASF Taxes - 6/24/16 - Mike 70% - DMLLC - S30% - Mike Paid
(\$239.56)	(\$167.69)		(\$71.87)	<-MRB3 Taxes - 6/24/16 - Mike 70% - DMLLC - S30% - Mike Paid
			(\$56,186.29)	Owed to Mike Buza from Desoto Moulton LLC



ROBERT B. BENNETT
GWEN G. JACOBS
DAVID W. ADAMS +

KERRY J. ANDERSON
KAREN E. FERGUSON
ZACHARY J. GLASER

JOHN F. WENDEL

+BOARD CERTIFIED IN LABOR
AND EMPLOYMENT LAW

JAN S. STOUT
ADMINISTRATOR

AMANDA L. COX
BRIGETTE P. CROMWELL
JOHN R. DARIN
LISA E. LAZAN
KATRINA A. LUETZOW
JARED M. WRAGE

September 8, 2016

Oak Street Funding, LLC
Attn: Alicia M. Mitchell Chandler, Esq.
11350 N. Meridian Street, Suite 600
Carmel, Indiana 46032

RE: Buyer's Claim Notice
Desoto Moulton, LLC -- Michael Buza Escrow Agreement
BJA File No.: 2016-17234

Gentlemen:

As you know, this firm represents Reliance Agency Network, LLC and its affiliated companies, including, but not limited to, Desoto Moulton, LLC (collectively "Reliance" or the "Buyers") with regards to the Buyers' dispute with Michael Buza, Florida Insurance Advisory Group, LLC, Florida Insurance Advisory Group II, LLC, MRB & Associates II, LLC, MRB & Associates III, LLC, Florida Property & Casualty Insurance Agency, LLC, and Insurance Advisors of South Florida, LLC (hereinafter referred to as the "Seller Parties") pertaining to that certain Asset Purchase Contract and Receipt dated May 22, 2016 (hereinafter the "Agreement") and the accompanying Escrow Agreement dated June 17, 2016. Please allow this to serve as the Buyers' formal Claim Notice pursuant to Section 8 of the Agreement and Section 4 of the Escrow Agreement for indemnification against the Seller Parties. At this time, the Buyers are unable to determine the full extent of their damages, but submit their good faith estimate that their damages exceed Four Million Dollars (\$4,000,000.00) based on the following facts giving rise to the claims.¹

I. Misrepresentation of Net Income

Pursuant to the Agreement, the purchase price of the assets was based on a multiple of 6.27 times the Sellers' represented annual Net Income of \$3 million from the Acquired Assets. Now that the transaction has closed and the Buyers have operated the businesses for several months, it has become clear that there is not sufficient consistent premium income at the acquired

¹ The Buyers' investigation is ongoing on these and other possible claims for indemnification based on the Seller Parties' conduct. As such, the Buyers are providing as much reasonable detail as is known at this time pursuant to the Escrow Agreement. The Buyers reserve their right to provide additional claims and details as they become known and will voluntarily reduce any claims which further investigation reveals are overstated.

REPLY TO: TAMPA

TAMPA POST OFFICE BOX 3300 • TAMPA, FLORIDA 33601 • PHONE: 813.272.1400 • FAX: 800.844.4703
LAKELAND 6304 SOUTH FLORIDA AVENUE, SUITE 404 • LAKELAND, FLORIDA 33810 • PHONE: 888.844.0011 • FAX: 888.885.0306

WWW.BJA-LAW.COM

Oak Street Funding, LLC
Attn: Alicia M. Mitchell Chandler
September 8, 2016
Page 2

agencies to substantiate the \$3 million of annual Net Income the Sellers represented to the Buyers. Specifically, while Total Revenues for the Acquired Assets were represented to be \$5,446,618.00, according to the Buyers' information and data to date, Total Revenue from the Acquired Assets is estimated to be only \$4,871,000.00. When deducting the Seller Parties' represented expenses of \$2,440,040.00 from Total Revenue, the actual Net Income from the Acquired Assets is only \$2,430,060.00. This is a misrepresentation of \$570,000.00 in Net Income.

Thus, based on the above misrepresentations and analysis of the actual premium receipts from the Acquired Assets, the Buyers estimate annual Net Income of the Seller agencies is only approximately \$2.43 million. Please note this is only an estimate and the Buyers reserve the right to modify this amount as additional information is discovered. Based on the formula for the purchase price, this would result in an adjusted selling price of \$15.236 million. As you know, the Buyers agreed to pay \$18.8 million, premised on true and correct representations that the agencies generate \$3 million of annual Net Income. Thus, the Buyers have been damaged in the amount of \$3.564 million, and demand is made for the same, jointly and severally against the Seller Parties, and accordingly from the Escrow Account.

II. Carrier Chargebacks

Prior to the sale, the Seller Parties received over-payments from carriers of approximately Twenty-Thousand Dollars (\$20,000.00). Post-sale, the Buyers received chargebacks from these insurance carriers, which the Buyers were required to pay. In addition to the return of the \$20,000.00 owed to the Buyers, the overpayments from the carriers were included in the Seller Parties' represented Net Income. As such, pursuant to the purchase formula in the Agreement, the Purchase Price was overstated by One Hundred Twenty-Five Thousand Four Hundred Dollars (\$125,400.00). As such, demand is made for the same, jointly and severally against the Seller Parties, and accordingly from the Escrow Account.

III. Failure to Transfer All Acquired Assets

It has come to our attention that the Seller Parties did not have the proper authority or power to transfer certain Acquired Assets which were supposed be transferred to the Buyers as part of the Agreement. Specifically, Ms. Lyssa Brennan has produced a contract reflecting that she, and not the Seller Parties, is the owner of her book of business which the Seller Parties represented as their own and part of the Acquired Assets. This book of business has \$439,000.00 in annual premium, which equates to approximately \$50,000.00 in Net Income. Accordingly, this misrepresentation and failure to transfer this book of business decreases the purchase price by approximately Three Hundred Thirteen Thousand Five Hundred Dollars (\$313,500.00).

Oak Street Funding, LLC
Attn: Alicia M. Mitchell Chandler
September 8, 2016
Page 3

OB in / per
A/R / or

Additionally, an Auto Owners book of business which was represented as an Acquired Asset cannot be transferred to the Buyers. The Seller Parties misrepresented these assets as part of the Acquired Assets. This book of business has approximately \$250,000.00-\$300,000.00 in annual premiums, which equates to a \$25,000.00 to \$30,000.00 hit to Net Income. Accordingly, the Seller Parties' misrepresentation and failure to transfer this book of business decreases the purchase price by approximately One Hundred Fifty-Six Thousand Seven Hundred Fifty Dollars (\$156,750.00).

Finally, there is a third book of business (that we know of) with approximately \$35,000.00 in annual premiums from Citizens Insurance which the Seller Parties cannot transfer pursuant to the Agreement, causing an additional (estimated) Twenty-Two-Thousand-Dollar (\$22,000.00) decrease in the Purchase Price. As such, demand is made for Four Hundred Ninety-Two Thousand Two Hundred Fifty Dollars (\$492,250.00), jointly and severally against the Seller Parties, and accordingly from the Escrow Account, for misrepresenting their authority to transfer these books of business as Acquired Assets.

IV. Misrepresentations and Violations of Restrictive Covenants

It has come to our attention that Mr. Buza, through his brother-in-law Andrew Rich, is now actively competing with the Buyers' agencies. Specifically, the Buyers have learned that Andrew Rich (who held the title "Boss" with the Seller Parties) was intentionally omitted from the list of employees provided by the Seller Parties. It appears Mr. Rich's employment was terminated the day before the Closing in an effort to conceal his identity from the Buyers. Now, the Seller Parties' intentions have become clear. The Buyers have learned that Mr. Rich has purchased Kim Ellis Insurance Services, Inc. ("Kim Ellis") and is in active competition with the Buyers, having already transferred at least one insurance policy from the Buyers to Kim Ellis. Moreover, the Buyers have learned that Michael Buza is simply using his brother-in-law, Mr. Rich, to compete with the Buyers in violation of the Agreement. The Buyers are unable to calculate the full extent of their damages caused by the Seller Parties' unlawful competition and will be seeking injunctive relief if these actions are not voluntarily ceased, due to the irreparable harm the Seller Parties will cause.

V. Tangible Loss of Business Due To Sellers' Conduct and Damage to Goodwill

As you know, the Seller Parties failed to make premium payments to numerous insurance carriers despite having received full payment of premiums from the insureds. This resulted in multiple clients (formerly of the Seller Parties, and now the Buyers) receiving cancellation notices for non-payment despite having made full payment to the Seller Parties. As a result, certain clients have lost faith in the agencies and can no longer trust the agencies to responsibly act as their fiduciary. Despite the Buyers' best efforts to ensure this was an isolated incident

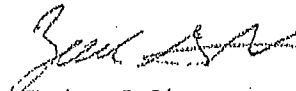
Oak Street Funding, LLC
Attn: Alicia M. Mitchell Chandler
September 8, 2016
Page 4

caused by the transition of the assets, the Buyers have lost several clients because they received cancellation notices despite having paid the Seller Parties. Specifically, several condominium association clients have terminated their relationship with the Buyers due to the receipt of cancellation notices after paying the Seller Parties their premiums. The associations lost include Venetian Isles, Savannah Bay, The Links, Captain Landing, and Park Beach associations. These associations represent approximately Ninety-Four Thousand Dollars (\$94,000.00) in lost premiums, equating to another loss of approximately Nine Thousand Four Hundred Dollars (\$9,400.00). Again, since these Acquired Assets were included in the Net Income calculations, the total loss to the Buyers is approximately Fifty Nine Thousand Dollars (\$59,000.00).

Additionally, as a result of receiving cancellation notices despite having paid the Seller Parties, the Acquired Assets have suffered damage to the goodwill associated with them. Pursuant to the Agreement, "Goodwill, Name, Customer Lists and Supplier Lists" accounted for \$18,445,000 of the \$18,800,000 purchase price allocation. The damage to the goodwill of the assets is undetermined at this time.

For the aforementioned reasons, the Buyers hereby submit this formal Claim Notice pursuant to the Agreement and Escrow Agreement and demand payment in full of the balance of the Escrow Account. The Buyers reserve all rights to claim damages exceeding the balance of the Escrow Account as warranted by the aforementioned claims and additional investigation.

Very truly yours,



Zachary J. Glaser

ZJG/sab/A1626A63314D0811

CC: Seller Parties, 9245 W. Marsh Island Drive, Vero Beach, Florida 32963; Attn.: Michael R. Buza

Law Offices of Bonnie A. Brown, 514 Colorado Avenue, Stuart, Florida 34994; Attn: Bonnie A. Brown, Esq.

Krieg De Vault LLP, 12800 N. Meridian St., Suite 300, Carmel, Indiana 46032; Attn: John Baxter, Esq.

Edwin E. Mortell III, Esq., Peterson Bernard, 416 Flamingo Avenue, Stuart, Florida 34996

Peterson Bernard

ATTORNEYS AT LAW

Established 1981

Reply to: Edwin E. Mortell, III
Stuart, FL 34996
edwin.mortell@petersonbernard.com

October 3, 2016

VIA EMAIL & U.S. Mail
Oak Street Funding, LLC
ATTN: Alicia Mitchell Chandler, Esquire
11350 N. Meridian Street, Suite 600
Carmel, Indiana 46032

Re: Michael R. Buza and Related Entities- "Dispute Notice"

Dear Ms. Mitchell:

As you may be aware, this Firm represents Mr. Michael Buza and his related entities, Florida Insurance Advisory Group, LLC, Florida Insurance Advisory, II, LLC, MRB and Associates II, LLC, MRB and Associates III, LLC, Florida Property & Casualty Insurance Agency, LLC, and Insurance Advisors of South Florida, LLC. Pursuant to Section 8 of the Agreement and Paragraph 4(c) of the Escrow Agreement, please let this serve as the Seller's "Dispute Notice."

As to the Buyer's Claim Notice of September 8, 2016, the Seller disputes any and all claims asserted.

I. In your Claim Notice you allege that Mr. Buza misrepresented the net income of his related entities. The \$3,000,000 of annual net income is substantiated by all of the financial records provided to your clients during the due diligence period. Your assertion that based on eleven weeks of data that the annual revenue is only \$4,871,000 is completely unfounded. As outlined in my correspondence dated August 8, 2016, attached hereto as Exhibit A, if Desoto Moulton experiences a decrease in revenue it is likely as a result of the following:

FORT LAUDERDALE
707 S.E. 3rd Avenue, Suite 500
Fort Lauderdale, Florida 33316
Phone: 954.763.3200
Fax: 954.728.9019

1550 Southern Boulevard, Suite 300
West Palm Beach, Florida 33406
Phone: 561.686.5005
Fax: 561.471.5603

STUART
416 Flamingo Avenue
Stuart, Florida 34996
Phone: 772.286.9881
Fax: 772.220.1784

www.petersonbernard.com

- There is no sales leadership in place to provide the sales staff with guidance, direction and motivation to hit sales goals;
-
- No one from Reliance Global Holdings is in Florida to manage the overall day to day operations and give support to the staff who are accustomed to having direction and guidance from management. There is a general feeling of helplessness throughout the organization;
- Clearly Reliance is in this for the money but unfortunately insurance is a relationship business and with no management locally in Florida the sales and retention of business will be drastically impacted and has already begun to decrease. This will impact the income of the business;
- Throughout Mr. Buza's month with Reliance as a consultant, Mr. Buza offered suggestions but was always ignored. This has made him question their intentions;
- Further, relationships need to be established with the carriers. It cannot be taken for granted that they will move their agreements to the new ownership. They need to be communicated with and kept informed at every turn. Plus Reliance's stance is that they will have an assistant level staff person meet with the carriers and this is not acceptable or expected by the carriers;
- Reliance has appointed managers in each of the locations without asking for any input or recommendations from Mr. Buza. Their choices have impacted the business and the operations in each and every location. Some of the choices for managers are inexperienced; are just learning the insurance business; do not have the proper licenses; and are not ready to run an office with millions of dollars in revenue; and
- On numerous occasions, existing staff have reached out to Mr. Buza personally with frustrations and fears regarding the practices of Reliance and expressing concern regarding their lack of understanding of insurance industry procedures.

There is simply no evidence that any of the financial information provided to you during the due diligence period was incorrect. You have not provided any evidence to support your position. Thus, we will be seeking attorney fees and costs pursuant to the agreement as a result of your claim.

Your clients also utilized a business broker, Michael Mensch. Mr. Mensch was provided all of the financial data and prepared numerous reports. Mr. Mensch verified that the business had \$3,000,000 in annual revenue. Additionally, your clients' documents

provided to Oak Street Funding to finance the purchase of the business also demonstrates the annual revenue and back up financial investments

II. Carrier Charge Backs:

As your clients should be aware, from the three years of financial documents provided to them during the due diligence period, there are carrier charge backs on the books for almost every month. It is the nature of the insurance business. Your assertion of this claim raises serious concerns regarding your client's understanding of the insurance business.

III. Failure to Transfer All Required Assets:

In your Claim Notice, you allege that Lyssa Brennan has not transferred her book of business. Ms. Brennan has confirmed that she is keeping her book of business with Desoto Moulton. She has indicated that she has been waiting to have a conference call or teleconference with the new owners. You may want to suggest to your clients that they contact Ms. Brennan to coordinate a transfer of her book of business which has \$439,000 of annual premium. It has been almost three months since the closing. It is simply unbelievable that your clients have not yet contacted Ms. Brennan. However, she remains willing and committed to transferring her book of business.

Next, you claim that Auto Owners has not been transferred. We have now confirmed that the Auto Owners' book of business has been transferred. Again, it appears it took your clients several months after closing to take care of the necessary paperwork. Mr. Buza had multiple conversations with Joey Sasson requesting Mr. Sasson contact Auto Owners to move the account into the Desoto Moulton office.

Lastly, you allege that your clients have been unable to transfer the Citizens' account. Again, anyone with a working knowledge of the insurance industry would be able to transfer this account by contacting the appropriate people and executing the appropriate paperwork.

IV. Misrepresentation and Violations of Restrictive Covenants:

Mr. Buza's brother-in-law, Andrew Rich, resigned from the company in March 2016. Mr. Rich left Mr. Buza in order to open his own insurance business. Mr. Rich is not a party to the agreement. Your allegations that Mr. Buza is involved in Mr. Rich's insurance business is misplaced. Mr. Buza has never been to Mr. Rich's office. Mr. Buza continues to comply with his non-compete provisions. There is no indication that any of Mr. Buza's former clients have anything to do with Mr. Rich's insurance agency.

V. Tangible Loss of Business Due to Seller's Conduct/Damage to Good Will:

As set forth in my August 8, 2016 letter, after closing, it was Desoto Moulton's responsibility to make sure that all premiums were paid on a timely basis. The fact that Desoto Moulton bought an \$18,000,000 business without an operating account in place and without any operating funds raises serious concerns about Desoto Moulton's ability to operate this business.

Because Desoto Moulton failed to have the appropriate accounts in place after closing, Mr. Buza, as a courtesy to Desoto Moulton, continued to allow Desoto Moulton to run premiums and expenses through Mr. Buza's accounts.

Rather than thanking Mr. Buza for his assistance, your clients terminated Mr. Buza's employment agreement pursuant to which they were supposed to pay him \$500,000 annually.

Any negative effect on the "good will, name, customer list and supplier list" is the direct impact of your client's failure to do the basics associated with the purchase of the insurance business.

For the foregoing reasons, the Seller hereby submits this formal "Dispute Notice" and hereby demands that the Claim Notice be withdrawn. The Seller reserves all rights to pursue attorney fees and costs as a result of the Buyer's unsubstantiated and unfounded Claim Notice.

Very truly yours,

PETERSON BERNARD



Edwin E. Mortell, III
For the Firm

EEM/cam
Encls.
cc: Michael Buza
Zach Glaser, Esq.

Ms. Mitchell Chandler
October 3, 2016
Page 5 of 5

cc: Pursuant to Section 9 of the Escrow Agreement:

Bonnie A. Brown, Esquire
bonnie@bonnieabrownpa.com
Joe Sasson, Desoto Moulton, LLC
jsasson@reliancegh.com
Esther Ovadia, Esquire
eovadia@reliancegh.com
John Baxter, Esquire
jbaxter@kdlegal.com

Peterson Bernard

ATTORNEYS AT LAW

Established 1981

Reply to: Edwin E. Mortell, III
Stuart, FL 34996
edwin.mortell@petersonbernard.com

August 8, 2016

VIA EMAIL & U.S. Mail
zglaser@bjl-law.com
Zachary J. Glaser, Esquire
Bennett, Jacobs & Adams, P.A.
Post Office Box 3300
Tampa, FL 33601

Re: Michael R. Buza - Claim notice

Dear Mr. Glaser:

Please be informed that our Firm represents Mr. Michael Bouza with respect to the above-referenced matter. Pursuant to paragraph 4(c) of the Escrow Agreement, please let this serve as Mr. Buza's "Dispute Notice."

As you are aware from the daily emails for the last three weeks, this \$129,153.64 dispute arises out of a disagreement regarding the proration of the month of June 2016.

Prior to closing, Mr. Buza agreed to provide Desoto Moulton, LLC with a \$166,000 credit to pro-rate for the month of June for the closing date of June 17, 2016. The contract provided that Mr. Buza would be entitled to the proceeds received prior to June 17th and would be responsible for the expenses incurred up to June 17th. As set forth in Mr. Buza's email attached hereto as Exhibit "A," Desoto Moulton, LLC did not even have operating accounts set up to handle post-closing expenses. For approximately six weeks' post-closing, Mr. Buza, as an accommodation to Desoto Moulton, continued to pay expenses with the understanding that Desoto Moulton would reimburse him for all expenses paid for expenses incurred after June 17, 2016. As set forth in Mr. Buza's email directed to Desoto Moulton's CFO, Dave Teiler, after the credit and funds advanced by Mr. Buza, Mr. Buza is owed \$56,186.29.

FORT LAUDERDALE
707 S.E. 3rd Avenue, Suite 500
Fort Lauderdale, Florida 33316
Phone: 954.763.3200
Fax: 954.728.9019

WEST PALM BEACH
1550 Southern Boulevard, Suite 300
West Palm Beach, Florida 33406
Phone: 561.686.5005
Fax: 561.471.5603

STUART
416 Flamingo Avenue
Stuart, Florida 34996
Phone: 772.286.9881
Fax: 772.220.1784

www.petersonbernard.com

EXHIBIT A

Mr. Glaser
August 8, 2016
Page 2 of 4

Mr. Buza has attempted to work with your client for weeks to resolve the pro-ration issue. It is our understanding that Desoto Moulton has retained Eric Berkowitz, CPA in Stuart, FL, to continue performing accounting services for the new entity, Desoto Moulton, LLC. Thus, Mr. Berkowitz, Desoto Moulton's own CPA, has confirmed that he agrees with the analysis set forth in Mr. Buza's email of August 1, 2016 attached hereto as Exhibit "A."

Frankly, my client is very concerned that Desoto Moulton, LLC would purchase an insurance operation with over \$50,000,000 in premiums with no bank accounts in place at the time of closing and have failed to set up or transfer proceeds in a timely manner in order to accommodate the handling of receipts and payments by each of the various office locations throughout the State of Florida. The fact that your client asked Mr. Buza to continue paying bills after the sale and transfer of ownership is highly unusual.

Mr. Buza informs me that currently less than half of the insurance agency carrier contracts have been transferred into the name of the new owners. It is almost two months' post-closing. This is very concerning as there are insurance contracts that remain in my client's name. These contracts need to be transferred into the name of the new owners immediately.

As a result of your client's apparent inability to open bank accounts and transfer the agreements, my client continues to allow Desoto Moulton to have premiums deposited into his accounts. Each week he transfers the funds to Desoto Moulton. This week, which is now 7 (seven) weeks after closing, Mr. Buza transferred over \$100,000 to Desoto Moulton, LLC. Your suggestion that Mr. Buza's accommodation to your client has resulted in Mr. Buza's owing your client money is completely wrong. You should speak to Desoto Moulton's accountant, Eric Berkowitz, who will explain to you in detail how it is your client that owes Mr. Bouza. Frankly, your client should pay Mr. Buza what they owe him and thank him for allowing Desoto Moulton to use his operating accounts.

There are a number of operational issues that are also very concerning to my client. See a list of them below:

- There is no sales leadership in place to provide the sales staff with guidance, direction and motivation to hit sales goals;
- No one from Reliance Global Holdings is in Florida to manage the overall day to day operations and give support to the staff who are accustomed to having direction and guidance from management. There is a general feeling of helplessness throughout the organization;

Mr. Glaser
August 8, 2016
Page 3 of 4

- Clearly Reliance is in this for the money but unfortunately insurance is a relationship business and with no management locally in Florida the sales and retention of business will be drastically impacted and has already begun to decrease. This will impact the income of the business;
- Throughout Mr. Buza's month with Reliance as a consultant, Mr. Buza offered suggestions but was always ignored. This has made him question their intentions;
- Further, relationships need to be established with the carriers. It cannot be taken for granted that they will move their agreements to the new ownership. They need to be communicated with and kept informed at every turn. Plus Reliance's stance is that they will have an assistant level staff person meet with the carriers and this is not acceptable or expected by the carriers;
- Reliance has appointed managers in each of the locations without asking for any input or recommendations from Mr. Buza. Their choices have impacted the business and the operations in each and every location. Some of the choices for managers are inexperienced; are just learning the insurance business; do not have the proper licenses; and are not ready to run an office with millions of dollars in revenue; and
- On numerous occasions, existing staff have reached out to Mr. Buza personally with frustrations and fears regarding the practices of Reliance and expressing concern regarding their lack of understanding of insurance industry procedures.

Now that your client has asserted a claim against Mr. Buza, please instruct your client to refrain from any further contact with Mr. Buza. Any communications should be directed to my office. With regard to any ongoing cooperation requirements, my office will work with Mr. Buza to accommodate your requests.

Thank you for your attention to this matter.

Mr. Glaser
August 8, 2016
Page 4 of 4

Very truly yours,

PETERSON BERNARD



Edwin E. Mortell, III
For the Firm

EEM/cam

Encls.

cc: Michael Buza

cc: Pursuant to Section 9 of the Escrow Agreement:

Bonnie A. Brown, Esquire

bonnie@bonnieabrownpa.com

Joe Sasson, Desoto Moulton, LLC

jsasson@reliancegh.com

Esther Ovadia, Esquire

eovadia@reliancegh.com

Alicia M. Mitchell Chandler

Alicia.chandler@oakstreetfunding.com

John Baxter, Esquire

jbaxter@kcdlegal.com

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Reliance

Sent To Esther Oradica, Esq.
Street & Apt. No. or PO Box No. 40 Wall St. 40th floor
City, State, ZIP+4 New York, NY 10005

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DATE & TIME	STATUS OF ITEM	LOCATION
October 11, 2016 , 1:27 pm	Delivered, Left with Individual	NEW YORK, NY 10005
Your item was delivered to an individual at the address at 1:27 pm on October 11, 2016 in NEW YORK, NY 10005.		
October 9, 2016 , 9:15 pm	In Transit to Destination	
October 7, 2016 , 7:15 pm	Departed USPS Facility	NEW YORK, NY 10199
October 7, 2016 , 3:07 pm	Arrived at USPS Facility	NEW YORK, NY 10199
October 7, 2016 , 2:36 am	In Transit to Destination	
October 5, 2016 , 10:39 pm	Departed USPS Facility	WEST PALM BEACH, FL 33416
October 5, 2016 , 8:36 pm	Arrived at USPS Facility	WEST PALM BEACH, FL 33416

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.02

10/4/16
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 afm

Sent To **Bonnie A. Brown**
 Street & Apt. No. or PO Box No. **514 Colorado Ave.**
 City, State, ZIP+4® **Stuart, FL 34994**
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SENDER: COMPLETE THIS SECTION

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1. Article Addressed to:
Bonnie A. Brown
514 Colorado Ave
Stuart, FL 34994



9590 9403 0937 5223 3624 56

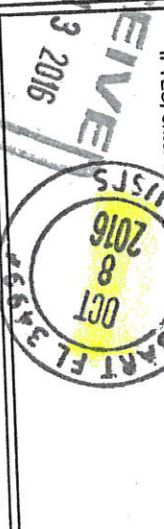
Article Number (Transfer from service label)

7015 0920 0002 1547 3008

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

- A. Signature **Bonnie A. Brown** Agent
- B. Received by (Printed Name) **Bonnie A. Brown** Addressee
- C. Date of Delivery **10/4/16**
- D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:



- 3- Service Type
- Adult Signature
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Collect on Delivery Restricted Delivery
 - Collect on Delivery Restricted Delivery (all Restricted Delivery)
 - Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
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 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery

Domestic Return Receipt

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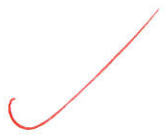
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Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.42

10/4/14
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atom

Sent To *Alicia M.*
Oak St. Funding, LLC Chandler
 Street & Apt. No. or PO Box No. *1350 N. Meridian St. Ste*
 City, State, ZIP+4 *Carmel, IN 46032 4600*



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DATE & TIME	STATUS OF ITEM	LOCATION
October 13, 2016 , 11:32 am	Delivered, Left with Individual	INDIANAPOLIS, IN 46240
Your item was delivered to an individual at the address at 11:32 am on October 13, 2016 in INDIANAPOLIS, IN 46240.		
October 13, 2016 , 9:51 am	Arrived at Unit	INDIANAPOLIS, IN 46240
October 12, 2016 , 11:23 pm	Departed USPS Facility	INDIANAPOLIS, IN 46206
October 12, 2016 , 11:41 am	Arrived at USPS Facility	INDIANAPOLIS, IN 46206
October 11, 2016 , 7:19 pm	In Transit to Destination	
October 9, 2016 , 5:19 pm	Arrived at USPS Facility	WEST PALM BEACH, FL 33409
October 7, 2016 , 2:36 am	In Transit to Destination	
October 5, 2016 , 10:39 pm	Departed USPS Facility	WEST PALM BEACH, FL 33416
October 5, 2016 , 8:36 pm	Arrived at USPS Facility	WEST PALM BEACH, FL 33416

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Total Postage & Fees	\$ 7.07

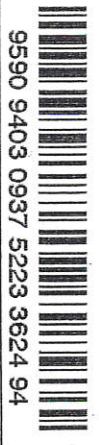
10/4/16
 Postmark
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Send To John Barter, Esquire
 Street & Apt. No. 12800 N. Meridian Street, Ste 300
 or PO Box No. _____
 City, State, ZIP+4 Carmel, Indiana 46032
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1. Article Addressed to:
John Barter, Esquire
Krieg De Vault, LLP
12800 N. Meridian Street
Suite 300
Carmel, Indiana 46032



9590 9403 0937 5223 3624 94

COMPLETE THIS SECTION ON DELIVERY

A. Signature [Signature] Agent Addressee

B. Received by (Printed Name) _____ C. Date of Delivery _____

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below: _____

3. Service Type

<input type="checkbox"/> Adult Signature	<input type="checkbox"/> Priority Mail Express®
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail™
<input checked="" type="checkbox"/> Certified Mail®	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation™
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DATE & TIME	STATUS OF ITEM	LOCATION
October 12, 2016 , 7:55 am	Delivered, Individual Picked Up at Postal Facility	CARMEL, IN 46032
Your item was picked up at a postal facility at 7:55 am on October 12, 2016 in CARMEL, IN 46032.		
October 11, 2016 , 8:23 am	Available for Pickup	CARMEL, IN 46032
October 8, 2016 , 12:24 pm	Available for Pickup	CARMEL, IN 46032
October 7, 2016 , 9:26 pm	Departed USPS Facility	INDIANAPOLIS, IN 46206
October 7, 2016 , 12:20 pm	Arrived at USPS Facility	INDIANAPOLIS, IN 46206
October 7, 2016 , 2:36 am	In Transit to Destination	
October 5, 2016 , 10:39 pm	Departed USPS Facility	WEST PALM BEACH, FL 33416
October 5, 2016 , 8:36 pm	Arrived at USPS Facility	WEST PALM BEACH, FL 33416

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Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 7.02

10/2/16
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 DTB

7015 0920 0002 1547 2971

Sent To: Zachary J. Glaser, Esq.
 Street & Apt. No., or PO Box No. P.O. Box 3300
 City, State, ZIP+4 Tampa, FL 33601
 PS Form 3800, July 2014 See Reverse for Instructions

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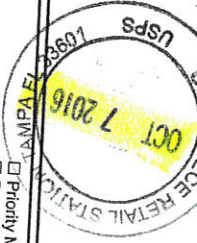
1. Article Addressed to:
 Zachary J. Glaser, Esq.
 Bennett, Jacobs & Adams, P.A.
 P.O. Box 3300
 Tampa, FL 33601



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 - Collect on Delivery Restricted Delivery
 - Insured Mail
 - Restricted Delivery
 - Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
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Features:
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DATE & TIME	STATUS OF ITEM	LOCATION
October 7, 2016 , 10:39 am	Delivered, PO Box	TAMPA, FL 33601

Your item has been delivered and is available at a PO Box at 10:39 am on October 7, 2016 in TAMPA, FL 33601.

October 7, 2016 , 3:43 am	Departed USPS Facility	TAMPA, FL 33630
October 6, 2016 , 2:40 pm	Arrived at USPS Facility	TAMPA, FL 33630
October 5, 2016 , 10:39 pm	Departed USPS Facility	WEST PALM BEACH, FL 33416
October 5, 2016 , 8:36 pm	Arrived at USPS Facility	WEST PALM BEACH, FL 33416

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October 31, 2016

Via Email and Certified Mail

Edwin E. Mortell, III
Peterson Bernard Attorneys at Law
416 Flamingo Avenue
Stuart, FL 34996
Email: Edwin.Mortell@petersonbernard.com

RE: Michael R. Buza and Related Entities – Escrow

Dear Mr. Mortell:

This letter is being sent in response to your letter dated October 21, 2016. As of the date of this letter, the balance in the escrow account is \$0.00. All funds have been released in accordance with the terms of the escrow agreement.

Regards,

A handwritten signature in cursive script, appearing to read "Alicia Mitchell Chandler".

Alicia Mitchell Chandler

Peterson Bernard

ATTORNEYS AT LAW

Established 1981

Sender's Email: dennis.vandenberg@petersonbernard.com
Reply To: West Palm Beach Office

November 22, 2016

Kay Dee Baird, Esquire
Krieg DeVault LLP
One Indiana Square
Suite 2800
Indianapolis, IN 46204-2079

RE: Michael R. Buza and Related Entities – Escrow Funds
Our File: 57.12176

Dear Ms. Baird:

Thank you for your recent phone call to discuss the contents of your letter of November 9, 2016. Please be advised that our client does not find this to be an acceptable situation or offer.

Rather, we are of the position that the entire \$3.3 million dollars in cash should be deposited in an account of an independent escrow agent as soon as possible.

We will be in further contact with you shortly to discuss other developments in this matter.

Very truly yours,

PETERSON BERNARD

Dennis A. Vandenberg

Dennis A. Vandenberg
For the Firm
DAV:ld

FORT LAUDERDALE
707 S.E. 3rd Avenue, Suite 500
Fort Lauderdale, Florida 33316
Phone: 954.763.3200
Fax: 954.728.9019

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1550 Southern Boulevard, Suite 300
West Palm Beach, Florida 33406
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