

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE PLATINUM-BEECHWOOD LITIGATION,

Civil Action No.
1:18-cv-06658 (JSR)

WASHINGTON NATIONAL INSURANCE COMPANY
and BANKERS CONSECO LIFE INSURANCE
COMPANY,

Cross-Claim and Third-Party Plaintiffs,

Civil Action No.
1:18-cv-12018 (JSR)

v.

PLATINUM MANAGEMENT (NY) LLC, et al.,

Cross-Claim and Third-Party Defendants.

DECLARATION OF JENNA C. POLIVY

I, Jenna C. Polivy, declare and state as follows:

1. I am an associate at Alston & Bird LLP, counsel to Bankers Consecoco Life Insurance Company and Washington National Insurance Company (collectively, “CNO”) in the above-captioned consolidated action.

2. I make this Declaration of my own personal knowledge and based upon the documents in my possession referred to herein, in support of CNO’s omnibus opposition to the motions to dismiss its cross-claims and third-party complaint, and Beechwood Re Ltd’s motion to compel arbitration.

3. Annexed hereto as **Exhibit A** is a chart compiling true and correct excerpts from the Answer, Cross-Claims, and Third-Party Complaint of Bankers Consecoco Life Insurance Company and Washington National Insurance Company, Dkt. 75, (the “Complaint”), excluding any emphasis, in which CNO makes specific allegations against B Asset Manager LP.

4. Annexed hereto as **Exhibit B** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against BAM Administrative Services LLC.

5. Annexed hereto as **Exhibit C** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Beechwood Bermuda International Ltd.

6. Annexed hereto as **Exhibit D** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Beechwood Bermuda Ltd.

7. Annexed hereto as **Exhibit E** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Beechwood Re Holdings, Inc.

8. Annexed hereto as **Exhibit F** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Beechwood Re Ltd.

9. Annexed hereto as **Exhibit G** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against the Beechwood Trusts Nos. 1-20.

10. Annexed hereto as **Exhibit H** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against David Bodner.

11. Annexed hereto as **Exhibit I** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against the Feuer Family Trust.

12. Annexed hereto as **Exhibit J** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Murray Huberfeld.

13. Annexed hereto as **Exhibit K** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Hokyong Kim a/k/a Stewart Kim.

14. Annexed hereto as **Exhibit L** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Dhruv Narain.

15. Annexed hereto as **Exhibit M** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against David Ottensoser.

16. Annexed hereto as **Exhibit N** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against PB Investment Holdings Ltd.

17. Annexed hereto as **Exhibit O** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Daniel Saks a/k/a Danny Saks.

18. Annexed hereto as **Exhibit P** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against Will Slota.

19. Annexed hereto as **Exhibit Q** is a chart compiling true and correct excerpts from the Complaint, excluding any emphasis, in which CNO makes specific allegations against the Taylor-Lau Family Trust.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York
Executed on June 12, 2019

By: /s/ Jenna C. Polivy
Jenna C. Polivy

Exhibit A

B Asset Manager LP

B Asset Manager LP

Paragraph	Text of Allegation
480	<p>Cross-claim/third-party defendant Mark Nordlicht was a Platinum co-founder, the owner of several of the Beechwood entities (including Beechwood Re, Holdings and BAM), the individual who ultimately controlled Beechwood Re, BAM and BAM Administrative’s investments of WNIC’s and BCLIC’s reinsurance trust assets and a mastermind of the Platinum-Beechwood racketeering scheme. He is also a defendant in the PPVA Action. Nordlicht had offices and email addresses at both Platinum and Beechwood, from which Nordlicht directed the Co-conspirators. For example, in a [REDACTED] meeting, the month that Beechwood Re signed the reinsurance agreements with WNIC and BCLIC (the “Reinsurance Agreements” or “Agreements”), Nordlicht [REDACTED]”</p> <p>When the Co-conspirators began [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
481	<p>Cross-claim/third-party defendant Murray Huberfeld was a Platinum co-founder, a mastermind of the Platinum-Beechwood racketeering scheme and an individual who specifically directed certain of Beechwood Re, BAM and BAM Administrative’s investments of WNIC’s and BCLIC’s reinsurance trust assets (e.g., Ace Foundation, Quest Livery Leasing LLC (“Quest Livery”), JF Aircorp). He is also a defendant in the PPVA Action. In a [REDACTED]</p> <p>[REDACTED] Like Nordlicht, Huberfeld maintained offices at both Platinum and Beechwood from which he directed the Co-conspirators. [REDACTED]</p> <p>[REDACTED] Often, however, given his checkered history, Huberfeld conducted the conspiracy’s day-to-day business via a secretary who relayed his directives to other Co-conspirators.</p>
486	<p>The complete fraudulence of Taylor’s denials are exemplified in [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] All the while, Taylor was denying to WNIC and BCLIC that Beechwood and Platinum were related.</p>

B Asset Manager LP

Paragraph	Text of Allegation
487	<p>Thus, throughout the fall of 2013, as Beechwood Capital and Beechwood Re were negotiating the reinsurance transactions with WNIC and BCLIC, Taylor repeatedly misrepresented Beechwood Re’s ownership structure, capitalization and management team to WNIC’s and BCLIC’s negotiating team, including Timothy Bischof, Fred Crawford and Eric Johnson. For example, on September 29, 2013, Taylor, on behalf of Beechwood Re and Beechwood Capital (and with the agreement of the Co-conspirators), misrepresented to WNIC and BCLIC that Beechwood Re was “[o]wned by three U.S. individuals [Feuer, Taylor and Levy],” was “[c]apitalized with [approx.] \$130M of private funds, non-redeemable, with no connection to ‘private equity’ . . . and all the original capital as surplus ([approx.] \$130M).” Those were all lies. [REDACTED]</p>
489	<p>Cross-claim/third-party defendant David Levy was a senior manager of both Platinum and Beechwood, sometimes simultaneously (unbeknownst to WNIC or BCLIC), as the Co-conspirators’ needs dictated. Throughout the fall of 2013, while Beechwood was negotiating the reinsurance transactions with WNIC and BCLIC, [REDACTED]</p> <p>[REDACTED] As part of the Beechwood team negotiating with WNIC and BCLIC, Levy misrepresented Beechwood’s ownership structure, capitalization and management team to WNIC’s and BCLIC’s negotiating team, including Timothy Bischof, Fred Crawford and Eric Johnson. After the Reinsurance Agreements were signed in February 2014, Levy served as the Chief Investment Officer (“CIO”) for Beechwood Re and BAM and directed the investment of WNIC’s and BCLIC’s reinsurance trust assets. Unbeknownst to WNIC and BCLIC (and while owing fiduciaries duties to WNIC and BCLIC), he secretly directed the Co-conspirators’ fraudulent scheme to use WNIC’s and BCLIC’s reinsurance trust assets as a piggybank for Platinum, while under the secret control of Nordlicht and Platinum. During that time, Levy served the conspiracy by, among other things, directing the Co-conspirators’ manipulation of the consent solicitation of 13.75% Senior Secured Notes in Black Elk Energy Offshore Operations LLC (“Black Elk”), in which Levy and the Co-conspirators used WNIC and BCLIC trust assets to purchase millions of dollars in Black Elk senior secured notes, only to then force the trusts to surrender their priority interests in favor of Platinum, so Platinum could abscond with the proceeds (the “Black Elk Note” scandal). Levy is currently being prosecuted for his role in the Black Elk Note scandal, along with Nordlicht, Small and others. Levy orchestrated the Black Elk Note scandal with the full knowledge of the Co-conspirators, including Feuer and Taylor, while simultaneously serving in senior management positions for both Platinum and Beechwood.</p>
493	<p>Third-party defendant Will Slota was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Slota as the Chief Operating Officer of Beechwood Re [REDACTED] all the while he was employed as a senior manager of Platinum. Slota and the Co-conspirators lived this lie for several years, starting in November 2013, [REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
496	<p>Cross-claim/third-party defendant Daniel Small was a Managing Director of Platinum who, [REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Small as a Portfolio Manager for Beechwood Re and BAM, all the while Small was employed as Platinum’s Managing Director [REDACTED] Small and the Co-conspirators lived this lie for several years, starting in November 2013 [REDACTED]</p>
497	<p>Small used his dual roles as Platinum’s Managing Director and Beechwood Re’s and BAM’s Portfolio Manager to direct some of Beechwood’s most significant and notorious investments of WNIC’s and BCLIC’s trust assets with Platinum-controlled entities. From early 2014 into the summer of 2014, he directed the Black Elk Note scandal on behalf of the Platinum-Beechwood Co-conspirators, with extensive help and coordination from Levy (using his Beechwood email address) and Nordlicht and Ottensoser (using their Platinum email addresses). In March 2014, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] In June 2014, [REDACTED]</p> <p>[REDACTED] As was always the case, none of the Co-conspirators disclosed this self-dealing to WNIC or BCLIC.</p>
498	<p>Third-party defendant David Leff was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Leff as a Portfolio Manager for Beechwood Re [REDACTED]</p> <p>[REDACTED] As was also the case with Feuer and Taylor, [REDACTED]</p> <p>[REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
505	<p>Third-party defendant Hokyong Kim a/k/a Stewart Kim was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Kim as the Chief Risk Officer for Beechwood Re and BAM, all the while Kim was employed as a senior manager of Platinum. Kim and the Co-conspirators lived this lie starting in November 2013, [REDACTED]</p> <p>[REDACTED] Among other roles that Kim played in the conspiracy, he was involved in the fraudulent scheme [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
506	<p>Third-party defendant Paul Poteat was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Poteat as the Chief Technology Officer for Beechwood Re [REDACTED], all the while Poteat was employed as a senior manager of Platinum. Poteat and the Co-conspirators lived this lie for several years, [REDACTED]</p> <p>[REDACTED]</p>
507	<p>[REDACTED]</p> <p>Of course, neither Poteat nor any of the Co-conspirators disclosed the deceptive Platinum-Beechwood integration to WNIC or BCLIC. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
512	Cross-claim/third-party defendant Beechwood Capital was an agent for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in or around May 2013 and for several months thereafter, Beechwood Capital, in the persons of Feuer and Taylor, on behalf of Beechwood Re, BAM and others, repeatedly represented to WNIC and BCLIC, among others, that Feuer, Taylor and Levy owned and controlled Beechwood Re and BAM and that there were no other persons who had any material role in owning or controlling Beechwood Re and BAM. These repeated representations were false, as Beechwood Re and BAM were owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner.
513	Cross-claim/third-party defendant BAM is and, at all times material to these claims, was an agent and the investment manager for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in the fall of 2013, Feuer, Taylor and Levy, on behalf of BAM and others, repeatedly represented to WNIC and BCLIC, among others, that they owned and controlled BAM and that there were no other persons who had any material role in owning or controlling BAM. These repeated representations were false, as BAM was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Moreover, after Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC in February 2014, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC (and continued breaching its fiduciary duties to them), through Beechwood Re's designated agents, BAM and BAM Administrative.
514	Cross-claim/third-party defendant BAM Administrative is and, at all times material to these claims, served as an agent for Beechwood Re and BAM, among other Beechwood entities, in administering all aspects of the Reinsurance Agreements with WNIC and BCLIC. BAM Administrative was a limited liability company organized under Delaware law with its principal place of business in New York, New York. As noted above, after Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC in February 2014, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC (and continued breaching its fiduciary duties to them), through Beechwood Re's designated agents, BAM and BAM Administrative.
518	This pleading will refer to BBL, BBIL and BBIH (and its successor-in-interest PB Investments) collectively as "Beechwood Bermuda." Cross-claim/third-party defendants the Beechwood Trusts are and, at all times material to these claims, were trusts that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner, except for Trust No. 20, which was established and controlled by Levy. The Platinum co-founders and Levy created each of the Beechwood Trusts as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each of the Beechwood Trusts is an alter ego of either Nordlicht, Bodner, Huberfeld or Levy (in the case of Trust No. 20 only). Through Beechwood Trusts Nos. 1 through 19, Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.

B Asset Manager LP

Paragraph	Text of Allegation
520	Cross-claim/third-party defendants Beechwood Series, A through I, are and, at all times material to these claims, were vehicles that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner for funding and controlling Beechwood. The Platinum co-founders created each Beechwood Series as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each Beechwood Series is an alter ego of either Nordlicht, Bodner or Huberfeld. Through each Beechwood Series (and Beechwood Investments generally), Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.
538	Beechwood Re and Beechwood Capital, in the persons of Feuer, Taylor and Levy, [REDACTED] Accordingly, from their earliest contacts with WNIC and BCLIC in 2013 through the signing of the Reinsurance Agreements in February 2014, Beechwood Capital, Beechwood Re, Feuer, Taylor and Levy repeatedly misrepresented the ownership structure of Beechwood. They misrepresented that only Feuer, Taylor and Levy owned and controlled Beechwood Re, its parent company (Holdings) and BAM.
539	Beechwood Re, Beechwood Capital and BAM, in the persons of Feuer, Taylor, Levy and Hodgdon, made these misrepresentations about the ownership structure and control of Beechwood in several written presentations to WNIC and BCLIC. On July 2, 2013, Taylor, Hodgdon and Levy, on behalf of Beechwood Re, Holdings, Beechwood Capital and BAM, sent WNIC and BCLIC a written presentation with these misrepresentations.
540	In that presentation, Feuer, Taylor, Hodgdon and Levy misrepresented that only Feuer, Taylor and Levy owned and controlled Beechwood Re, its parent company and BAM. [REDACTED]
541	On September 29, 2013, the Co-conspirators made new sets of misrepresentations to WNIC and BCLIC about the ownership and control of Beechwood. On that date Taylor, on behalf of Beechwood Re, its parent company, Beechwood Capital and BAM (and with the agreement of the Co-conspirators), misrepresented to WNIC and BCLIC in an email that Beechwood Re was "[o]wned by three U.S. individuals [Feuer, Taylor and Levy]." He further misrepresented that Beechwood had "no connection to 'private equity.'" In fact, at that time, Beechwood was funded, owned and controlled by private equity in the persons of Nordlicht, Huberfeld and Bodner.

B Asset Manager LP

Paragraph	Text of Allegation
558 n. 19	For example, [REDACTED]
562	Second, Beechwood Re, Beechwood Capital and BAM, in the persons of Feuer, Taylor and Levy, [REDACTED] They repeated those and similar representations to WNIC and BCLIC throughout the parties' negotiations of the Reinsurance Agreements.
563	All of these representations were false, and Feuer, Taylor, Levy and the other Co-conspirators knew them to be false when they made them. Unbeknownst to WNIC and BCLIC, [REDACTED] so that Beechwood Re could access institutional investor funds, without the investors knowing that Platinum was controlling those entities, and Beechwood Re and BAM would then invest the fraudulently obtained funds in Platinum-controlled funds and investments.
565	Third, Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy repeatedly misrepresented to WNIC and BCLIC the process by which Beechwood would invest WNIC's and BCLIC's reinsurance trust assets. [REDACTED]
566	These representations were false, and Feuer, Taylor, Levy and the other Co-conspirators (including Nordlicht, Bodner and Huberfeld) knew them to be false when they made them. Long before [REDACTED]

B Asset Manager LP

Paragraph	Text of Allegation
572	Beechwood engaged in a continuous charade during the period that it negotiated reinsurance arrangements with WNIC and BCLIC (and for several years thereafter). Beechwood continuously misrepresented its senior management team as being employed by Beechwood Re or its agent and investment manager, BAM, when in fact most of its senior management team was either employed by Platinum or shuttled back and forth between Beechwood and Platinum entities in a revolving door arrangement. As the Co-conspirators stated in the Co-conspirators' Confession Email: "beechwood and platinum really are integrated."
573	That, however, was not what Beechwood Re and Beechwood Capital told WNIC and BCLIC. Instead, the Co-conspirators, led by Feuer, Taylor and Levy, represented individuals as being senior managers of Beechwood or BAM when they were in fact senior managers of Platinum [REDACTED]. And, after the Reinsurance Agreements were signed, when WNIC and BCLIC began noticing that Beechwood was investing trust assets in many Platinum-controlled funds and entities and inquired whether Beechwood and Platinum were connected, Beechwood, in the persons of Mark Feuer and Scott Taylor, vehemently denied any connection.
575	Levy joined in the charade around the same time. From the moment he was introduced to WNIC and BCLIC in 2013 until the end of the year, Levy represented himself as Beechwood's and BAM's CIO. Feuer, Taylor and Hodgdon played along, repeatedly making the same representations. The representations were all false. [REDACTED]. Levy was employed as a senior manager of Platinum [REDACTED]. [REDACTED]
576	[REDACTED]

B Asset Manager LP

Paragraph	Text of Allegation
577	<p>Accordingly, at the November 8 meeting, Beechwood Re, BAM and Beechwood Capital trotted out a roomful of so-called “Beechwood” senior managers to WNIC and BCLIC, when in fact most (other than Feuer and Taylor) were Platinum senior managers. All of the following Co-conspirators played their part in this charade, [REDACTED]</p> <ul style="list-style-type: none"> • Hodgdon, as noted above; • Will Slota, represented to be the Chief Operating Officer of Beechwood Re, while being [REDACTED] employed by Platinum; • David Ottensoser, represented to be the General Counsel of Beechwood Re, while being [REDACTED] employed [REDACTED] Platinum; • Paul Poteat, represented to be the Chief Technology Officer of Beechwood Re, while being [REDACTED] employed by Platinum. [REDACTED] <p>[REDACTED]</p> <ul style="list-style-type: none"> • [REDACTED] <ul style="list-style-type: none"> • David Leff, represented to be a Portfolio Manager for Beechwood Re, [REDACTED] • Daniel Small, represented to be a Portfolio Manager for Beechwood Re, while being [REDACTED] employed by Platinum.
578	<p>[REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
594	Under the Reinsurance Agreements, Beechwood Re assumed control over claims administration for the ceded long-term care insurance policies, and WNIC and BCLIC transferred almost \$600 million, largely in cash, into reinsurance trusts for each of WNIC and BCLIC, respectively, to be invested and managed by Beechwood Re and its agents, BAM and BAM Administrative, subject to investment guidelines prescribed by the Reinsurance Agreements. The assets in the trusts were intended to serve as reliable (i.e., safe and liquid) collateral for Beechwood Re's obligations to reimburse WNIC and BCLIC for claims on the transferred liabilities, and for WNIC and BCLIC to obtain reserve credits in accordance with insurance regulations. Beechwood Re's promises concerning the management and investment of the trust assets were essential to WNIC's and BCLIC's agreement to reinsure the transferred business with Beechwood Re.
595	The Reinsurance Agreements and investment guidelines afforded Beechwood Re, BAM and BAM Administrative considerable discretionary authority to manage the assets in WNIC's and BCLIC's trust accounts. However, there were various requirements pursuant to which Beechwood Re had no discretion.
597	Second, Beechwood Re was required to provide to WNIC and BCLIC written valuation reports from an outside vendor that demonstrated the "fair market value" of assets in the trusts. "Fair market value" was defined as the "price for which an asset would be sold in a transaction on the open market between an unrelated buyer and seller." The reports were required to contain supporting detail and other information necessary for WNIC and BCLIC to verify that the assets were properly valued. Implicit in this requirement was that the outside vendor would independently prepare its valuation opinions. Beechwood Re, BAM and BAM Administrative routinely provided quarterly reports that were the antithesis of independent valuations by an outside vendor; instead, they were designed to support Beechwood's own internal valuations of its investments, which valued and treated its investments in Platinum-controlled funds and entities as if they had been negotiated "between an unrelated buyer and seller," when in fact they had not been. They were the product of self-dealing.
598	Third, at the end of each quarter, the Reinsurance Agreements required Beechwood Re to top-up the trusts in the event that the fair market value of the assets in the trusts fell below 102% of the amount of the statutory liabilities ceded to Beechwood Re. However, if the fair market value of the trust assets exceeded contractual thresholds, Beechwood Re was permitted to withdraw funds from the trusts as "surplus" and distribute them as it saw fit. Whether a "surplus" existed would be determined based on the valuations set forth in the outside vendor's valuation reports. Over the course of the parties' relationship, Beechwood Re routinely and repeatedly avoided its obligation to top-up the trusts under its (and BAM's and BAM Administrative's) bogus representations that the fair market value of the trust assets exceeded the contractual thresholds – representations that were supported by Lincoln's bogus "independent" valuation reports. In fact, its "fair market valuations" – and those of the non-independent valuation and rating agencies it retained to support its bogus valuations – ignored that their valuations of the egregious investments in Platinum-controlled funds and entities assumed that such investments were made "between an unrelated buyer and seller," when in fact they had not been. They were the product of self-dealing.

B Asset Manager LP

Paragraph	Text of Allegation
606	<p>In the next two and a half years after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] used the reinsurance trust assets as a piggybank to enrich themselves and further the Platinum Ponzi-esque scheme, abusing their fiduciary duties to WNIC and BCLIC, as the trust beneficiaries. The Co-conspirators admitted owing these fiduciaries duties. For example, before the Reinsurance Agreements were signed, Hodgdon admitted as much in an October 7, 2013 email he sent to Tim Bischof, copying Co-conspirators Feuer, Taylor and Levy acknowledging that Beechwood Re and its affiliates had duties “to protect the asset base” of WNIC’s and BCLIC’s reinsurance trusts due to “the fiduciary character of the insurance business.”</p>
609	<p>Instead of observing their fiduciary duties, however, the Co-conspirators abused their discretionary authority under the Reinsurance Agreements and the accompanying investment guidelines to invest the reinsurance trust assets in Platinum-controlled funds and entities in non-arm’s-length transactions designed to benefit themselves and Platinum. To the outside world, however, particularly WNIC and BCLIC, the Co-conspirators misrepresented these investments as being at arm’s-length, repeatedly denying that Beechwood had any relationship to Platinum, even though, as Bodner and Huberfeld admitted to each other, Beechwood and Platinum were “integrated.” They similarly misrepresented the investments as being at arm’s-length to regulators and the valuation and ratings companies they retained, except that [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
611	<p>The Co-conspirators continued perpetrating their frauds on WNIC and BCLIC in the process of abusing the discretionary authority that Beechwood Re and its agents had over the transferred assets. For example, they continued misrepresenting the ownership interests in and control over Beechwood. Almost immediately after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] WNIC and BCLIC representatives noticed these data points and began asking about it. Over the telephone, Levy told WNIC and BCLIC representative Eric Johnson, among others, that there was no relationship between Beechwood and Platinum.</p>

B Asset Manager LP

Paragraph	Text of Allegation
612	<p>When Johnson and other WNIC and BCLIC representatives continued noticing these data points – that is, Beechwood’s investment of trust assets in funds or entities controlled by Platinum – they called for a meeting. At a face-to-face meeting in New York in late March 2014, Feuer, Taylor and Levy specifically denied (again) the existence of any relationship between Beechwood and Platinum, even though Platinum co-founders Nordlicht, Huberfeld and Bodner owned majority positions in and controlled Beechwood Re, Holdings (its parent company), BAM and BAM Administrative. The Co-conspirators continued concealing the truth – that Beechwood and Platinum were commonly owned and controlled by the Platinum co-founders – by telling the lie that Beechwood was investing in these Platinum positions because Levy was familiar with them and believed they were valuable investments based on his former employment with Platinum.</p>
632	<p>By late 2014 or early 2015, Feuer and Taylor represented that Levy was no longer at Beechwood and that Danny Saks was replacing him as the CIO of Beechwood Re and its agent, BAM. [REDACTED] In fact, Saks was from Platinum, and was just one more senior manager in the integrated Platinum-Beechwood operating platform who wore both hats simultaneously and used the revolving door. The Co-conspirators, including Saks himself, concealed that fact from WNIC and BCLIC.</p>
633	<p>Despite Saks’ supposed replacement of Levy as the CIO for Beechwood Re and BAM, little else changed. [REDACTED] And, despite promises from Feuer and Taylor that Beechwood Re and BAM would divest the trusts of Platinum-controlled funds and entities with Saks on board, they failed to keep their promises. Beechwood Re and its agents divested the trusts of some Platinum-controlled investments, but not all, and then added new Platinum-controlled funds and entities to the trusts’ portfolios of assets during the course of 2015 and 2016.</p>
634	<p>[REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
638	[REDACTED]
640	[REDACTED]
642	<p>Second, the Co-conspirators continued [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Throughout 2014, 2015 and into 2016, WNIC and BCLIC continued questioning the prudence of Beechwood Re’s, BAM’s and BAM Administrative’s investment of trust assets into speculative and illiquid Level 3 assets and ventures, including but not limited to investments in Platinum-controlled funds and entities. Although Feuer, Taylor, Levy and others continued denying – and denying vehemently – the existence of any relationship between Beechwood and Platinum, WNIC and BCLIC also questioned whether these Level 3 assets were appropriate for supporting long-term care policy liabilities. Feuer, Taylor, Levy, Kim and later Saks and Narain – with Saks replacing Levy in 2015, and Narain replacing Saks in 2016 – repeatedly assured WNIC and BCLIC of the prudence of these investments.</p>

B Asset Manager LP

Paragraph	Text of Allegation
643	<p>Their assurances were fraudulent. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Yet, they never said as much to WNIC and BCLIC, to whom Beechwood Re, BAM and BAM Administrative owed fiduciary duties. Instead, they kept telling WNIC and BCLIC that [REDACTED] They said the same about their other investments in Level 3 assets that were not made at arm's-length (and that they never revealed to WNIC and BCLIC were not made at arm's-length).</p>

B Asset Manager LP

Paragraph	Text of Allegation
	[REDACTED]

B Asset Manager LP

Paragraph	Text of Allegation
645	<p>Third, after the Reinsurance Agreements were signed, Beechwood Re, BAM and BAM Administrative continued [REDACTED]</p> <p>[REDACTED] The reality was otherwise. Nordlicht pulled the strings.</p> <p>[REDACTED]</p>
647	<p>Fourth, the Co-conspirators continued perpetrating the fraud that Beechwood Re, BAM and BAM Administrative were providing WNIC and BCLIC with “independent” reports from valuation companies on a quarterly basis. As noted above, Lincoln was part of the racketeering scheme. [REDACTED]</p> <p>[REDACTED]</p>
648	<p>By late 2014, WNIC and BCLIC requested that Lincoln be removed as the valuation consultant. [REDACTED]</p> <p>[REDACTED] In early 2015, Beechwood Re, BAM and BAM Administrative then retained a different vendor to replace Lincoln as the valuation consultant.</p>
650	<p>[REDACTED]</p>
659	<p>“Fair market value” was defined in the Reinsurance Agreements as being “the price for which an asset would be sold on the open market between an unrelated buyer and seller, with neither under any obligation to do so.” Moreover, in determining whether the “fair market value” of the assets in any of the four trusts met the contractual thresholds, only trust assets in compliance with the Reinsurance Agreements’ investment guidelines, labeled as “Qualified Trust Assets,” qualified. “Qualifying Trust Assets” could not include Beechwood Re’s, BAM’s or BAM Administrative’s investment of trust assets with a party in which it had an interest, including a party with which it was “integrated.”</p>

B Asset Manager LP

Paragraph	Text of Allegation
665	<p>Beechwood Re's repeated promises that it would divest the trusts of investments in Platinum-controlled funds and entities turns out to have been fraudulent. As described above, [REDACTED]</p> <p>In fact, even as late as 2016, Beechwood Re, BAM and BAM Administrative were investing trust assets directly into Platinum (in PPCO), despite having made many promises since late 2014 that they would not do so.</p>
678	<p>On September 29, 2016, state insurance departments in New York (where BCLIC is domiciled) and Indiana (where WNIC is domiciled) concluded that many assets in the trusts were "not compliant" with the investment guidelines prescribed by applicable state laws and the Reinsurance Agreements. Unbeknownst to WNIC and BCLIC, [REDACTED]</p> <p>[REDACTED]</p>
686	<p>The SEC's allegations against Nordlicht, Levy and other Co-conspirators arose, in large part, out of their involvement in the Black Elk Note scandal. As the SEC Complaint makes clear, "[c]rucial to this effort [of Nordlicht, Levy and Small to pursue a rigged vote in the consent solicitation] was the transfer of a large number of notes from [Platinum] to [] Beechwood affiliates." Both the EDNY Indictment and SEC Complaint rightfully place Beechwood Re, its affiliates – including BAM – and their Co-Conspirators squarely in the center of the Platinum Ponzi-esque scheme.</p>
691	<p>As the Reinsurance Agreements were being finalized, Beechwood Re found itself in a quandary: in order to comply with the contractual and fiduciary obligations it would owe WNIC and BCLIC under the Reinsurance Agreements, and in order to retain control over the reinsurance trust funds ceded thereunder, Beechwood Re would need a valuation firm to issue quarterly reports that would show WNIC and BCLIC the reinsurance trust assets were being safely and prudently invested. However, the entire purpose of the Platinum-Beechwood fraud scheme, and the only way that it and the fraudsters could stay afloat, was for Beechwood Re, BAM and BAM Administrative to funnel those reinsurance trust funds directly into the "integrated" Platinum enterprise, [REDACTED] – i.e., the polar opposite of safe and prudent investing. Put differently, Beechwood and Platinum needed a valuation firm that could make self-dealing look legitimate. They found the solution to their problem in Lincoln.</p>

B Asset Manager LP

Paragraph	Text of Allegation
712	[REDACTED]
713	[REDACTED]
714	<p>Instead, [REDACTED]</p> <p>That is, [REDACTED]</p>
715	<p>[REDACTED] Of course, [REDACTED]</p> <p>[REDACTED] And WNIC and BCLIC reasonably relied on Lincoln's valuation reports as evidence that the reinsurance trust assets were being safely and prudently invested by Beechwood Re, BAM and BAM Administrative [REDACTED]</p>
717	<p>First, [REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
718	<p>Second, as discussed further below, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] As explained above, Beechwood Re had agreed to provide written quarterly reports setting forth the aggregate fair market value of the trust assets – with “fair market value” expressly defined in the Reinsurance Agreements as “the price for which an asset would be sold in a transaction on the open market between an unrelated buyer and seller, with neither under any obligation to do so.” (Emphasis added). Accordingly, any “fair market value” assigned to the Golden Gate, PPCO or Black Elk transactions by Beechwood Re, BAM and BAM Administrative was improper and fraudulent under the terms of the Reinsurance Agreement. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
719	<p>At all relevant times, Lincoln [REDACTED]</p> <p>[REDACTED]</p> <p>Consequently, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Yet, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] And</p> <p>WNIC and BCLIC, [REDACTED]</p> <p>[REDACTED], justifiably relied on them.</p>

B Asset Manager LP

Paragraph	Text of Allegation
720	<p>The Negative Assurance Letters and Positive Assurance Valuations were significant for several reasons, not least of which was that they constituted the purportedly independent third-party valuations WNIC and BCLIC were entitled to receive under the Reinsurance Agreements. The accuracy of these valuations was important because, among other things, and as explained above, at the end of each quarter, Beechwood Re was required to top-up the trusts if the fair market value of the trust assets fell below a certain threshold, or, in the event of a surplus exceeding the threshold, Beechwood Re could withdraw the surplus funds. [REDACTED]</p>
722	<p>To be sure, [REDACTED]</p>
723	<p>Indeed, [REDACTED]</p>
724	<p>[REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
726	<p>As set forth above, [REDACTED]</p>
727	<p>What is more, [REDACTED]</p> <p>Yet, as noted above, [REDACTED]</p>
728	<p>[REDACTED]</p> <p>And, WNIC and BCLIC relied on Lincoln's valuations, [REDACTED]</p> <p>In fact, with the receipt of each of Lincoln's Negative Assurance Letters and quarterly Positive Assurance Valuations reports, throughout 2014 and into 2015, WNIC and BCLIC were falsely assured that the investments Beechwood Re, BAM and BAM Administrative were making with their reinsurance trust assets were safe, reliable and valuable. [REDACTED]</p>

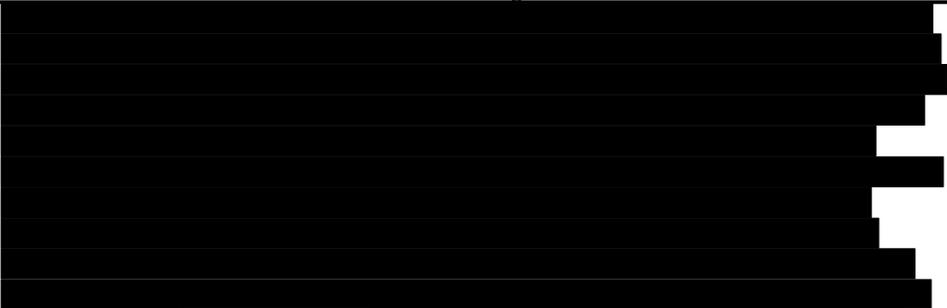
B Asset Manager LP

Paragraph	Text of Allegation
729	<p>[REDACTED]</p> <p>And yet, as noted above, [REDACTED]</p>
730	<p>[REDACTED]</p> <p>That is to say, [REDACTED]</p>
731	<p>As referenced above, Lincoln's Negative Assurance Letters and Positive Assurance Valuations each [REDACTED]</p> <p>However, [REDACTED]</p>

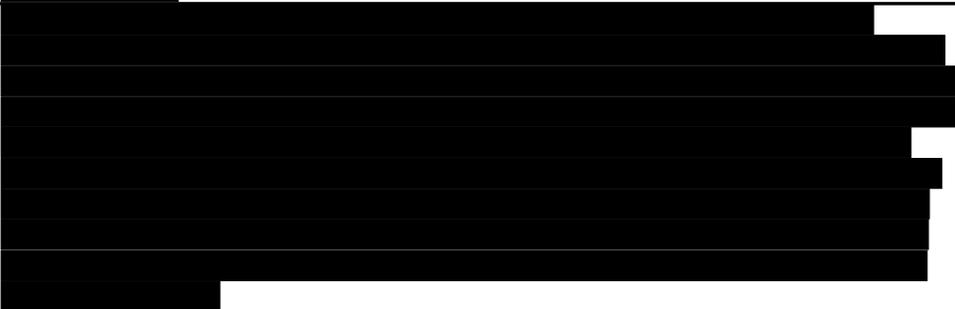
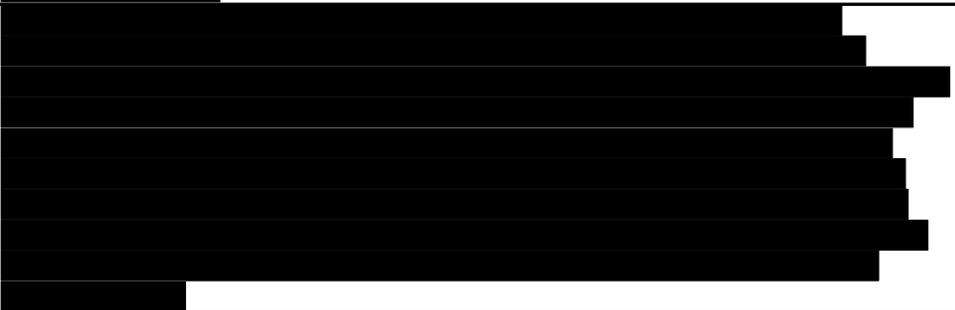
B Asset Manager LP

Paragraph	Text of Allegation
735	<p>[REDACTED]</p> <p>However,</p> <p>[REDACTED]</p> <p>As discussed above, this investment was part of the Black Elk Note scandal at the center of the Platinum-Beechwood fraud.</p>
736	<p>Beechwood Re had represented to WNIC and BCLIC that it would retain “independent” agencies to value and rate private investments and level three assets into which Beechwood Re, BAM and BAM Administrative invested reinsurance trust assets. WNIC and BCLIC reasonably relied on these representations in entering into the Reinsurance Agreements. What WNIC and BCLIC could not have known is that [REDACTED]</p> <p>[REDACTED]</p>
737	<p>[REDACTED]</p>
738	<p>[REDACTED]</p>
739	<p>[REDACTED]</p>
740	<p>[REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
750	 <p data-bbox="597 604 776 632">As noted above,</p> 
751	<p data-bbox="410 789 521 816">Likewise,</p> 
752	<p data-bbox="410 1220 631 1247">As discussed above,</p> 
754	<p data-bbox="410 1528 553 1556">For example,</p> 

B Asset Manager LP

Paragraph	Text of Allegation
768	
769	
772	

B Asset Manager LP

Paragraph	Text of Allegation
775	[REDACTED]
778	[REDACTED]
780	[REDACTED]
781	[REDACTED]
801	<p>As set forth in detail above, many individuals from Beechwood Re, BAM and Beechwood Capital made numerous false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. These false representations included, but were not limited to, misrepresentations about: (a) the persons who owned and controlled Beechwood Re, Holdings, BAM and their affiliates; (b) the capitalization of Beechwood Re, Holdings, BAM and their affiliates; (c) Beechwood Re's, BAM's and BAM Administrative's plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes behind Beechwood Re's entering into the Reinsurance (and accompanying) Agreements; and (d) the senior management team of Beechwood Re, BAM and BAM Administrative.</p>

B Asset Manager LP

Paragraph	Text of Allegation
802	As set forth in detail above, in 2013 and early 2014, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat each made false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. Each of these individuals represented that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum.
803	In addition, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Beechwood Re, Beechwood Capital, BAM, BAM Administrative, Feuer, Taylor, Levy, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain continued the frauds set forth above, including making representations to WNIC and BCLIC, knowing such statements were false when making them, and concealing material facts from WNIC and BCLIC, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. The individuals identified in this paragraph, in addition to Beechwood Re, BAM and BAM Administrative, continued to perpetrate these frauds to induce WNIC and BCLIC to not (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.
804	For example, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat continued representing that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum. In addition, Beechwood Re, BAM and BAM Administrative, Feuer, Taylor, Levy, Saks, Kim and Narain, continued misrepresenting the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes behind Beechwood Re's entering into the Reinsurance (and accompanying) Agreements and concealed material facts about the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes for Beechwood Re's entering into the Reinsurance (and accompanying) Agreements, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. These Co-conspirators continued making the false representations set forth above and continued omitting the materials facts to induce WNIC and BCLIC not to (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.
817	As set forth above, Lincoln [REDACTED]
818	In addition, as detailed above, Lincoln [REDACTED]

B Asset Manager LP

Paragraph	Text of Allegation
819	<p>As described above, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] As set forth in more detail in Count Six below, Lincoln had a duty to disclose the accurate and complete facts concerning Beechwood Re, BAM and BAM Administrative’s investments in the valuation reports.</p>
820	<p>As set forth above, [REDACTED]</p> <p>[REDACTED] and with the intent of inducing WNIC and BCLIC to believe that Beechwood, BAM and BAM Administrative’s investments were safe, reliable and prudent and that the contractual threshold was exceeded such that Beechwood Re was entitled to collect the surplus.</p>
821	<p>WNIC and BCLIC were thereby actually induced to believe, among other things, that the investments Beechwood Re, BAM and BAM Administrative were making with their reinsurance trust assets were safe, reliable, and valuable and that Beechwood Re was entitled to collect surplus funds. [REDACTED]</p> <p>[REDACTED]</p>
827	<p>WNIC and BCLIC and Lincoln had a special, privity-like relationship with one another arising out of Lincoln’s unique and specialized expertise and its role as the purportedly independent valuation provider with respect to the reinsurance assets ceded by WNIC and BCLIC to Beechwood Re. When Lincoln was acting as the valuation provider, its reports were WNIC’s and BCLIC’s only source of information regarding the value of Beechwood Re, BAM and BAM Administrative’s investments of the reinsurance assets. Given the importance of Lincoln’s valuation reports to WNIC and BCLIC, Lincoln and WNIC and BCLIC were in a special position of confidence and trust.</p>
828	<p>Lincoln had a duty, as a result of its special relationship with WNIC and BCLIC, to give WNIC and BCLIC correct information regarding, among other things, the value of Beechwood Re, BAM and BAM Administrative’s investments of the trust assets.</p>
829	<p>As described above, however, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Lincoln should have known that [REDACTED]</p> <p>[REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
845	<p>Lincoln had actual knowledge of, and substantially assisted with, Beechwood Re, BAM and BAM Administrative’s fraudulent or negligent misrepresentations, omissions, and concealments of material fact, upon which WNIC and BCLIC relied to their detriment. As set forth in detail above, Beechwood Re, BAM and BAM Administrative defrauded WNIC and BCLIC by, among other things, (a) fraudulently misrepresenting to WNIC and BCLIC the fair market value of the reinsurance assets that Beechwood Re, BAM and BAM Administrative invested in Platinum-controlled funds and entities, among other investments, which were the product of self-dealing; (b) fraudulently misrepresenting to WNIC and BCLIC that an independent valuation company would issue independent valuations that would reveal whether the reinsurance assets were being safely and prudently invested; (c) fraudulently misrepresenting that Beechwood Re would calculate the amount of any surplus (or deficiency) with respect to the thresholds for trust assets that were set forth in the Reinsurance Agreements based on independent valuations by an independent valuation company; (d) fraudulently misrepresenting that Beechwood Re, BAM and BAM Administrative intended to invest WNIC’s and BCLIC’s reinsurance assets prudently, and with the intention to safeguard those assets, when in fact Beechwood, BAM and BAM Administrative intended to infect the reinsurance trusts with investments in egregious Platinum-controlled funds and entities [REDACTED]; and (e) fraudulently misrepresenting to WNIC and BCLIC the nature and identities of Beechwood Re’s senior management team as being Beechwood Re personnel, when in fact the individuals were loyal to, if not employed by, Platinum.</p>
846	<p>Beechwood Re, BAM and BAM Administrative’s misrepresentations and/or omissions were made knowingly and were intended to induce WNIC’s and BCLIC’s reliance by inducing WNIC and BCLIC to enter into the Reinsurance Agreements with Beechwood Re, and not to terminate the Reinsurance (or accompanying) Agreements or to take other actions to ameliorate the damages WNIC and BCLIC were incurring while the Agreements were continuing. As set forth above, WNIC and BCLIC justifiably relied, to their detriment, upon each of Beechwood Re, BAM and BAM Administrative’s false representations and/or omissions.</p>
847	<p>[REDACTED]</p>
848	<p>[REDACTED]</p> <p>As explained previously,</p> <p>[REDACTED]</p>

B Asset Manager LP

Paragraph	Text of Allegation
851	Lincoln's substantial assistance with the fraud was intentional and deliberate – indeed, as set forth above, [REDACTED] This evidences a high degree of moral turpitude, and demonstrates Lincoln's wanton dishonesty or reckless disregard of WNIC's and BCLIC's rights.
854	As set forth above, Lincoln had actual knowledge that Beechwood Re, BAM and BAM Administrative were defrauding WNIC and BCLIC by, in part, misrepresenting the value of Beechwood Re, BAM and BAM Administrative's investments of the reinsurance assets.
855	[REDACTED] Lincoln and Beechwood Re, BAM and BAM Administrative corruptly agreed to defraud WNIC and BCLIC.
856	Lincoln took overt steps in furtherance of its agreement with Beechwood Re, including but not limited to composing and issuing fraudulent valuation reports overvaluing Beechwood Re, BAM and BAM Administrative's investments of the reinsurance assets, as described in detail above.
857	Lincoln and Beechwood Re, BAM and BAM Administrative intentionally participated in the furtherance of their common objective of defrauding WNIC and BCLIC.
867	The Reinsurance (and accompanying) Agreements, including the investment guidelines, afforded Beechwood Re, BAM and BAM Administrative considerable discretionary authority to manage the assets in WNIC's and BCLIC's trust accounts. Under the terms of the Agreements and governing Indiana and New York law, Beechwood Re, BAM and BAM Administrative were required to manage and invest the assets in WNIC's and BCLIC's trust accounts as fiduciaries, that is, to maintain and protect the trust assets for the benefit of WNIC and BCLIC and their policyholders, whose valid claims were to be paid from the trust accounts. [REDACTED] [REDACTED] [REDACTED]
868	Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim all made representations to WNIC and BCLIC that were calculated to entice WNIC and BCLIC to repose trust in not only Beechwood Re, Beechwood Capital and BAM, but also themselves, as individuals, in serving as fiduciaries for WNIC and BCLIC under the Reinsurance (and accompanying) Agreements. Feuer, Taylor, Levy and Hodgdon each made these representations to induce WNIC and BCLIC to enter into the Reinsurance Agreements, and they succeeded in inducing WNIC and BCLIC to enter into the Reinsurance Agreements as a result of their representations. In addition, Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim – on behalf of Beechwood Re, BAM and BAM Administrative – all made such representations to WNIC and BCLIC after execution of the Reinsurance Agreements to induce WNIC and BCLIC not to terminate the Agreements or take other actions to ameliorate the damages that WNIC and BCLIC were incurring. As set forth above, [REDACTED] [REDACTED]

B Asset Manager LP

Paragraph	Text of Allegation
874	<p>Each of the Co-conspirators, which includes each cross-claim and third-party defendant sued in this Count, understood that the essential purpose of their conspiracy was to induce institutional investors such as WNIC and BCLIC to entrust their funds with Beechwood Re, BAM and BAM Administrative so that these Beechwood entities would, in turn, breach their fiduciary duties to the institutional investors by exercising Beechwood's considerable discretionary authority and investing the investors' funds in [REDACTED]</p>
875	<p>And, in the case of each individual Defendant named herein, the Defendant specifically participated in the breaches of fiduciary duty that Beechwood perpetrated against WNIC and BCLIC. [REDACTED]</p> <p>Similarly, over the course of Beechwood's two and a half year relationship with WNIC and BCLIC, the three Beechwood CIO's – first Levy, then Saks, then Narain – aided and abetted the breaches of fiduciary duty by [REDACTED]</p>
881	<p>As set forth above, Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC in the investigation, recommendation, management and supervision of WNIC's and BCLIC's reinsurance trust assets. Beechwood Re, BAM and BAM Administrative breached its fiduciary duties to WNIC and BCLIC by, among other things, making egregious investments of the trust assets in Platinum-controlled funds and entities, misrepresenting [REDACTED] to WNIC and BCLIC and fraudulently concealing from WNIC and BCLIC [REDACTED]. Additionally, under the Reinsurance Agreements, Beechwood Re was obligated to add its own funds to the reinsurance trusts if trust assets fell below certain thresholds. As set forth above, Beechwood Re, BAM and BAM Administrative overvalued trust assets to create the false impression that the trusts had surplus funds, thus allowing Beechwood Re to avoid its obligations to top-up the reinsurance trusts and instead remove as "surplus" more than \$100 million from the reinsurance trusts over the course of the relationship with WNIC and BCLIC. Moreover, under the plain terms of the Reinsurance Agreements, when those Reinsurance Agreements terminated, Beechwood Re was contractually obligated to return cash or admitted assets equal to the recaptured statutory reserves. But, again, Beechwood Re did not do that. It returned cash or admitted assets that had a value of over \$110 million less than the recaptured statutory reserves.</p>
883	[REDACTED]

B Asset Manager LP

Paragraph	Text of Allegation
884	Lincoln knowingly and substantially assisted, participated in, enabled, and promoted Beechwood Re, BAM and BAM Administrative’s breaches of their fiduciary obligations to WNIC and BCLIC by, among other things, [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
885	WNIC and BCLIC have been injured as a proximate result of Beechwood Re, BAM and BAM Administrative’s breaches of their fiduciary duties and Lincoln’s substantial participation in furthering those breaches.

Exhibit B

BAM Administrative Service LLC

Paragraph	Text of Allegation
509	<p>Cross-claim/third-party defendant Beechwood Re is and always has been an alien insurer not licensed to do insurance business in this state. It was incorporated as a Cayman Islands insurer in June 2013. Starting in or around July 2013 and into the summer of 2016, Feuer, Taylor and Levy, on behalf of Beechwood Re and other cross-claim/third-party defendants, repeatedly represented to WNIC and BCLIC, among others, that they owned and controlled Beechwood Re and that there were no other persons who had any material role in owning or controlling Beechwood Re. These repeated representations were false, as Beechwood Re was owned and controlled by Platinum founders Nordlicht, Huberfeld and Bodner. Although Feuer, Taylor and Levy represented that a “passive investor” held a minor ownership interest in Beechwood Re, they further represented that the passive investor did not control Beechwood Re and that a confidentiality agreement precluded them from disclosing the passive investor. These representations were also false, as the “passive” investors – Platinum founders Nordlicht, Huberfeld and Bodner – owned a controlling stake in Beechwood Re and controlled Beechwood Re in fact. Moreover, it turns out that there was no confidentiality agreement that precluded Beechwood Re, Feuer, Taylor or Levy from disclosing who owned and controlled Beechwood Re. The Co-conspirators concealed these facts, misrepresented the ownership of Beechwood Re and made misrepresentations about non-existent confidentiality agreements because [REDACTED]</p> <p>[REDACTED] After Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC to prevent them from terminating the Agreements. Beechwood Re most often perpetrated these continuing fraudulent acts, including breaches of its fiduciary duties, through its designated agents, BAM and BAM Administrative.</p>
513	<p>Cross-claim/third-party defendant BAM is and, at all times material to these claims, was an agent and the investment manager for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in the fall of 2013, Feuer, Taylor and Levy, on behalf of BAM and others, repeatedly represented to WNIC and BCLIC, among others, that they owned and controlled BAM and that there were no other persons who had any material role in owning or controlling BAM. These repeated representations were false, as BAM was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Moreover, after Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC in February 2014, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC (and continued breaching its fiduciary duties to them), through Beechwood Re’s designated agents, BAM and BAM Administrative.</p>
514	<p>Cross-claim/third-party defendant BAM Administrative is and, at all times material to these claims, served as an agent for Beechwood Re and BAM, among other Beechwood entities, in administering all aspects of the Reinsurance Agreements with WNIC and BCLIC. BAM Administrative was a limited liability company organized under Delaware law with its principal place of business in New York, New York. As noted above, after Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC in February 2014, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC (and continued breaching its fiduciary duties to them), through Beechwood Re’s designated agents, BAM and BAM Administrative.</p>

BAM Administrative Service LLC

Paragraph	Text of Allegation
594	Under the Reinsurance Agreements, Beechwood Re assumed control over claims administration for the ceded long-term care insurance policies, and WNIC and BCLIC transferred almost \$600 million, largely in cash, into reinsurance trusts for each of WNIC and BCLIC, respectively, to be invested and managed by Beechwood Re and its agents, BAM and BAM Administrative, subject to investment guidelines prescribed by the Reinsurance Agreements. The assets in the trusts were intended to serve as reliable (i.e., safe and liquid) collateral for Beechwood Re's obligations to reimburse WNIC and BCLIC for claims on the transferred liabilities, and for WNIC and BCLIC to obtain reserve credits in accordance with insurance regulations. Beechwood Re's promises concerning the management and investment of the trust assets were essential to WNIC's and BCLIC's agreement to reinsure the transferred business with Beechwood Re.
595	The Reinsurance Agreements and investment guidelines afforded Beechwood Re, BAM and BAM Administrative considerable discretionary authority to manage the assets in WNIC's and BCLIC's trust accounts. However, there were various requirements pursuant to which Beechwood Re had no discretion.
597	Second, Beechwood Re was required to provide to WNIC and BCLIC written valuation reports from an outside vendor that demonstrated the "fair market value" of assets in the trusts. "Fair market value" was defined as the "price for which an asset would be sold in a transaction on the open market between an unrelated buyer and seller." The reports were required to contain supporting detail and other information necessary for WNIC and BCLIC to verify that the assets were properly valued. Implicit in this requirement was that the outside vendor would independently prepare its valuation opinions. Beechwood Re, BAM and BAM Administrative routinely provided quarterly reports that were the antithesis of independent valuations by an outside vendor; instead, they were designed to support Beechwood's own internal valuations of its investments, which valued and treated its investments in Platinum-controlled funds and entities as if they had been negotiated "between an unrelated buyer and seller," when in fact they had not been. They were the product of self-dealing.
598	Third, at the end of each quarter, the Reinsurance Agreements required Beechwood Re to top-up the trusts in the event that the fair market value of the assets in the trusts fell below 102% of the amount of the statutory liabilities ceded to Beechwood Re. However, if the fair market value of the trust assets exceeded contractual thresholds, Beechwood Re was permitted to withdraw funds from the trusts as "surplus" and distribute them as it saw fit. Whether a "surplus" existed would be determined based on the valuations set forth in the outside vendor's valuation reports. Over the course of the parties' relationship, Beechwood Re routinely and repeatedly avoided its obligation to top-up the trusts under its (and BAM's and BAM Administrative's) bogus representations that the fair market value of the trust assets exceeded the contractual thresholds – representations that were supported by Lincoln's bogus "independent" valuation reports. In fact, its "fair market valuations" – and those of the non-independent valuation and rating agencies it retained to support its bogus valuations – ignored that their valuations of the egregious investments in Platinum-controlled funds and entities assumed that such investments were made "between an unrelated buyer and seller," when in fact they had not been. They were the product of self-dealing.

BAM Administrative Service LLC

Paragraph	Text of Allegation
606	<p>In the next two and a half years after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] used the reinsurance trust assets as a piggybank to enrich themselves and further the Platinum Ponzi-esque scheme, abusing their fiduciary duties to WNIC and BCLIC, as the trust beneficiaries. The Co-conspirators admitted owing these fiduciary duties. For example, before the Reinsurance Agreements were signed, Hodgdon admitted as much in an October 7, 2013 email he sent to Tim Bischof, copying Co-conspirators Feuer, Taylor and Levy acknowledging that Beechwood Re and its affiliates had duties “to protect the asset base” of WNIC’s and BCLIC’s reinsurance trusts due to “the fiduciary character of the insurance business.”</p>
609	<p>Instead of observing their fiduciary duties, however, the Co-conspirators abused their discretionary authority under the Reinsurance Agreements and the accompanying investment guidelines to invest the reinsurance trust assets in Platinum-controlled funds and entities in non-arm’s-length transactions designed to benefit themselves and Platinum. To the outside world, however, particularly WNIC and BCLIC, the Co-conspirators misrepresented these investments as being at arm’s-length, repeatedly denying that Beechwood had any relationship to Platinum, even though, as Bodner and Huberfeld admitted to each other, Beechwood and Platinum were “integrated.” They similarly misrepresented the investments as being at arm’s-length to regulators and the valuation and ratings companies they retained, except that [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
611	<p>The Co-conspirators continued perpetrating their frauds on WNIC and BCLIC in the process of abusing the discretionary authority that Beechwood Re and its agents had over the transferred assets. For example, they continued misrepresenting the ownership interests in and control over Beechwood. Almost immediately after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] WNIC and BCLIC representatives noticed these data points and began asking about it. Over the telephone, Levy told WNIC and BCLIC representative Eric Johnson, among others, that there was no relationship between Beechwood and Platinum.</p>

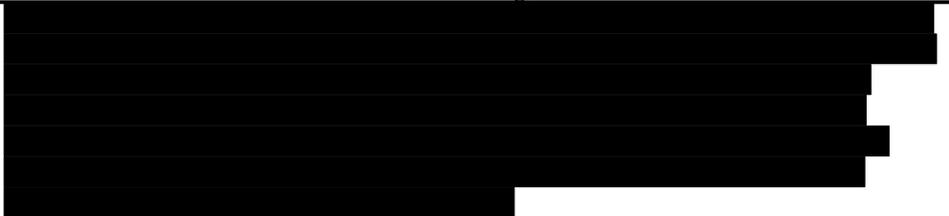
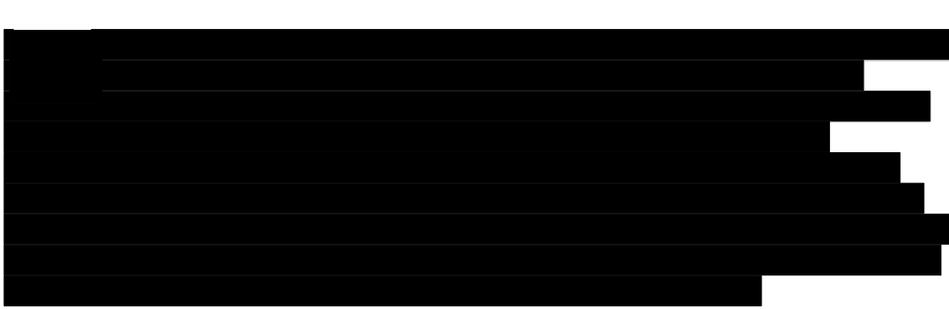
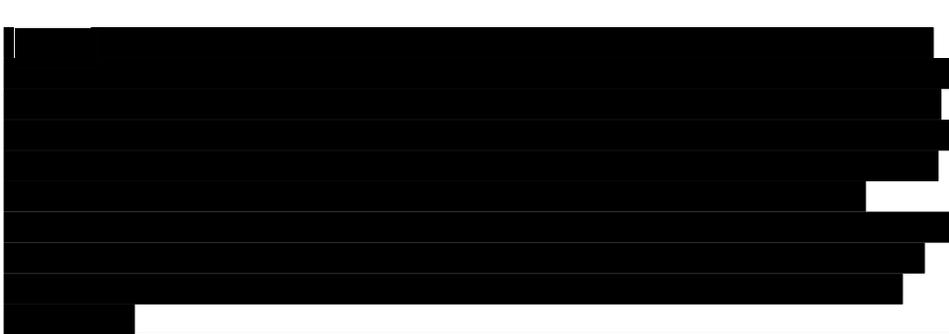
BAM Administrative Service LLC

Paragraph	Text of Allegation
612	<p>When Johnson and other WNIC and BCLIC representatives continued noticing these data points – that is, Beechwood’s investment of trust assets in funds or entities controlled by Platinum – they called for a meeting. At a face-to-face meeting in New York in late March 2014, Feuer, Taylor and Levy specifically denied (again) the existence of any relationship between Beechwood and Platinum, even though Platinum co-founders Nordlicht, Huberfeld and Bodner owned majority positions in and controlled Beechwood Re, Holdings (its parent company), BAM and BAM Administrative. The Co-conspirators continued concealing the truth – that Beechwood and Platinum were commonly owned and controlled by the Platinum co-founders – by telling the lie that Beechwood was investing in these Platinum positions because Levy was familiar with them and believed they were valuable investments based on his former employment with Platinum.</p>
634	<p>[REDACTED]</p>
638	<p>[REDACTED]</p>

BAM Administrative Service LLC

Paragraph	Text of Allegation
640	<p>[REDACTED]</p>
642	<p>Second, the Co-conspirators continued [REDACTED]</p> <p>[REDACTED]</p> <p>Throughout 2014, 2015 and into 2016, WNIC and BCLIC continued questioning the prudence of Beechwood Re’s, BAM’s and BAM Administrative’s investment of trust assets into speculative and illiquid Level 3 assets and ventures, including but not limited to investments in Platinum-controlled funds and entities. Although Feuer, Taylor, Levy and others continued denying – and denying vehemently – the existence of any relationship between Beechwood and Platinum, WNIC and BCLIC also questioned whether these Level 3 assets were appropriate for supporting long-term care policy liabilities. Feuer, Taylor, Levy, Kim and later Saks and Narain – with Saks replacing Levy in 2015, and Narain replacing Saks in 2016 – repeatedly assured WNIC and BCLIC of the prudence of these investments.</p>
643	<p>Their assurances were fraudulent. [REDACTED]</p> <p>[REDACTED]</p> <p>Yet, they never said as much to WNIC and BCLIC, to whom Beechwood Re, BAM and BAM Administrative owed fiduciary duties. Instead, they kept telling WNIC and BCLIC that the “Platinum related stuff” was valuable. They said the same about their other investments in Level 3 assets that were not made at arm’s-length (and that they never revealed to WNIC and BCLIC were not made at arm’s-length).</p>

BAM Administrative Service LLC

Paragraph	Text of Allegation
	
	
	
	
	

BAM Administrative Service LLC

Paragraph	Text of Allegation
645	<p>Third, after the Reinsurance Agreements were signed, Beechwood Re, BAM and BAM Administrative continued [REDACTED]</p> <p>[REDACTED] The reality was otherwise. Nordlicht pulled the strings.</p> <p>[REDACTED]</p>
647	<p>Fourth, the Co-conspirators continued perpetrating the fraud that Beechwood Re, BAM and BAM Administrative were providing WNIC and BCLIC with “independent” reports from valuation companies on a quarterly basis. As noted above, Lincoln was part of the racketeering scheme. [REDACTED]</p> <p>[REDACTED]</p>
648	<p>By late 2014, WNIC and BCLIC requested that Lincoln be removed as the valuation consultant. [REDACTED]</p> <p>[REDACTED] In early 2015, Beechwood Re, BAM and BAM Administrative then retained a different vendor to replace Lincoln as the valuation consultant.</p>
650	<p>[REDACTED]</p>
659	<p>“Fair market value” was defined in the Reinsurance Agreements as being “the price for which an asset would be sold on the open market between an unrelated buyer and seller, with neither under any obligation to do so.” Moreover, in determining whether the “fair market value” of the assets in any of the four trusts met the contractual thresholds, only trust assets in compliance with the Reinsurance Agreements’ investment guidelines, labeled as “Qualified Trust Assets,” qualified. “Qualifying Trust Assets” could not include Beechwood Re’s, BAM’s or BAM Administrative’s investment of trust assets with a party in which it had an interest, including a party with which it was “integrated.”</p>

BAM Administrative Service LLC

Paragraph	Text of Allegation
665	<p>Beechwood Re’s repeated promises that it would divest the trusts of investments in Platinum-controlled funds and entities turns out to have been fraudulent. As described above, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] In fact, even as late as 2016, Beechwood Re, BAM and BAM Administrative were investing trust assets directly into Platinum (in PPCO), despite having made many promises since late 2014 that they would not do so.</p>
678	<p>On September 29, 2016, state insurance departments in New York (where BCLIC is domiciled) and Indiana (where WNIC is domiciled) concluded that many assets in the trusts were “not compliant” with the investment guidelines prescribed by applicable state laws and the Reinsurance Agreements. Unbeknownst to WNIC and BCLIC, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
691	<p>As the Reinsurance Agreements were being finalized, Beechwood Re found itself in a quandary: in order to comply with the contractual and fiduciary obligations it would owe WNIC and BCLIC under the Reinsurance Agreements, and in order to retain control over the reinsurance trust funds ceded thereunder, Beechwood Re would need a valuation firm to issue quarterly reports that would show WNIC and BCLIC the reinsurance trust assets were being safely and prudently invested. However, the entire purpose of the Platinum-Beechwood fraud scheme, and the only way that it and the fraudsters could stay afloat, was for Beechwood Re, BAM and BAM Administrative to funnel those reinsurance trust funds directly into the “integrated” Platinum enterprise, [REDACTED] – i.e., the polar opposite of safe and prudent investing. Put differently, Beechwood and Platinum needed a valuation firm that could make self-dealing look legitimate. They found the solution to their problem in Lincoln.</p>
709	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

BAM Administrative Service LLC

Paragraph	Text of Allegation
712	[REDACTED]
714	<p>Instead, [REDACTED]</p> <p>That is, [REDACTED]</p>
715	<p>[REDACTED] Of course, [REDACTED]</p> <p>[REDACTED] And WNIC and BCLIC reasonably relied on Lincoln's valuation reports as evidence that the reinsurance trust assets were being safely and prudently invested by Beechwood Re, BAM and BAM Administrative [REDACTED]</p>
738	[REDACTED]
740	[REDACTED]

BAM Administrative Service LLC

Paragraph	Text of Allegation
801	As set forth in detail above, many individuals from Beechwood Re, BAM and Beechwood Capital made numerous false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. These false representations included, but were not limited to, misrepresentations about: (a) the persons who owned and controlled Beechwood Re, Holdings, BAM and their affiliates; (b) the capitalization of Beechwood Re, Holdings, BAM and their affiliates; (c) Beechwood Re's, BAM's and BAM Administrative's plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes behind Beechwood Re's entering into the Reinsurance (and accompanying) Agreements; and (d) the senior management team of Beechwood Re, BAM and BAM Administrative.
802	As set forth in detail above, in 2013 and early 2014, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat each made false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. Each of these individuals represented that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum.
803	In addition, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Beechwood Re, Beechwood Capital, BAM, BAM Administrative, Feuer, Taylor, Levy, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain continued the frauds set forth above, including making representations to WNIC and BCLIC, knowing such statements were false when making them, and concealing material facts from WNIC and BCLIC, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. The individuals identified in this paragraph, in addition to Beechwood Re, BAM and BAM Administrative, continued to perpetrate these frauds to induce WNIC and BCLIC to not (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.
804	For example, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat continued representing that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum. In addition, Beechwood Re, BAM and BAM Administrative, Feuer, Taylor, Levy, Saks, Kim and Narain, continued misrepresenting the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes behind Beechwood Re's entering into the Reinsurance (and accompanying) Agreements and concealed material facts about the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes for Beechwood Re's entering into the Reinsurance (and accompanying) Agreements, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. These Co-conspirators continued making the false representations set forth above and continued omitting the materials facts to induce WNIC and BCLIC not to (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.

BAM Administrative Service LLC

Paragraph	Text of Allegation
817	As set forth above, Lincoln [REDACTED]
818	In addition, as detailed above, Lincoln [REDACTED]
819	As described above, [REDACTED] [REDACTED] As set forth in more detail in Count Six below, Lincoln had a duty to disclose the accurate and complete facts concerning Beechwood Re, BAM and BAM Administrative's investments in the valuation reports.
820	As set forth above, [REDACTED] and with the intent of inducing WNIC and BCLIC to believe that Beechwood, BAM and BAM Administrative's investments were safe, reliable and prudent and that the contractual threshold was exceeded such that Beechwood Re was entitled to collect the surplus.
821	WNIC and BCLIC were thereby actually induced to believe, among other things, that the investments Beechwood Re, BAM and BAM Administrative were making with their reinsurance trust assets were safe, reliable, and valuable and that Beechwood Re was entitled to collect surplus funds. [REDACTED]
827	WNIC and BCLIC and Lincoln had a special, privity-like relationship with one another arising out of Lincoln's unique and specialized expertise and its role as the purportedly independent valuation provider with respect to the reinsurance assets ceded by WNIC and BCLIC to Beechwood Re. When Lincoln was acting as the valuation provider, its reports were WNIC's and BCLIC's only source of information regarding the value of Beechwood Re, BAM and BAM Administrative's investments of the reinsurance assets. Given the importance of Lincoln's valuation reports to WNIC and BCLIC, Lincoln and WNIC and BCLIC were in a special position of confidence and trust.
828	Lincoln had a duty, as a result of its special relationship with WNIC and BCLIC, to give WNIC and BCLIC correct information regarding, among other things, the value of Beechwood Re, BAM and BAM Administrative's investments of the trust assets.
829	As described above, however, [REDACTED] [REDACTED] Lincoln should have known that [REDACTED]

BAM Administrative Service LLC

Paragraph	Text of Allegation
845	<p>Lincoln had actual knowledge of, and substantially assisted with, Beechwood Re, BAM and BAM Administrative’s fraudulent or negligent misrepresentations, omissions, and concealments of material fact, upon which WNIC and BCLIC relied to their detriment. As set forth in detail above, Beechwood Re, BAM and BAM Administrative defrauded WNIC and BCLIC by, among other things, (a) fraudulently misrepresenting to WNIC and BCLIC the fair market value of the reinsurance assets that Beechwood Re, BAM and BAM Administrative invested in Platinum-controlled funds and entities, among other investments, which were the product of self-dealing; (b) fraudulently misrepresenting to WNIC and BCLIC that an independent valuation company would issue independent valuations that would reveal whether the reinsurance assets were being safely and prudently invested; (c) fraudulently misrepresenting that Beechwood Re would calculate the amount of any surplus (or deficiency) with respect to the thresholds for trust assets that were set forth in the Reinsurance Agreements based on independent valuations by an independent valuation company; (d) fraudulently misrepresenting that Beechwood Re, BAM and BAM Administrative intended to invest WNIC’s and BCLIC’s reinsurance assets prudently, and with the intention to safeguard those assets, when in fact Beechwood, BAM and BAM Administrative intended to infect the reinsurance trusts with investments in egregious Platinum-controlled funds and entities [REDACTED]; and (e) fraudulently misrepresenting to WNIC and BCLIC the nature and identities of Beechwood Re’s senior management team as being Beechwood Re personnel, when in fact the individuals were loyal to, if not employed by, Platinum.</p>
846	<p>Beechwood Re, BAM and BAM Administrative’s misrepresentations and/or omissions were made knowingly and were intended to induce WNIC’s and BCLIC’s reliance by inducing WNIC and BCLIC to enter into the Reinsurance Agreements with Beechwood Re, and not to terminate the Reinsurance (or accompanying) Agreements or to take other actions to ameliorate the damages WNIC and BCLIC were incurring while the Agreements were continuing. As set forth above, WNIC and BCLIC justifiably relied, to their detriment, upon each of Beechwood Re, BAM and BAM Administrative’s false representations and/or omissions.</p>
847	<p>[REDACTED]</p>
848	<p>[REDACTED]</p> <p>As explained previously,</p> <p>[REDACTED]</p>

BAM Administrative Service LLC

Paragraph	Text of Allegation
854	As set forth above, Lincoln had actual knowledge that Beechwood Re, BAM and BAM Administrative were defrauding WNIC and BCLIC by, in part, misrepresenting the value of Beechwood Re, BAM and BAM Administrative's investments of the reinsurance assets.
855	[REDACTED] Lincoln and Beechwood Re, BAM and BAM Administrative corruptly agreed to defraud WNIC and BCLIC.
856	Lincoln took overt steps in furtherance of its agreement with Beechwood Re, including but not limited to composing and issuing fraudulent valuation reports overvaluing Beechwood Re, BAM and BAM Administrative's investments of the reinsurance assets, as described in detail above.
857	Lincoln and Beechwood Re, BAM and BAM Administrative intentionally participated in the furtherance of their common objective of defrauding WNIC and BCLIC.
867	The Reinsurance (and accompanying) Agreements, including the investment guidelines, afforded Beechwood Re, BAM and BAM Administrative considerable discretionary authority to manage the assets in WNIC's and BCLIC's trust accounts. Under the terms of the Agreements and governing Indiana and New York law, Beechwood Re, BAM and BAM Administrative were required to manage and invest the assets in WNIC's and BCLIC's trust accounts as fiduciaries, that is, to maintain and protect the trust assets for the benefit of WNIC and BCLIC and their policyholders, whose valid claims were to be paid from the trust accounts. [REDACTED]
868	Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim all made representations to WNIC and BCLIC that were calculated to entice WNIC and BCLIC to repose trust in not only Beechwood Re, Beechwood Capital and BAM, but also themselves, as individuals, in serving as fiduciaries for WNIC and BCLIC under the Reinsurance (and accompanying) Agreements. Feuer, Taylor, Levy and Hodgdon each made these representations to induce WNIC and BCLIC to enter into the Reinsurance Agreements, and they succeeded in inducing WNIC and BCLIC to enter into the Reinsurance Agreements as a result of their representations. In addition, Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim – on behalf of Beechwood Re, BAM and BAM Administrative – all made such representations to WNIC and BCLIC after execution of the Reinsurance Agreements to induce WNIC and BCLIC not to terminate the Agreements or take other actions to ameliorate the damages that WNIC and BCLIC were incurring. As set forth above, [REDACTED]
874	Each of the Co-conspirators, which includes each cross-claim and third-party defendant sued in this Count, understood that the essential purpose of their conspiracy was to induce institutional investors such as WNIC and BCLIC to entrust their funds with Beechwood Re, BAM and BAM Administrative so that these Beechwood entities would, in turn, breach their fiduciary duties to the institutional investors by exercising Beechwood's considerable discretionary authority and investing the investors' funds in [REDACTED]

BAM Administrative Service LLC

Paragraph	Text of Allegation
875	<p>And, in the case of each individual Defendant named herein, the Defendant specifically participated in the breaches of fiduciary duty that Beechwood perpetrated against WNIC and BCLIC. [REDACTED]</p> <p>Similarly, over the course of Beechwood's two and a half year relationship with WNIC and BCLIC, the three Beechwood CIO's – first Levy, then Saks, then Narain – aided and abetted the breaches of fiduciary duty by [REDACTED]</p>
881	<p>As set forth above, Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC in the investigation, recommendation, management and supervision of WNIC's and BCLIC's reinsurance trust assets. Beechwood Re, BAM and BAM Administrative breached its fiduciary duties to WNIC and BCLIC by, among other things, making egregious investments of the trust assets in Platinum-controlled funds and entities, misrepresenting [REDACTED] to WNIC and BCLIC and fraudulently concealing from WNIC and BCLIC [REDACTED]. Additionally, under the Reinsurance Agreements, Beechwood Re was obligated to add its own funds to the reinsurance trusts if trust assets fell below certain thresholds. As set forth above, Beechwood Re, BAM and BAM Administrative overvalued trust assets to create the false impression that the trusts had surplus funds, thus allowing Beechwood Re to avoid its obligations to top-up the reinsurance trusts and instead remove as "surplus" more than \$100 million from the reinsurance trusts over the course of the relationship with WNIC and BCLIC. Moreover, under the plain terms of the Reinsurance Agreements, when those Reinsurance Agreements terminated, Beechwood Re was contractually obligated to return cash or admitted assets equal to the recaptured statutory reserves. But, again, Beechwood Re did not do that. It returned cash or admitted assets that had a value of over \$110 million less than the recaptured statutory reserves.</p>
883	[REDACTED]
884	<p>Lincoln knowingly and substantially assisted, participated in, enabled, and promoted Beechwood Re, BAM and BAM Administrative's breaches of their fiduciary obligations to WNIC and BCLIC by, among other things, [REDACTED]</p>
885	<p>WNIC and BCLIC have been injured as a proximate result of Beechwood Re, BAM and BAM Administrative's breaches of their fiduciary duties and Lincoln's substantial participation in furthering those breaches.</p>

Exhibit C

Beechwood Bermuda International, Ltd.

Paragraph	Text of Allegation
	[REDACTED]
624	[REDACTED] As they had intended, this kept WNIC and BCLIC from terminating the Reinsurance Agreements.
625	Unbeknownst to WNIC and BCLIC, the Co-conspirators instead used the \$75 million in Demand Note capacity that the Co-Conspirators had diverted from Beechwood Re [REDACTED] [REDACTED] BBIL's executive vice president, David Lessing, to crow that BBIL was "on course for record monthly sales" in June 2016 and thus June 2016 "will be our best month, and that has been true for each month over the last couple of months." [REDACTED] At all relevant times, and in direct contradiction to what WNIC and BCLIC were told, none of the money was ever available to Beechwood Re to satisfy its obligations under the Reinsurance Agreements.
626	The Demand Note Transfer of \$75 million from Beechwood Re [REDACTED] left Beechwood Re a mere shell company, grossly undercapitalized and with assets that were wholly inadequate to cover its obligations to WNIC and BCLIC under the Reinsurance Agreements. This undercapitalization eventually led to Beechwood Re being placed in controllership in 2017, while Feuer, Taylor, Nordlicht, Levy and other Co-Conspirators enjoyed their ill-gotten gains from their fraudulent scheme.
690	On August 8, 2017, Reuters reported that Global Bankers Insurance Group, a Durham, North Carolina-based subsidiary of Eli Global, purchased certain undisclosed assets "from the Beechwood family of reinsurance and asset management companies." [REDACTED] [REDACTED]
734	Aside from being a matter of standard industry practice, [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
809	[REDACTED] Taylor emailed WNIC's and BCLIC's [REDACTED] admitting for the first time that the Demand Note supporting Beechwood Re's obligations under the Reinsurance Agreements had, without prior notice to WNIC and BCLIC, been reduced from \$100 million to \$25 million. [REDACTED] [REDACTED] Taylor then represented to WNIC and BCLIC that the "Beechwood Companies have an irrevocable right to the assets within a Delaware Series LLC" that are "valued in excess of \$100M."

Beechwood Bermuda International, Ltd.

Paragraph	Text of Allegation
810	[REDACTED]
811	[REDACTED]
812	[REDACTED]
813	[REDACTED]
814	<p>WNIC and BCLIC justifiably relied on these misrepresentations to their detriment, including by not terminating the Reinsurance Agreements or taking other actions that could have ameliorated the damages WNIC and BCLIC incurred as a result of these misrepresentations. BBL, BBIL and and PB Investment are liable to WNIC and BCLIC for knowingly lying about [REDACTED]</p>
815	<p>WNIC and BCLIC suffered damages as a proximate result of these misrepresentations made on behalf of Beechwood Bermuda. Not only did these misrepresentations induce WNIC and BCLIC not to recapture the trust assets or terminate the Reinsurance Agreements, but also, as described above, Beechwood Re’s assets were wholly inadequate to cover its obligations to WNIC and BCLIC under the Reinsurance Agreements. When WNIC and BCLIC recaptured the trust assets, the Co-conspirators did not make the capital of any Beechwood entities, including Beechwood Bermuda, available to satisfy Beechwood Re’s obligations, [REDACTED]</p>
893	<p>Beechwood Bermuda was aware that WNIC and BCLIC were Beechwood Re’s creditors. Beechwood Bermuda and Beechwood Re were commonly owned and controlled, and were together with other Co-Conspirators engaged in a conspiracy to defraud WNIC and BCLIC. Hence, Beechwood Bermuda knew everything Beechwood Re knew, including that Beechwood Re had defrauded WNIC and BCLIC and that</p>

Beechwood Bermuda International, Ltd.

Paragraph	Text of Allegation
	<p>Beechwood Re had breached and planned to continue breaching the Reinsurance Agreements. [REDACTED]</p>
896	<p>Beechwood Re made the Demand Note Transfer [REDACTED] in furtherance of its fraud scheme, and for the purpose of ensuring that Beechwood Re would have no assets if and when the fraud scheme was discovered. That is, among the Beechwood entities, [REDACTED]</p>

Exhibit D

Beechwood Bermuda Ltd.

Paragraph	Text of Allegation
521	<p>Moreover, Beechwood Investments and each Beechwood Series provided Beechwood Re and other Beechwood entities with the so-called “capital” that Beechwood Re, in the persons of Feuer, Taylor and Levy, had represented to WNIC and BCLIC would support Beechwood Re’s obligations to WNIC and BCLIC. In 2014, however, [REDACTED] entities diverted the so-called “capital” that supported Beechwood Re’s obligations to WNIC and BCLIC [REDACTED] without disclosing the diversion to WNIC or BCLIC at the time of the diversion.</p>
618	<p>The Co-conspirators then fraudulently diverted this \$75 million in “capital” [REDACTED]</p>
619	<p>The Demand Note Transfer occurred on or about May [REDACTED] 2014, when the \$100 million Demand Note supporting Beechwood Re was unilaterally changed to an Amended and Restated Demand Note for \$25 million. Of course, the Co-conspirators concealed the Demand Note Transfer from WNIC and BCLIC, as well.</p>
620	<p>The Demand Note Transfer was designed to render, and succeeded in rendering, Beechwood Re insolvent and placed its “capital” beyond the reach of WNIC and BCLIC, so that Beechwood could continue its participation in the fraud scheme with impunity. [REDACTED] There was no consideration for Beechwood Re’s Demand Note Transfer of \$75 million [REDACTED] The Transfer was to the detriment of WNIC and BCLIC.</p>
623	<p>To keep WNIC and BCLIC from terminating the Reinsurance Agreements right then and there, Taylor assured WNIC and BCLIC that the “Beechwood Companies have an irrevocable right to the assets within a Delaware Series LLC” that are “valued in excess of \$100M.” [REDACTED]</p>
624	<p>[REDACTED] As they had intended, this kept WNIC and BCLIC from terminating the Reinsurance Agreements.</p>

Beechwood Bermuda Ltd.

Paragraph	Text of Allegation
626	The Demand Note Transfer of \$75 million from Beechwood Re [REDACTED] left Beechwood Re a mere shell company, grossly undercapitalized and with assets that were wholly inadequate to cover its obligations to WNIC and BCLIC under the Reinsurance Agreements. This undercapitalization eventually led to Beechwood Re being placed in controllership in 2017, while Feuer, Taylor, Nordlicht, Levy and other Co-Conspirators enjoyed their ill-gotten gains from their fraudulent scheme.
690	On August 8, 2017, Reuters reported that Global Bankers Insurance Group, a Durham, North Carolina-based subsidiary of Eli Global, purchased certain undisclosed assets “from the Beechwood family of reinsurance and asset management companies.” [REDACTED]
809	[REDACTED] Taylor emailed WNIC’s and BCLIC’s Fred Crawford, admitting for the first time that the Demand Note supporting Beechwood Re’s obligations under the Reinsurance Agreements had, without prior notice to WNIC and BCLIC, been reduced from \$100 million to \$25 million. [REDACTED] [REDACTED] Taylor then represented to WNIC and BCLIC that the “Beechwood Companies have an irrevocable right to the assets within a Delaware Series LLC” that are “valued in excess of \$100M.”
810	[REDACTED]
811	[REDACTED]
812	[REDACTED]
813	[REDACTED]

Beechwood Bermuda Ltd.

Paragraph	Text of Allegation
814	<p>WNIC and BCLIC justifiably relied on these misrepresentations to their detriment, including by not terminating the Reinsurance Agreements or taking other actions that could have ameliorated the damages WNIC and BCLIC incurred as a result of these misrepresentations. BBL, BBIL and and PB Investment are liable to WNIC and BCLIC for knowingly lying about [REDACTED]</p>
815	<p>WNIC and BCLIC suffered damages as a proximate result of these misrepresentations made on behalf of Beechwood Bermuda. Not only did these misrepresentations induce WNIC and BCLIC not to recapture the trust assets or terminate the Reinsurance Agreements, but also, as described above, Beechwood Re’s assets were wholly inadequate to cover its obligations to WNIC and BCLIC under the Reinsurance Agreements. When WNIC and BCLIC recaptured the trust assets, the Co-conspirators did not make the capital of any Beechwood entities, including Beechwood Bermuda, available to satisfy Beechwood Re’s obligations, [REDACTED]</p>
893	<p>Beechwood Bermuda was aware that WNIC and BCLIC were Beechwood Re’s creditors. Beechwood Bermuda and Beechwood Re were commonly owned and controlled, and were together with other Co-Conspirators engaged in a conspiracy to defraud WNIC and BCLIC. Hence, Beechwood Bermuda knew everything Beechwood Re knew, including that Beechwood Re had defrauded WNIC and BCLIC and that Beechwood Re had breached and planned to continue breaching the Reinsurance Agreements. [REDACTED]</p>
896	<p>Beechwood Re made the Demand Note Transfer [REDACTED] in furtherance of its fraud scheme, and for the purpose of ensuring that Beechwood Re would have no assets if and when the fraud scheme was discovered. That is, among the Beechwood entities, [REDACTED]</p>

Exhibit E

Beechwood Re Holdings, Inc.

Beechwood Re Holdings, Inc.

Paragraph	Text of Allegation
480	<p>Cross-claim/third-party defendant Mark Nordlicht was a Platinum co-founder, the owner of several of the Beechwood entities (including Beechwood Re, Holdings and BAM), the individual who ultimately controlled Beechwood Re, BAM and BAM Administrative’s investments of WNIC’s and BCLIC’s reinsurance trust assets and a mastermind of the Platinum-Beechwood racketeering scheme. He is also a defendant in the PPVA Action. Nordlicht had offices and email addresses at both Platinum and Beechwood, from which Nordlicht directed the Co-conspirators. For example, in a [REDACTED] meeting, the month that Beechwood Re signed the reinsurance agreements with WNIC and BCLIC (the “Reinsurance Agreements” or “Agreements”), Nordlicht [REDACTED]</p> <p>When the Co-conspirators began [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
511	<p>Cross-claim/third-party defendant Holdings is and, at all times material to these cross-claims, was the parent company of Beechwood Re and a Delaware corporation with its principal place of business in New York, New York. Starting in or around July 2013 and into the summer of 2016, Feuer, Taylor and Levy, on behalf of Holdings and others, repeatedly represented to WNIC and BCLIC, among others, that they and only they owned and controlled Beechwood Re, which by definition included Beechwood Re’s parent company, Holdings. These repeated representations were false, as Holdings was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Although Feuer, Taylor and Levy represented that a “passive investor” held a minor ownership interest in Beechwood Re and its parent company, they further represented that the passive investor did not control Beechwood Re and that a confidentiality agreement precluded them from disclosing the passive investor. These representations were also false, as the passive investors – Platinum founders Nordlicht, Huberfeld and Bodner – owned a controlling stake in both Beechwood Re and its parent company and in fact controlled those entities. Moreover, it turns out that there was no confidentiality agreement that precluded Holdings, Beechwood Re, Feuer, Taylor or Levy from disclosing who owned and controlled Beechwood Re and Holdings. The Co-conspirators concealed these facts, misrepresented the ownership of Beechwood Re and Holdings and made misrepresentations about non-existent confidentiality agreements because [REDACTED]</p> <p>[REDACTED]</p>

Beechwood Re Holdings, Inc.

Paragraph	Text of Allegation
518	This pleading will refer to BBL, BBIL and BBIH (and its successor-in-interest PB Investments) collectively as "Beechwood Bermuda." Cross-claim/third-party defendants the Beechwood Trusts are and, at all times material to these claims, were trusts that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner, except for Trust No. 20, which was established and controlled by Levy. The Platinum co-founders and Levy created each of the Beechwood Trusts as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each of the Beechwood Trusts is an alter ego of either Nordlicht, Bodner, Huberfeld or Levy (in the case of Trust No. 20 only). Through Beechwood Trusts Nos. 1 through 19, Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.
520	Cross-claim/third-party defendants Beechwood Series, A through I, are and, at all times material to these claims, were vehicles that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner for funding and controlling Beechwood. The Platinum co-founders created each Beechwood Series as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each Beechwood Series is an alter ego of either Nordlicht, Bodner or Huberfeld. Through each Beechwood Series (and Beechwood Investments generally), Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.
538	Beechwood Re and Beechwood Capital, in the persons of Feuer, Taylor and Levy, [REDACTED] Accordingly, from their earliest contacts with WNIC and BCLIC in 2013 through the signing of the Reinsurance Agreements in February 2014, Beechwood Capital, Beechwood Re, Feuer, Taylor and Levy repeatedly misrepresented the ownership structure of Beechwood. They misrepresented that only Feuer, Taylor and Levy owned and controlled Beechwood Re, its parent company (Holdings) and BAM.
539	Beechwood Re, Beechwood Capital and BAM, in the persons of Feuer, Taylor, Levy and Hodgdon, made these misrepresentations about the ownership structure and control of Beechwood in several written presentations to WNIC and BCLIC. On July 2, 2013, Taylor, Hodgdon and Levy, on behalf of Beechwood Re, Holdings, Beechwood Capital and BAM, sent WNIC and BCLIC a written presentation with these misrepresentations.

Beechwood Re Holdings, Inc.

Paragraph	Text of Allegation
542	<p>These representations were knowingly false. The Co-conspirators’ [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Moreover, the Co-conspirators had no confidentiality agreement that precluded them from revealing Beechwood’s ownership structure. They misrepresented the ownership structure to WNIC and BCLIC and concealed [REDACTED] control and ownership of Beechwood precisely because [REDACTED]</p> <p>[REDACTED] WNIC and BCLIC would not enter into reinsurance deals with entities owned, controlled and funded [REDACTED] particularly those with the checkered pasts that Nordlicht, Huberfeld and Bodner had. In entering into the Reinsurance Agreements, WNIC and BCLIC reasonably relied, to their detriment, on the misrepresentations by Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy about the ownership structure of Beechwood.</p>
543	<p>Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy knew that acquiring WNIC’s and BCLIC’s insurance policy liabilities in reinsurance deals would expose Beechwood Re to financial risk and that, before entering into reinsurance deals, WNIC and BCLIC would need assurances from them that Beechwood Re had substantial capital to bear such risks. Accordingly, starting in the summer of 2013, through the signing of the Reinsurance Agreements in February 2014, Beechwood Capital and Beechwood Re, in the persons of Feuer, Taylor and Levy, repeatedly misrepresented to WNIC and BCLIC the capital of Beechwood Re and its corporate parent. Beechwood Capital, Beechwood Re, Feuer, Taylor and Levy repeatedly misrepresented to WNIC and BCLIC that Beechwood had over \$100 million in capital, when in fact Beechwood Re and Holdings had less than \$300,000 in capital.</p>
612	<p>When Johnson and other WNIC and BCLIC representatives continued noticing these data points – that is, Beechwood’s investment of trust assets in funds or entities controlled by Platinum – they called for a meeting. At a face-to-face meeting in New York in late March 2014, Feuer, Taylor and Levy specifically denied (again) the existence of any relationship between Beechwood and Platinum, even though Platinum co-founders Nordlicht, Huberfeld and Bodner owned majority positions in and controlled Beechwood Re, Holdings (its parent company), BAM and BAM Administrative. The Co-conspirators continued concealing the truth – that Beechwood and Platinum were commonly owned and controlled by the Platinum co-founders – by telling the lie that Beechwood was investing in these Platinum positions because Levy was familiar with them and believed they were valuable investments based on his former employment with Platinum.</p>
618	<p>The Co-conspirators then fraudulently diverted this \$75 million in “capital” [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] (the “Demand Note Transfer”).</p>

Exhibit F

Beechwood Re Ltd

Beechwood Re Ltd

Paragraph	Text of Allegation
475	The vehicle through which the Co-conspirators committed the fraud – Beechwood Re – is now insolvent and being liquidated. WNIC and BCLIC seek to hold the Co-conspirators and the entities they owned and controlled liable for the more than \$100 million in damages that they proximately caused WNIC and BCLIC to suffer with their fraud and racketeering.
478	Cross-claim/third-party Plaintiff WNIC is an insurance company domiciled in Indiana, with its principal place of business in Carmel, Indiana. The Co-conspirators perpetrated a deceptive scheme to enrich themselves by inducing WNIC to enter into a reinsurance transaction with Beechwood Re, using deceptive devices designed to conceal that Platinum controlled Beechwood Re.
479	Cross-claim/third-party Plaintiff BCLIC is an insurance company domiciled in New York, with its principal place of business in Jericho, New York. The Co-conspirators perpetrated a deceptive scheme to enrich themselves by inducing BCLIC to enter into a reinsurance transaction with Beechwood Re, using deceptive devices designed to conceal that Platinum controlled Beechwood Re.
480	<p>Cross-claim/third-party defendant Mark Nordlicht was a Platinum co-founder, the owner of several of the Beechwood entities (including Beechwood Re, Holdings and BAM), the individual who ultimately controlled Beechwood Re, BAM and BAM Administrative’s investments of WNIC’s and BCLIC’s reinsurance trust assets and a mastermind of the Platinum-Beechwood racketeering scheme. He is also a defendant in the PPVA Action. Nordlicht had offices and email addresses at both Platinum and Beechwood, from which Nordlicht directed the Co-conspirators. For example, in a [REDACTED] meeting, the month that Beechwood Re signed the reinsurance agreements with WNIC and BCLIC (the “Reinsurance Agreements” or “Agreements”), [REDACTED]</p> <p>When the Co-conspirators began [REDACTED]</p> <p>[REDACTED]</p>
481	<p>Cross-claim/third-party defendant Murray Huberfeld was a Platinum co-founder, a mastermind of the Platinum-Beechwood racketeering scheme and an individual who specifically directed certain of Beechwood Re, BAM and BAM Administrative’s investments of WNIC’s and BCLIC’s reinsurance trust assets (e.g., Ace Foundation, Quest Livery Leasing LLC (“Quest Livery”), JF Aircorp). He is also a defendant in the PPVA Action. In a [REDACTED]</p> <p>[REDACTED] Like Nordlicht, Huberfeld maintained offices at both Platinum and Beechwood from which he directed the Co-conspirators. [REDACTED]</p> <p>[REDACTED] Often, however, given his checkered history, Huberfeld conducted the conspiracy’s day-to-day business via a secretary who relayed his directives to other Co-conspirators.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
483	<p>Cross-claim/third-party defendant Mark Feuer was a founder and CEO of Beechwood Re as well as the principal of most Beechwood entities. In accordance with the Co-conspirators' agreement, Feuer served as the key front-man for the Co-conspirators' fraudulent activities, lending a patina of respectability to Beechwood that the likes of Nordlicht, Huberfeld and Bodner could not. A critical part of the Co-conspirators' agreement was that Feuer and Taylor should deny that Beechwood was owned, controlled or funded by Platinum and take great pains to conceal those relationships, even though the Co-conspirators acknowledged to each other that Beechwood and Platinum were commonly owned and integrated enterprises. Feuer's and Taylor's vehement denials of the relationships between Beechwood and Platinum were critical</p> <p>[REDACTED]</p> <p>[REDACTED] – but also because Platinum co-founders Nordlicht, Huberfeld and Bodner were known to be disreputable. Thus, throughout the fall of 2013, as Beechwood was negotiating the reinsurance transactions with WNIC and BCLIC, Feuer repeatedly misrepresented Beechwood Re's ownership structure, capitalization and management team to WNIC's and BCLIC's negotiating team, including Timothy Bischof, Fred Crawford and Eric Johnson. As noted above, [REDACTED]</p> <p>[REDACTED]</p>
485	<p>Cross-claim/third-party defendant Scott Taylor was a founder and President of Beechwood Re as well as the principal of most Beechwood entities. In accordance with the Co-conspirators' agreement, Taylor, along with Feuer, served as the key front-man for the Co-conspirators' fraudulent activities, lending a patina of respectability to Beechwood that the likes of Nordlicht, Huberfeld and Bodner could not. As was the case with Feuer (and in accordance with the Co-conspirators' plan), a critical part of the agreement was that Taylor deny that Beechwood was owned, controlled or funded by Platinum and take great pains to conceal those relationships, even though the Co-conspirators acknowledged to each other that Beechwood and Platinum were integrated.</p>
486	<p>The complete fraudulence of Taylor's denials are exemplified in [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] All the while, Taylor was denying to WNIC and BCLIC that Beechwood and Platinum were related.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
487	<p>Thus, throughout the fall of 2013, as Beechwood Capital and Beechwood Re were negotiating the reinsurance transactions with WNIC and BCLIC, Taylor repeatedly misrepresented Beechwood Re’s ownership structure, capitalization and management team to WNIC’s and BCLIC’s negotiating team, including Timothy Bischof, Fred Crawford and Eric Johnson. For example, on September 29, 2013, Taylor, on behalf of Beechwood Re and Beechwood Capital (and with the agreement of the Co-conspirators), misrepresented to WNIC and BCLIC that Beechwood Re was “[o]wned by three U.S. individuals [Feuer, Taylor and Levy],” was “[c]apitalized with [approx.] \$130M of private funds, non-redeemable, with no connection to ‘private equity’ . . . and all the original capital as surplus ([approx.] \$130M).” Those were all lies. [REDACTED]</p>
489	<p>Cross-claim/third-party defendant David Levy was a senior manager of both Platinum and Beechwood, sometimes simultaneously (unbeknownst to WNIC or BCLIC), as the Co-conspirators’ needs dictated. Throughout the fall of 2013, while Beechwood was negotiating the reinsurance transactions with WNIC and BCLIC, [REDACTED]</p> <p>[REDACTED] As part of the Beechwood team negotiating with WNIC and BCLIC, Levy misrepresented Beechwood’s ownership structure, capitalization and management team to WNIC’s and BCLIC’s negotiating team, including Timothy Bischof, Fred Crawford and Eric Johnson. After the Reinsurance Agreements were signed in February 2014, Levy served as the Chief Investment Officer (“CIO”) for Beechwood Re and BAM and directed the investment of WNIC’s and BCLIC’s reinsurance trust assets. Unbeknownst to WNIC and BCLIC (and while owing fiduciaries duties to WNIC and BCLIC), he secretly directed the Co-conspirators’ fraudulent scheme to use WNIC’s and BCLIC’s reinsurance trust assets as a piggybank for Platinum, while under the secret control of Nordlicht and Platinum. During that time, Levy served the conspiracy by, among other things, directing the Co-conspirators’ manipulation of the consent solicitation of 13.75% Senior Secured Notes in Black Elk Energy Offshore Operations LLC (“Black Elk”), in which Levy and the Co-conspirators used WNIC and BCLIC trust assets to purchase millions of dollars in Black Elk senior secured notes, only to then force the trusts to surrender their priority interests in favor of Platinum, so Platinum could abscond with the proceeds (the “Black Elk Note” scandal). Levy is currently being prosecuted for his role in the Black Elk Note scandal, along with Nordlicht, Small and others. Levy orchestrated the Black Elk Note scandal with the full knowledge of the Co-conspirators, including Feuer and Taylor, while simultaneously serving in senior management positions for both Platinum and Beechwood.</p>
491	<p>Third-party defendant Rick Hodgdon was a senior manager of Platinum [REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Hodgdon as a senior manager at Beechwood Re all the while he was employed as a senior manager of Platinum. Hodgdon and his Co-conspirators lived this lie for the better part of two years, starting in July 2013, all the while that Hodgdon’s paychecks were coming from Platinum.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
504	<p>Cross-claim/third-party defendant Daniel Saks a/k/a Danny Saks was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED] While purportedly serving in this role and owing fiduciaries duties to WNIC and BCLIC, Saks directed the investment of WNIC’s and BCLIC’s reinsurance trust assets and furthered the Co-conspirators’ fraudulent scheme by using WNIC’s and BCLIC’s reinsurance trust assets as a piggybank for Platinum, all the while being under the secret control of Nordlicht and Platinum. For example, while purportedly serving as CIO for Beechwood Re and BAM, Saks was continuing to act for Platinum and used his dual roles in furtherance of the Black Elk Note scandal that Nordlicht directed. He was also instrumental in the Co-conspirators’ fraudulent scheme to overvalue Platinum-controlled entities, referred to as “Scheme 1” in the PPVA Action, into which he and other Co-conspirators invested WNIC’s and BCLIC’s trust assets. As set forth below, after the Reinsurance Agreements were signed, Saks was instrumental in continuing the fraud that Platinum and Beechwood were unrelated parties.</p>
505	<p>Third-party defendant Hokyong Kim a/k/a Stewart Kim was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Kim as the Chief Risk Officer for Beechwood Re and BAM, [REDACTED]</p> <p>[REDACTED] Kim and the Co-conspirators lived this lie starting in November 2013, all the while that Kim’s paychecks were coming from Platinum. Among other roles that Kim played in the conspiracy, he was involved in the fraudulent scheme [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
506	<p>Third-party defendant Paul Poteat was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Poteat as the Chief Technology Officer for Beechwood Re [REDACTED] all the while Poteat was employed as a senior manager of Platinum. Poteat and the Co-conspirators lived this lie for several years, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
509	<p>Cross-claim/third-party defendant Beechwood Re is and always has been an alien insurer not licensed to do insurance business in this state. It was incorporated as a Cayman Islands insurer in June 2013. Starting in or around July 2013 and into the summer of 2016, Feuer, Taylor and Levy, on behalf of Beechwood Re and other cross-claim/third-party defendants, repeatedly represented to WNIC and BCLIC, among others, that they owned and controlled Beechwood Re and that there were no other persons who had any material role in owning or controlling Beechwood Re. These repeated representations were false, as Beechwood Re was owned and controlled by Platinum founders Nordlicht, Huberfeld and Bodner. Although Feuer, Taylor and Levy represented that a “passive investor” held a minor ownership interest in Beechwood Re, they further represented that the passive investor did not control Beechwood Re and that a confidentiality agreement precluded them from disclosing the passive investor. These representations were also false, as the “passive” investors – Platinum founders Nordlicht, Huberfeld and Bodner – owned a controlling stake in Beechwood Re and controlled Beechwood Re in fact. Moreover, it turns out that there was no confidentiality agreement that precluded Beechwood Re, Feuer, Taylor or Levy from disclosing who owned and controlled Beechwood Re. The Co-conspirators concealed these facts, misrepresented the ownership of Beechwood Re and made misrepresentations about non-existent confidentiality agreements because [REDACTED]</p> <p>[REDACTED] After Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC to prevent them from terminating the Agreements. Beechwood Re most often perpetrated these continuing fraudulent acts, including breaches of its fiduciary duties, through its designated agents, BAM and BAM Administrative.</p>
510	<p>As an alien insurer not licensed to do insurance business in this state, Beechwood Re is subject to the provisions of New York Insurance Law Section 1213(c)(1)(A) (the “Security Statute”), which requires an alien insurer, including reinsurers such as Beechwood Re, to post security before it will be permitted to defend itself against insureds or ceding parties, such as WNIC and BCLIC, who seek damages against Beechwood Re. The Security Statute provides that, before an alien insurer such as Beechwood Re files “any pleading” against WNIC or BCLIC, it must first (emphasis added) “deposit with the clerk of the court . . . cash or securities or file with such clerk a bond with good and sufficient sureties, to be approved by the court, in an amount to be fixed by the court sufficient to secure payment of any final judgment which may be rendered in the proceeding.” Beechwood Re has not satisfied this prerequisite to its filing of any pleading against WNIC or BCLIC.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
511	<p>Cross-claim/third-party defendant Holdings is and, at all times material to these cross-claims, was the parent company of Beechwood Re and a Delaware corporation with its principal place of business in New York, New York. Starting in or around July 2013 and into the summer of 2016, Feuer, Taylor and Levy, on behalf of Holdings and others, repeatedly represented to WNIC and BCLIC, among others, that they and only they owned and controlled Beechwood Re, which by definition included Beechwood Re's parent company, Holdings. These repeated representations were false, as Holdings was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Although Feuer, Taylor and Levy represented that a "passive investor" held a minor ownership interest in Beechwood Re and its parent company, they further represented that the passive investor did not control Beechwood Re and that a confidentiality agreement precluded them from disclosing the passive investor. These representations were also false, as the passive investors – Platinum founders Nordlicht, Huberfeld and Bodner – owned a controlling stake in both Beechwood Re and its parent company and in fact controlled those entities. Moreover, it turns out that there was no confidentiality agreement that precluded Holdings, Beechwood Re, Feuer, Taylor or Levy from disclosing who owned and controlled Beechwood Re and Holdings. The Co-conspirators concealed these facts, misrepresented the ownership of Beechwood Re and Holdings and made misrepresentations about non-existent confidentiality agreements because [REDACTED]</p>
512	<p>Cross-claim/third-party defendant Beechwood Capital was an agent for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in or around May 2013 and for several months thereafter, Beechwood Capital, in the persons of Feuer and Taylor, on behalf of Beechwood Re, BAM and others, repeatedly represented to WNIC and BCLIC, among others, that Feuer, Taylor and Levy owned and controlled Beechwood Re and BAM and that there were no other persons who had any material role in owning or controlling Beechwood Re and BAM. These repeated representations were false, as Beechwood Re and BAM were owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner.</p>
513	<p>Cross-claim/third-party defendant BAM is and, at all times material to these claims, was an agent and the investment manager for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in the fall of 2013, Feuer, Taylor and Levy, on behalf of BAM and others, repeatedly represented to WNIC and BCLIC, among others, that they owned and controlled BAM and that there were no other persons who had any material role in owning or controlling BAM. These repeated representations were false, as BAM was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Moreover, after Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC in February 2014, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC (and continued breaching its fiduciary duties to them), through Beechwood Re's designated agents, BAM and BAM Administrative.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
514	Cross-claim/third-party defendant BAM Administrative is and, at all times material to these claims, served as an agent for Beechwood Re and BAM, among other Beechwood entities, in administering all aspects of the Reinsurance Agreements with WNIC and BCLIC. BAM Administrative was a limited liability company organized under Delaware law with its principal place of business in New York, New York. As noted above, after Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC in February 2014, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC (and continued breaching its fiduciary duties to them), through Beechwood Re's designated agents, BAM and BAM Administrative.
515	Cross-claim/third-party defendant BBL is and, at all times material to these claims, was an entity organized under Bermuda law, with its principal place of business in Bermuda and a place of business in New York. BBL was a reinsurance company that was licensed as an insurer located in Hamilton, Bermuda, and regulated by the Bermuda Monetary Authority. [REDACTED] Feuer, Taylor and Levy, had represented to WNIC and BCLIC would support Beechwood Re's obligations to WNIC and BCLIC. In 2014, however, [REDACTED] diverted the so-called "capital" that supported Beechwood Re's obligations to WNIC and BCLIC [REDACTED] without disclosing the diversion to WNIC or BCLIC at the time of the diversion.
516	Cross-claim/third-party defendant BBIL is and, at all times material to these claims, was an entity organized under Bermuda law, with its principal place of business in Bermuda and a place of business in New York. [REDACTED] Feuer, Taylor and Levy, had represented to WNIC and BCLIC would support Beechwood Re's obligations to WNIC and BCLIC. In 2014, however, [REDACTED] diverted the so-called "capital" that supported Beechwood Re's obligations to WNIC and BCLIC [REDACTED], without disclosing the diversion to WNIC or BCLIC at the time of the diversion.
517	Third-party defendant PB Investment Holdings Ltd. ("PB Investment") is the successor-in-interest to BBIH. PB Investment is and, at all times material to these claims, was an entity organized under Bermuda law, with its principal place of business in Bermuda. BBIH was a reinsurance and wealth management company domiciled in Bermuda that issued wealth management products for Beechwood entities. [REDACTED] Feuer, Taylor and Levy, had represented to WNIC and BCLIC would support Beechwood Re's obligations to WNIC and BCLIC. In 2014, however, [REDACTED] diverted the so-called "capital" that supported Beechwood Re's obligations to WNIC and BCLIC [REDACTED], without disclosing the diversion to WNIC or BCLIC at the time of the diversion.

Beechwood Re Ltd

Paragraph	Text of Allegation
518	<p>This pleading will refer to BBL, BBIL and BBIH (and its successor-in-interest PB Investments) collectively as “Beechwood Bermuda.” Cross-claim/third-party defendants the Beechwood Trusts are and, at all times material to these claims, were trusts that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner, except for Trust No. 20, which was established and controlled by Levy. The Platinum co-founders and Levy created each of the Beechwood Trusts as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators’ racketeering activities and placing them beyond the reach of their creditors. Each of the Beechwood Trusts is an alter ego of either Nordlicht, Bodner, Huberfeld or Levy (in the case of Trust No. 20 only). Through Beechwood Trusts Nos. 1 through 19, Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.</p>
520	<p>Cross-claim/third-party defendants Beechwood Series, A through I, are and, at all times material to these claims, were vehicles that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner for funding and controlling Beechwood. The Platinum co-founders created each Beechwood Series as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators’ racketeering activities and placing them beyond the reach of their creditors. Each Beechwood Series is an alter ego of either Nordlicht, Bodner or Huberfeld. Through each Beechwood Series (and Beechwood Investments generally), Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.</p>
521	<p>Moreover, Beechwood Investments and each Beechwood Series provided Beechwood Re and other Beechwood entities with the so-called “capital” that Beechwood Re, in the persons of Feuer, Taylor and Levy, had represented to WNIC and BCLIC would support Beechwood Re’s obligations to WNIC and BCLIC. In 2014, however, [REDACTED] entities diverted the so-called “capital” that supported Beechwood Re’s obligations to WNIC and BCLIC [REDACTED], without disclosing the diversion to WNIC or BCLIC at the time of the diversion.</p>
532	<p>In early 2013, [REDACTED] The conspirators agreed to establish a reinsurance company, Beechwood Re, and use it as the vehicle for fraudulently inducing insurers to hand over funds to Beechwood, via reinsurance agreements or otherwise, so that Beechwood could use those funds to keep Platinum afloat, thereby enriching the Co-conspirators. The Co-conspirators used the mails and wires of interstate commerce to carry out these schemes. Beechwood Re served as the racketeering enterprise through which Nordlicht, Huberfeld, Feuer, Taylor, Levy, Bodner, Beechwood Capital and their many colleagues perpetrated a pattern of racketeering activity over several years aimed at WNIC, BCLIC, Senior Health Insurance Company of Pennsylvania (“SHIP”) and other insurers, with Feuer, Taylor and Levy as the front men.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
533	The Co-conspirators agreed that [REDACTED]
535	It was in this context that Beechwood Re, the reinsurer critical to executing the fraud scheme, was established and integrated with Platinum.
536	By 2013, WNIC and BCLIC were in the market to reinsure certain blocks of their long-term care business. In May 2013, [REDACTED] Feuer and Taylor presented themselves under the name of Beechwood Capital and represented that they were developing a “new entrant into the life and health reinsurance market,” Beechwood Re. They assiduously concealed that Platinum founders Nordlicht, Huberfeld and Bodner were controlling and bankrolling them. On behalf of Beechwood Capital and the yet-to-be formed Beechwood Re, they stated their intention to submit a proposal for WNIC’s and BCLIC’s reinsurance business. They held themselves out as legitimate businessmen who would establish a world-class reinsurance company, with at least \$100 million in capital that they would prudently invest and manage WNIC’s and BCLIC’s reinsurance trust funds. Ultimately, both WNIC and BCLIC entered into a reinsurance agreement with Beechwood Re (the Reinsurance Agreements), which incorporated as a Cayman Islands insurer in the summer of 2013.
537	Feuer, Taylor and Levy induced WNIC and BCLIC to enter into the Reinsurance Agreements with a pack of lies. The lies centered on four subjects. Feuer, Taylor and Levy repeatedly misrepresented (a) who owned Beechwood Re and the other Beechwood entities; (b) Beechwood Re’s capital; (c) how Beechwood Re would invest the assets that WNIC and BCLIC would transfer to Beechwood Re under reinsurance agreements; and (d) who would control and operate Beechwood Re and other Beechwood affiliates. In short, they lied about practically everything that mattered for the reinsurance deals.
538	Beechwood Re and Beechwood Capital, in the persons of Feuer, Taylor and Levy, [REDACTED]. Accordingly, from their earliest contacts with WNIC and BCLIC in 2013 through the signing of the Reinsurance Agreements in February 2014, Beechwood Capital, Beechwood Re, Feuer, Taylor and Levy repeatedly misrepresented the ownership structure of Beechwood. They misrepresented that only Feuer, Taylor and Levy owned and controlled Beechwood Re, its parent company (Holdings) and BAM.
539	Beechwood Re, Beechwood Capital and BAM, in the persons of Feuer, Taylor, Levy and Hodgdon, made these misrepresentations about the ownership structure and control of Beechwood in several written presentations to WNIC and BCLIC. On July 2, 2013, Taylor, Hodgdon and Levy, on behalf of Beechwood Re, Holdings, Beechwood Capital and BAM, sent WNIC and BCLIC a written presentation with these misrepresentations.
540	In that presentation, Feuer, Taylor, Hodgdon and Levy misrepresented that only Feuer, Taylor and Levy owned and controlled Beechwood Re, its parent company and BAM. [REDACTED]

Beechwood Re Ltd

Paragraph	Text of Allegation
541	<p>On September 29, 2013, the Co-conspirators made new sets of misrepresentations to WNIC and BCLIC about the ownership and control of Beechwood. On that date Taylor, on behalf of Beechwood Re, its parent company, Beechwood Capital and BAM (and with the agreement of the Co-conspirators), misrepresented to WNIC and BCLIC in an email that Beechwood Re was “[o]wned by three U.S. individuals [Feuer, Taylor and Levy].” He further misrepresented that Beechwood had “no connection to ‘private equity.’” In fact, at that time, Beechwood was funded, owned and controlled by private equity in the persons of Nordlicht, Huberfeld and Bodner.</p>
542	<p>These representations were knowingly false. The Co-conspirators’ [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Moreover, the Co-conspirators had no confidentiality agreement that precluded them from revealing Beechwood’s ownership structure. They misrepresented the ownership structure to WNIC and BCLIC and concealed [REDACTED] control and ownership of Beechwood precisely because [REDACTED]</p> <p>[REDACTED] WNIC and BCLIC would not enter into reinsurance deals with entities owned, controlled and funded [REDACTED] particularly those with the checkered pasts that Nordlicht, Huberfeld and Bodner had. In entering into the Reinsurance Agreements, WNIC and BCLIC reasonably relied, to their detriment, on the misrepresentations by Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy about the ownership structure of Beechwood.</p>
543	<p>Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy knew that acquiring WNIC’s and BCLIC’s insurance policy liabilities in reinsurance deals would expose Beechwood Re to financial risk and that, before entering into reinsurance deals, WNIC and BCLIC would need assurances from them that Beechwood Re had substantial capital to bear such risks. Accordingly, starting in the summer of 2013, through the signing of the Reinsurance Agreements in February 2014, Beechwood Capital and Beechwood Re, in the persons of Feuer, Taylor and Levy, repeatedly misrepresented to WNIC and BCLIC the capital of Beechwood Re and its corporate parent. Beechwood Capital, Beechwood Re, Feuer, Taylor and Levy repeatedly misrepresented to WNIC and BCLIC that Beechwood had over \$100 million in capital, when in fact Beechwood Re and Holdings had less than \$300,000 in capital.</p>
544	<p>The misrepresentations began in the summer of 2013. On July 8, 2013, Beechwood Re, Beechwood Capital, Feuer, Taylor and Hodgdon sent WNIC and BCLIC a slide deck that falsely represented that Beechwood Re had over \$100 million in “capital, with access and intent to fund up to \$500 million additional over coming years.” This was a lie. [REDACTED]</p> <p>[REDACTED] That was also a lie. As described below, Beechwood was not capitalized with over \$100 million. It had less than \$300,000 in capital.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
545	<p>Instead, Beechwood Re, Beechwood Capital, Feuer, Taylor, Hodgdon and Levy, along with the Nordlicht Group, devised a scheme to have [REDACTED] issue a demand note in the amount of \$100 million (the "Demand Note") and disguise the issuers of the note under the name [REDACTED]. Beechwood Re, Beechwood Capital, Feuer, Taylor, Hodgdon and Levy continued to repeatedly represent to WNIC and BCLIC that Beechwood had over \$100 million in capital and that most of that capital came from the individual funds of Feuer, Taylor and Levy.</p>
546	<p>The Co-conspirators, led by Beechwood Capital, Beechwood Re, Feuer, Taylor, Levy and Hodgdon, hid the existence of the Demand Note from WNIC and BCLIC for at least two reasons: [REDACTED] [REDACTED]. The Co-conspirators knew that WNIC and BCLIC would not enter into reinsurance deals in which [REDACTED]. So, Beechwood Re, Beechwood Capital, Feuer, Taylor, Levy and Hodgdon concealed the truth and misrepresented to WNIC and BCLIC that Feuer, Taylor and Levy themselves had over \$100 million in "capital."</p>
547	<p>In accordance with the agreement of the Co-conspirators, this deceptive scheme included their forwarding to WNIC and BCLIC a letter to David Levy, dated September 10, 2013, vouching that Beechwood Re had "between \$100 million and \$130 million" of "capital," and that "Beechwood Re Ltd is also investing \$10 million in cash." Contemporaneously, Feuer and Taylor also provided WNIC and BCLIC with an "Unaudited Balance Sheet [dated] September 1, 2013," representing that Beechwood Re had total assets of \$114,801,585, with no liabilities. In forwarding these documents to WNIC and BCLIC (and in perpetrating this deceptive scheme generally), the Co-conspirators used the mails and wires of interstate commerce. Feuer and Taylor, among other Co-conspirators, made the same or similar representations to insurance regulators in New York, Indiana and other jurisdictions to convince the regulators to approve (or not disapprove) the Reinsurance Agreements that were ultimately signed.</p>
548	<p>These representations were knowingly false. First, Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy [REDACTED] [REDACTED]. It was funded with less than \$300,000 in cash, i.e., capital. [REDACTED] [REDACTED] which the Receiver and plaintiffs in the PPVA Action have acknowledged were fraudulently overvalued. Co-conspirator Dhruv Narain described this collateral [REDACTED] [REDACTED]</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
549	<p>The falsity of the Co-conspirators’ representations regarding Beechwood’s capital has been confirmed by the people now in control of Beechwood Re. In 2017, after the Cayman Islands insurance regulator, the Cayman Islands Monetary Authority (“CIMA”), assumed control of Beechwood Re and appointed Controllers to take the reins, the Controllers [REDACTED]. The Co-conspirators had misrepresented Beechwood’s capital position to WNIC and BCLIC and concealed the true capital position of Beechwood Re and its parent company precisely because they knew WNIC and BCLIC would not enter into \$600 million in reinsurance deals with Beechwood if the Co-conspirators revealed that it was capitalized with less than \$300,000. WNIC and BCLIC reasonably relied on the Co-conspirators’ misrepresentations, to their detriment, in entering into the Reinsurance Agreements – just as the Co-conspirators intended and knew would happen.</p>
550	<p>Under the Reinsurance Agreements between WNIC and BCLIC, on the one hand, and Beechwood Re, on the other hand, WNIC and BCLIC were to transfer almost \$600 million in assets to Beechwood Re to ensure that future liabilities to policyholders were met, and Beechwood Re was to place those assets in reinsurance trust accounts to ensure that the assets would be preserved for that purpose. Beechwood was to be responsible for investing these assets in the reinsurance trust accounts and safeguarding them for use in covering future policyholder liabilities.</p>
552	<p>First, [REDACTED]</p>
553	<p>Beechwood was required – under both the governing insurance laws and regulations and the Reinsurance Agreements – to grant WNIC and BCLIC “first priority security interests” in the assets in the trust accounts. State insurance regulations in both New York and Indiana, among other jurisdictions, require significant protections for policyholders when an alien reinsurer, such as Beechwood Re, assumes ceded policyholder liabilities from licensed insurers such as WNIC and BCLIC. When, as was the case here, the parties to the reinsurance transactions chose to protect policyholder interests by ensuring that the alien reinsurer preserve the transferred assets in reinsurance trusts, insurance laws require that the ceding insurers receive a “first priority security interest” in reinsurance trust accounts, so that the assets will be maintained for the payment of valid policy claims.</p>
554	<p>[REDACTED]</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
555	[REDACTED]
556	Specifically, Beechwood [REDACTED]
557	[REDACTED] By approximately February 2014, it had entered into the Reinsurance (and accompanying) Agreements with WNIC and BCLIC, under which Beechwood Re granted WNIC and BCLIC a “first priority security interest” in the respective reinsurance trust accounts established with each insurer (as the law required), [REDACTED]
558 n. 19	For example, [REDACTED]
562	Second, Beechwood Re, Beechwood Capital and BAM, in the persons of Feuer, Taylor and Levy, [REDACTED]. They repeated those and similar representations to WNIC and BCLIC throughout the parties’ negotiations of the Reinsurance Agreements.

Beechwood Re Ltd

Paragraph	Text of Allegation
569	<p>These representations about David Levy's [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
570	<p>Fifth, during negotiations with WNIC and BCLIC, Beechwood repeatedly represented that it would retain a valuation company to provide "independent" valuations for the investments of WNIC and BCLIC reinsurance trust assets that Beechwood Re made. Beechwood Re and Beechwood Capital, in the persons of Feuer, Taylor and Levy, made these representations to WNIC and BCLIC on several occasions. First, they made them in a June 2013 Powerpoint presentation that they sent to WNIC and BCLIC. Second, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
571	<p>These representations were false, and Feuer, Taylor, Levy and the other Co-conspirators knew them to be false when they made them. In fact, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
572	<p>Beechwood engaged in a continuous charade during the period that it negotiated reinsurance arrangements with WNIC and BCLIC (and for several years thereafter). Beechwood continuously misrepresented its senior management team as being employed by Beechwood Re or its agent and investment manager, BAM, when in fact most of its senior management team was either employed by Platinum or shuttled back and forth between Beechwood and Platinum entities in a revolving door arrangement. As the Co-conspirators stated in the Co-conspirators' Confession Email: "beechwood and platinum really are integrated."</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
580	<p>Nothing changed when Saks left at the end of 2015 and Narain replaced him as CIO for Beechwood Re and BAM in 2016. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] To the contrary, Feuer, Taylor, Saks, Narain, Kim and the other Co-conspirators denied that there was any relationship between Platinum and Beechwood – often vehemently, in the case of Feuer – and totally concealed Platinum’s control over Beechwood. They hid from WNIC and BCLIC what Co-conspirators admitted: that the two were “integrated.” See Ex. 31 to the First Amended Complaint in the PPVA Action.</p>
585 n. 20	<p>The SEC issued its Examination Findings on or about September 22, 2015. Although the SEC investigated Platinum’s relationship to Beechwood, the SEC’s detailed report identifying dozens of violations on the part of Platinum does not even mention Beechwood. The Co-conspirators apparently fooled their lawyers and the SEC about the Platinum-Beechwood relationship, just as they fooled WNIC and BCLIC.</p>
587	<p>[REDACTED] even in late 2016 as the SEC was serving subpoenas all over town seeking more information about the Platinum-Beechwood relationship, and the media was reporting on Platinum’s problems as Huberfeld was arrested [REDACTED]</p>
588	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
590	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
591	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] That was a lie, of course.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
592	Conspiracies work only when they are kept secret. The Co-conspirators went to extraordinary lengths to hide from everyone that Beechwood Re was, as the Receiver has admitted, part of Platinum and its alter ego. Each of the cross-claim and third-party defendants sued herein intentionally and voluntarily took part in the conspiracy and the effort to keep it a secret, thus making them liable to BCLIC and WNIC.
593	WNIC and BCLIC signed their respective Reinsurance (and accompanying) Agreements with Beechwood Re on February 10, 2014.
594	Under the Reinsurance Agreements, Beechwood Re assumed control over claims administration for the ceded long-term care insurance policies, and WNIC and BCLIC transferred almost \$600 million, largely in cash, into reinsurance trusts for each of WNIC and BCLIC, respectively, to be invested and managed by Beechwood Re and its agents, BAM and BAM Administrative, subject to investment guidelines prescribed by the Reinsurance Agreements. The assets in the trusts were intended to serve as reliable (i.e., safe and liquid) collateral for Beechwood Re's obligations to reimburse WNIC and BCLIC for claims on the transferred liabilities, and for WNIC and BCLIC to obtain reserve credits in accordance with insurance regulations. Beechwood Re's promises concerning the management and investment of the trust assets were essential to WNIC's and BCLIC's agreement to reinsure the transferred business with Beechwood Re.
595	The Reinsurance Agreements and investment guidelines afforded Beechwood Re, BAM and BAM Administrative considerable discretionary authority to manage the assets in WNIC's and BCLIC's trust accounts. However, there were various requirements pursuant to which Beechwood Re had no discretion.
596	First, Beechwood Re was required to deposit assets into the primary reinsurance trust accounts for WNIC and BCLIC with an aggregate fair market value of 102% of the statutorily required reserves (i.e., policy liabilities) for each. Beechwood Re was required to maintain these trust accounts so that they contained "Qualifying Trust Assets" meeting contractual thresholds. These trust account assets thus served as collateral for Beechwood Re's obligation to pay future claims on the reinsured policies. For purposes of calculating whether contractual thresholds were met, only trust assets in compliance with the Reinsurance Agreements' investment guidelines qualified, and the Agreements defined "Qualifying Trust Assets" to include cash, certificates of deposit, or specific kinds of investments permitted under New York and Indiana insurance laws, not including investments in which either party or its affiliates had an interest, or investments in insolvent entities. As it turned out, Beechwood Re routinely filled the reinsurance trusts with investments in Platinum-controlled funds and entities (among other non-arm's-length investments), while valuing these investments as if they were "Qualifying Trust Assets," when in fact they were not; they were the product of self-dealing.

Beechwood Re Ltd

Paragraph	Text of Allegation
597	<p>Second, Beechwood Re was required to provide to WNIC and BCLIC written valuation reports from an outside vendor that demonstrated the “fair market value” of assets in the trusts. “Fair market value” was defined as the “price for which an asset would be sold in a transaction on the open market between an unrelated buyer and seller.” The reports were required to contain supporting detail and other information necessary for WNIC and BCLIC to verify that the assets were properly valued. Implicit in this requirement was that the outside vendor would independently prepare its valuation opinions. Beechwood Re, BAM and BAM Administrative routinely provided quarterly reports that were the antithesis of independent valuations by an outside vendor; instead, they were designed to support Beechwood’s own internal valuations of its investments, which valued and treated its investments in Platinum-controlled funds and entities as if they had been negotiated “between an unrelated buyer and seller,” when in fact they had not been. They were the product of self-dealing.</p>
598	<p>Third, at the end of each quarter, the Reinsurance Agreements required Beechwood Re to top-up the trusts in the event that the fair market value of the assets in the trusts fell below 102% of the amount of the statutory liabilities ceded to Beechwood Re. However, if the fair market value of the trust assets exceeded contractual thresholds, Beechwood Re was permitted to withdraw funds from the trusts as “surplus” and distribute them as it saw fit. Whether a “surplus” existed would be determined based on the valuations set forth in the outside vendor’s valuation reports. Over the course of the parties’ relationship, Beechwood Re routinely and repeatedly avoided its obligation to top-up the trusts under its (and BAM’s and BAM Administrative’s) bogus representations that the fair market value of the trust assets exceeded the contractual thresholds – representations that were supported by Lincoln’s bogus “independent” valuation reports. In fact, its “fair market valuations” – and those of the non-independent valuation and rating agencies it retained to support its bogus valuations – ignored that their valuations of the egregious investments in Platinum-controlled funds and entities assumed that such investments were made “between an unrelated buyer and seller,” when in fact they had not been. They were the product of self-dealing.</p>
599	<p>Fourth, Beechwood Re was required to maintain supplemental trust accounts as overcollateralization of Beechwood Re’s obligations. Under the Reinsurance Agreements, the Supplemental Trusts must contain assets with an aggregate fair market value equal to the greater of 5% of the trust amounts and the supplemental trust amounts. Both the WNIC and BCLIC supplemental trust accounts were governed by investment guidelines very similar to or the same as the investment guidelines governing the WNIC primary trust account. Beechwood Re routinely invested supplemental trust assets in Platinum-controlled funds and entities and treated those investments as if they were made “between an unrelated buyer and seller.” They were instead the product of egregious self-dealing.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
600	Fifth, Beechwood Re was permitted to seek the withdrawal of assets from the supplemental trusts, but only if, at the end of a quarter, the fair market value of the assets in the supplemental trusts exceeded the greater of 5% of the trust amounts and the supplemental trust amounts, and the value of “Qualifying Trust Assets” was determined to exceed 102% of the statutorily required reserves. If, however, at the end of the quarter, the fair market value of the assets in the supplemental trusts was less than the greater of 5% of the trust amounts and the supplemental trust amounts, then Beechwood Re was required to make deposits into the supplemental trusts to bring the aggregate fair market value of supplemental trust assets to no less than the greater of 5% of the trust amounts and the supplemental trust amount. Beechwood Re demanded to withdraw assets from the supplemental trusts quarterly, under its bogus representations that the fair market value of the supplemental trust assets exceeded the contractual thresholds. In fact, its “fair market valuations” – and those of the non-independent valuation and rating agencies it retained to support its bogus valuations – ignored that their valuation of the investments in Platinum-controlled funds and entities assumed that such investments were made “between an unrelated buyer and seller,” when those investments were instead the product of egregious self-dealing.
601	Sixth, both Reinsurance Agreements and their accompanying trust agreements (the “Trust Agreements”) required that, when depositing assets or investments into the trust accounts, Beechwood Re was required to “execute assignments, endorsements in blank or transfer legal title to the trustee . . . in order [so that WNIC and BCLIC] may whenever necessary negotiate the trust assets without the consent or signature of [Beechwood Re] or any other entity.” Beechwood Re failed to comply with these provisions.
602	Schedule 3.3 of the WNIC Reinsurance Agreement required Beechwood Re to provide WNIC and BCLIC annually with Beechwood Re’s “audited financial statements.” Beechwood Re failed to comply with these provisions.
603	In the event that the Reinsurance Agreements were terminated and WNIC and BCLIC were required to recapture the trust assets to pay claims, the Agreements provided that Beechwood Re was required to pay WNIC and/or BCLIC “cash or admitted invested assets having a fair market value equal to the statutory reserves attributable to the liability being recaptured.” Beechwood Re was also required to repay a pro rata portion of the ceding commission WNIC paid upon execution of the Agreements. Beechwood Re failed to comply with these provisions.
604	After WNIC and BCLIC entered into their separate Reinsurance Agreements with Beechwood Re in February 2014, the Co-conspirators continued perpetrating their frauds on WNIC and BCLIC. Shortly after signing the Agreements, WNIC and BCLIC began transferring almost \$600 million to the reinsurance trusts for Beechwood Re to invest. Within ten minutes of Beechwood Re’s beginning to receive these assets, Feuer and Taylor contacted Huberfeld and Nordlicht to notify them that the funds were pouring in. Their scheme was working. [REDACTED]
604 n. 22	Adviser With Ties to Hedge Fund Platinum Put Client Funds in It, The Wall Street Journal, Sept. 17, 2016, available at http://www.wsj.com/articles/adviser-with-ties-to-hedge-fund-platinum-put-client-funds-in-it-1473997753 (the “9/17 WSJ Article”) (“Less than 10 minutes after Beechwood received word that money for its first transaction had arrived, Beechwood’s founders notified Nordlicht and Huberfeld, documents reviewed by the Journal show.”).

Beechwood Re Ltd

Paragraph	Text of Allegation
606	<p>In the next two and a half years after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] used the reinsurance trust assets as a piggybank to enrich themselves and further the Platinum Ponzi-esque scheme, abusing their fiduciary duties to WNIC and BCLIC, as the trust beneficiaries. The Co-conspirators admitted owing these fiduciaries duties. For example, before the Reinsurance Agreements were signed, Hodgdon admitted as much in an October 7, 2013 email he sent to Tim Bischof, copying Co-conspirators Feuer, Taylor and Levy acknowledging that Beechwood Re and its affiliates had duties “to protect the asset base” of WNIC’s and BCLIC’s reinsurance trusts due to “the fiduciary character of the insurance business.”</p>
609	<p>Instead of observing their fiduciary duties, however, the Co-conspirators abused their discretionary authority under the Reinsurance Agreements and the accompanying investment guidelines to invest the reinsurance trust assets in Platinum-controlled funds and entities in non-arm’s-length transactions designed to benefit themselves and Platinum. To the outside world, however, particularly WNIC and BCLIC, the Co-conspirators misrepresented these investments as being at arm’s-length, repeatedly denying that Beechwood had any relationship to Platinum, even though, as Bodner and Huberfeld admitted to each other, Beechwood and Platinum were “integrated.” They similarly misrepresented the investments as being at arm’s-length to regulators and the valuation and ratings companies they retained, except that [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
611	<p>The Co-conspirators continued perpetrating their frauds on WNIC and BCLIC in the process of abusing the discretionary authority that Beechwood Re and its agents had over the transferred assets. For example, they continued misrepresenting the ownership interests in and control over Beechwood. Almost immediately after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] WNIC and BCLIC representatives noticed these data points and began asking about it. Over the telephone, Levy told WNIC and BCLIC representative Eric Johnson, among others, that there was no relationship between Beechwood and Platinum.</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
623	<p>To keep WNIC and BCLIC from terminating the Reinsurance Agreements right then and there, Taylor assured WNIC and BCLIC that the “Beechwood Companies have an irrevocable right to the assets within a Delaware Series LLC” that are “valued in excess of \$100M.” [REDACTED]</p>
624	<p>[REDACTED]</p> <p>As they had intended, this kept WNIC and BCLIC from terminating the Reinsurance Agreements.</p>
625	<p>Unbeknownst to WNIC and BCLIC, the Co-conspirators instead used the \$75 million in Demand Note capacity that the Co-Conspirators had diverted from Beechwood Re [REDACTED]</p> <p>[REDACTED] BBIL’s executive vice president, David Lessing, to crow that BBIL was “on course for record monthly sales” in June 2016 and thus June 2016 “will be our best month, and that has been true for each month over the last couple of months.” [REDACTED]</p> <p>[REDACTED] At all relevant times, and in direct contradiction to what WNIC and BCLIC were told, none of the money was ever available to Beechwood Re to satisfy its obligations under the Reinsurance Agreements.</p>
626	<p>The Demand Note Transfer of \$75 million from Beechwood Re [REDACTED] left Beechwood Re a mere shell company, grossly undercapitalized and with assets that were wholly inadequate to cover its obligations to WNIC and BCLIC under the Reinsurance Agreements. This undercapitalization eventually led to Beechwood Re being placed in controllership in 2017, while Feuer, Taylor, Nordlicht, Levy and other Co-Conspirators enjoyed their ill-gotten gains from their fraudulent scheme.</p>
630	<p>Throughout 2014, WNIC and BCLIC continued questioning the discretionary investments of trust assets that Beechwood Re and its agents were making in Level 3 assets, a class of assets that are particularly illiquid and speculative. Some were investments in Platinum-controlled funds and entities. Some were investments in distressed entities or speculative ventures. Others involved lending to entities known to include disreputable individuals (or some combination of these attributes). Feuer, Taylor and Levy continued insisting that Beechwood Re and its agents were exercising their discretion appropriately.</p>

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Paragraph	Text of Allegation
631	<p>By the end of 2014, Feuer and Taylor finally conceded that Levy had been using his discretion inappropriately, but they again trotted out as the excuse the fact that he had formerly been employed at Platinum and was thus overly reliant on Platinum-controlled funds and entities as his source of investments for the trust assets. They promised that Levy would be separated from Beechwood and that Beechwood Re and its agents would divest the trust assets of Platinum-controlled funds and entities, all the while reiterating to WNIC and BCLIC that there was no relationship between Beechwood and Platinum. That was a lie.</p>
632	<p>By late 2014 or early 2015, Feuer and Taylor represented that Levy was no longer at Beechwood and that Danny Saks was replacing him as the CIO of Beechwood Re and its agent, BAM. [REDACTED] In fact, Saks was from Platinum, and was just one more senior manager in the integrated Platinum-Beechwood operating platform who wore both hats simultaneously and used the revolving door. The Co-conspirators, including Saks himself, concealed that fact from WNIC and BCLIC.</p>
633	<p>Despite Saks' supposed replacement of Levy as the CIO for Beechwood Re and BAM, little else changed. [REDACTED] And, despite promises from Feuer and Taylor that Beechwood Re and BAM would divest the trusts of Platinum-controlled funds and entities with Saks on board, they failed to keep their promises. Beechwood Re and its agents divested the trusts of some Platinum-controlled investments, but not all, and then added new Platinum-controlled funds and entities to the trusts' portfolios of assets during the course of 2015 and 2016.</p>
634	<p>[REDACTED]</p>

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Paragraph	Text of Allegation
642	<p>Second, the Co-conspirators continued [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Throughout 2014, 2015 and into 2016, WNIC and BCLIC continued questioning the prudence of Beechwood Re’s, BAM’s and BAM Administrative’s investment of trust assets into speculative and illiquid Level 3 assets and ventures, including but not limited to investments in Platinum-controlled funds and entities. Although Feuer, Taylor, Levy and others continued denying – and denying vehemently – the existence of any relationship between Beechwood and Platinum, WNIC and BCLIC also questioned whether these Level 3 assets were appropriate for supporting long-term care policy liabilities. Feuer, Taylor, Levy, Kim and later Saks and Narain – with Saks replacing Levy in 2015, and Narain replacing Saks in 2016 – repeatedly assured WNIC and BCLIC of the prudence of these investments.</p>
643	<p>Their assurances were fraudulent. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Yet, they never said as much to WNIC and BCLIC, to whom Beechwood Re, BAM and BAM Administrative owed fiduciary duties. Instead, they kept telling WNIC and BCLIC that [REDACTED] They said the same about their other investments in Level 3 assets that were not made at arm’s-length (and that they never revealed to WNIC and BCLIC were not made at arm’s-length).</p>

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Paragraph	Text of Allegation
	<p>[Redacted text block]</p>

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Paragraph	Text of Allegation
645	<p>Third, after the Reinsurance Agreements were signed, Beechwood Re, BAM and BAM Administrative continued [REDACTED]</p> <p>[REDACTED] The reality was otherwise. Nordlicht pulled the strings.</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
647	<p>Fourth, the Co-conspirators continued perpetrating the fraud that Beechwood Re, BAM and BAM Administrative were providing WNIC and BCLIC with “independent” reports from valuation companies on a quarterly basis. As noted above, Lincoln was part of the racketeering scheme. [REDACTED]</p> <p>[REDACTED]</p>
648	<p>By late 2014, WNIC and BCLIC requested that Lincoln be removed as the valuation consultant. [REDACTED]</p> <p>[REDACTED] In early 2015, Beechwood Re, BAM and BAM Administrative then retained a different vendor to replace Lincoln as the valuation consultant.</p>

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Paragraph	Text of Allegation
649	
650	
657	Beechwood Re breached many provisions of the Reinsurance Agreements and breached them repeatedly over the course of the parties' relationship.

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Paragraph	Text of Allegation
658	First, Beechwood Re repeatedly breached the provisions relating to the valuation of the assets in the trust accounts and the requirements that it maintain in the trust accounts assets having a “fair market value” equaling or exceeding certain thresholds set forth in the Agreements. Under the Reinsurance Agreements, WNIC and BCLIC initially transferred almost \$600 million of assets (largely cash) to Beechwood Re and the trustee of the reinsurance trusts, Wilmington Trust. The \$600 million represented 107% of expected future liabilities for long-term care business that WNIC and BCLIC ceded to Beechwood Re. As noted above, in each of the primary trust accounts for WNIC and BCLIC, Beechwood Re was required to deposit and maintain assets that had an aggregate “fair market value” of 102% of the expected future liabilities for the policies that WNIC or BCLIC (as applicable) ceded under the Agreements. In each of the supplemental trust accounts for WNIC and BCLIC, Beechwood Re was required to deposit and maintain assets that had an aggregate “fair market value” of 5% of the expected future liabilities for the policies that WNIC or BCLIC (as applicable) ceded under the Agreements. The trust account assets were to serve as collateral for Beechwood Re’s obligation to pay future claims on the ceded policies.
659	“Fair market value” was defined in the Reinsurance Agreements as being “the price for which an asset would be sold on the open market between an unrelated buyer and seller, with neither under any obligation to do so.” Moreover, in determining whether the “fair market value” of the assets in any of the four trusts met the contractual thresholds, only trust assets in compliance with the Reinsurance Agreements’ investment guidelines, labeled as “Qualified Trust Assets,” qualified. “Qualifying Trust Assets” could not include Beechwood Re’s, BAM’s or BAM Administrative’s investment of trust assets with a party in which it had an interest, including a party with which it was “integrated.”
660	Beechwood Re routinely breached these provisions of the Reinsurance Agreements. It assumed “fair market values” for investments of trust assets in Platinum-controlled funds and entities (among other trust assets obtained in non-arm’s-length transactions) as if Beechwood Re’s purchase of those assets for the trusts were with an “unrelated” seller. Moreover, it treated those trust assets as “Qualifying Trust Assets” for purposes of determining Beechwood Re’s compliance with the contractual thresholds, even though they were the product of self-dealing, that is, even though Beechwood Re or its affiliates had an interest in those investments.
661	As noted above, at the end of each quarter, the Reinsurance Agreements required Beechwood Re to top-up the trusts in the event that the fair market value of the assets in the trusts fell below the contractual thresholds. Based on its misrepresentation of the fair market values of the assets in the trust accounts, Beechwood Re repeatedly (that is, every calendar quarter) failed to top-up the trust accounts in accordance with the requirements of the Reinsurance Agreements. In fact, it did the opposite.

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Paragraph	Text of Allegation
666	Moreover, the Co-conspirators admitted not only that they intentionally broke their promise to divest the trusts of investments in Platinum-controlled funds and entities, but also that, had they intended to keep their promises, they could not have done so within the time required by the Reinsurance Agreements to cure their breaches. In September 2016, shortly before the termination of the Reinsurance Agreements, Beechwood Re – in the person of its attorney, Eric Dinallo, then of Debevoise & Plimpton LLP – ultimately admitted to the New York insurance regulator (which he formerly headed) that Beechwood Re had intentionally maintained investments in Platinum-controlled funds and entities in the trusts, even though Beechwood Re had promised to divest the trusts of those investments, and that Beechwood Re was incapable of divesting the trusts of those investments within 30 days. Beechwood Re admitted that it would take months, if not longer, for Beechwood Re to divest the trusts of those investments, and that admission turned out to have understated the length of time required.
667	Third, Beechwood Re repeatedly (that is, at least every calendar quarter) breached its obligations to provide WNIC and BCLIC with quarterly reports that accurately reflected the “fair market value” of the assets in the trust accounts. Beechwood Re was required to provide written reports to BCLIC and WNIC that demonstrated the “fair market value” of assets in the trusts. As noted above, “fair market value” was defined as the “price for which an asset would be sold in a transaction on the open market between an unrelated buyer and seller.” Beechwood Re routinely breached these provisions of the Reinsurance Agreements, providing quarterly reports in which its egregious investments in Platinum-controlled funds and entities were valued and treated as if they had been negotiated “between an unrelated buyer and seller,” when in fact they had not been. They were the product of self-dealing.
668	Fourth, as noted above, upon termination of the Reinsurance Agreements, which occurred on September 29, 2016, Beechwood Re was required to pay WNIC and BCLIC “cash or admitted invested assets having a fair market value equal to the statutory reserves attributable to the liability [WNIC and BCLIC] recaptured.” Beechwood Re breached the Reinsurance Agreements by failing to do so. The fair market value of invested assets that Beechwood Re repaid to WNIC and BCLIC upon termination of the Reinsurance Agreements was more than \$110 million less than the statutory reserves attributable to the liabilities that WNIC and BCLIC recaptured.
669	Fifth, upon termination of the Reinsurance Agreements, Beechwood Re was also required to pay WNIC “a proportionate amount of the Negative Ceding Commission as set forth on Schedule 9.3 on the date of recapture.” On the date of recapture, September 29, 2016, the “proportionate amount of the Negative Ceding Commission as set forth on Schedule 9.3” was \$42.2 million. Beechwood Re breached the WNIC Agreement by failing to pay WNIC this amount.

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Paragraph	Text of Allegation
670	Sixth, as noted above, both Reinsurance Agreements and their accompanying Trust Agreements required that, when depositing assets or investments into the trust accounts, Beechwood Re was required to “execute assignments, endorsements in blank or transfer legal title to the trustee . . . in order [so that WNIC and BCLIC] may whenever necessary negotiate the trust assets without the consent or signature of [Beechwood Re] or any other entity.” Beechwood Re routinely breached these provisions of the Reinsurance and Trust Agreements, by failing “to execute assignments, endorsements in blank or transfer legal title” freely for WNIC’s and BCLIC’s benefit. These myriad breaches of the Agreements proved extremely damaging to WNIC and BCLIC when their insurance regulators required them to recapture the trust assets due to Beechwood Re’s egregious self-dealing and non-compliant investments of trust assets, including but not limited to the investments of trust assets in Platinum-controlled funds or entities.
671	Moreover, Beechwood Re and the Co-conspirators knew when entering into the Reinsurance and Trust Agreements that they intended to breach these provisions. As discussed above [REDACTED]
672	Eighth, under the quarterly true-up provisions of the Reinsurance Agreements, if WNIC and/or BCLIC paid claims and/or expenses that Beechwood Re was responsible for paying under the Agreements’ terms, then Beechwood Re was obligated to reimburse WNIC and BCLIC for their payment of such claims and expenses. When the Reinsurance Agreements terminated, Beechwood Re owed WNIC and BCLIC over \$18 million for claims and expenses that WNIC and BCLIC paid for the second and third quarters of 2016 that Beechwood Re was obligated to pay under the Agreements. Beechwood Re has never reimbursed WNIC and BCLIC for these expenses, and, on many occasions, [REDACTED]
673	Ninth, Beechwood Re breached the provisions of the WNIC Reinsurance Agreement requiring it to provide WNIC with annual audited financial statements for Beechwood Re. Beechwood Re provided WNIC with annual financial statements for year-end 2014, but breached its duty to provide year-end audited financial statements for any other year. [REDACTED]
674	Of course, because Beechwood Re’s investments of trust assets in Platinum-controlled funds and entities were just as egregious from the outset of the parties’ relationship in 2014, Beechwood Re was required to restate the year-end audited financials it provided to WNIC for year-end 2014, [REDACTED]

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Paragraph	Text of Allegation
679	The state insurance regulator in New York gave BCLIC ten days to bring the BCLIC trusts into compliance, while the state insurance regulator in Indiana required WNIC to bring the WNIC trusts into compliance immediately. As Beechwood Re’s own attorneys admitted, however, Beechwood Re could not possibly begin to meet these kinds of deadlines given the illiquidity of the Platinum-controlled funds and entities into which Beechwood Re had invested WNIC’s and BCLIC’s trust assets. These directives from the New York and Indiana insurance regulators effectively required WNIC and BCLIC to terminate the Reinsurance Agreements and recapture the business they ceded to Beechwood Re or else face disciplinary action, including the loss of their reinsurance credits for the ceded risks.
680	At each point of this process – from when insurance regulators first notified WNIC and BCLIC that the trust assets were “not compliant,” to when insurance regulators effectively ordered WNIC and BCLIC to terminate the Reinsurance Agreements and recapture the business ceded to Beechwood Re – [REDACTED] [REDACTED] [REDACTED] Had Beechwood Re and the Co-conspirators not concealed [REDACTED] the reinsurance transactions here never would have occurred.
681	As a result of Beechwood Re’s fraud and material breaches of the Reinsurance Agreements, which Beechwood Re admitted could not be timely cured, if cured at all, as well as the regulatory directives WNIC and BCLIC received from two state insurance regulators, WNIC and BCLIC terminated the Reinsurance Agreements on September 29, 2016. At the same time, WNIC and BCLIC sought to recapture the reinsurance trust assets, as permitted by the Reinsurance Agreements, and advised the trustee, Wilmington Trust, to return all trust assets to WNIC and BCLIC in accordance with those Agreements.
686	The SEC’s allegations against Nordlicht, Levy and other Co-conspirators arose, in large part, out of their involvement in the Black Elk Note scandal. As the SEC Complaint makes clear, “[c]rucial to this effort [of Nordlicht, Levy and Small to pursue a rigged vote in the consent solicitation] was the transfer of a large number of notes from [Platinum] to [] Beechwood affiliates.” Both the EDNY Indictment and SEC Complaint rightfully place Beechwood Re, its affiliates – including BAM – and their Co-Conspirators squarely in the center of the Platinum Ponzi-esque scheme.
687	In early 2017, CIMA placed Beechwood Re in controllership. Under Cayman Islands law, CIMA has authority to place a company under controllership only when it is about to become insolvent, acts in a manner “detrimental” to the public trust, breaks the law, or is run or owned by someone who is not “fit and proper.”
688	In 2018, CIMA filed a petition in the Cayman Islands courts to Wind Up Beechwood Re. In seeking court intervention to Wind Up Beechwood Re, CIMA acknowledged a number of ways in which Beechwood Re had been a scofflaw under Cayman Islands law, including but not limited to the following: (a) it failed to maintain its minimum capital and solvency requirements, including having a \$9.3 million shareholder’s deficit in 2014; (b) without seeking CIMA’s approval, it entered into an \$80 million loan agreement with SHIP in 2014 that required CIMA’s approval; and (c) it failed to file its annual return, including audited financial statements, with CIMA for 2015 and 2016.

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Paragraph	Text of Allegation
690	<p>On August 8, 2017, Reuters reported that Global Bankers Insurance Group, a Durham, North Carolina-based subsidiary of Eli Global, purchased certain undisclosed assets “from the Beechwood family of reinsurance and asset management companies.”</p> <p>[REDACTED]</p>
691	<p>As the Reinsurance Agreements were being finalized, Beechwood Re found itself in a quandary: in order to comply with the contractual and fiduciary obligations it would owe WNIC and BCLIC under the Reinsurance Agreements, and in order to retain control over the reinsurance trust funds ceded thereunder, Beechwood Re would need a valuation firm to issue quarterly reports that would show WNIC and BCLIC the reinsurance trust assets were being safely and prudently invested. However, the entire purpose of the Platinum-Beechwood fraud scheme, and the only way that it and the fraudsters could stay afloat, was for Beechwood Re, BAM and BAM Administrative to funnel those reinsurance trust funds directly into the “integrated” Platinum enterprise, [REDACTED] – i.e., the polar opposite of safe and prudent investing. Put differently, Beechwood and Platinum needed a valuation firm that could make self-dealing look legitimate. They found the solution to their problem in Lincoln.</p>
787	<p>Each of the Defendants was employed by or associated with the following enterprises: (a) the association-in-fact to which Co-conspirators Bodner and Huberfeld have admitted – that is, the association-in-fact of Platinum, Beechwood and the individuals who participated in the management, direction and operation of Platinum and Beechwood during the relevant period (2013 into late 2016), including but not limited to all of the individual Defendants in this action – and (b) Beechwood Re. The association-in-fact enterprise to which Co-conspirators Bodner and Huberfeld have admitted, as well as Beechwood Re, are both “enterprises” within the meaning of RICO, 18 U.S.C. § 1961(4). Each of these RICO enterprises had an ascertainable structure and organization, common purposes and existed apart from the predicate acts perpetrated by the Defendants. At all relevant times, each enterprise engaged in, and its activities affected, interstate commerce. Each of the Defendants participated directly or indirectly in the management, direction or operation of each enterprise.</p>
790	<p>These predicate acts of racketeering activity are all related, as the Defendants have perpetrated the predicate acts for the common purpose of furthering their fraudulent schemes, identified and discussed in detail above. And, their predicate acts of racketeering activity have all had common (a) results (furthering their fraudulent schemes to induce institutional investors such as insurers to entrust assets with Beechwood Re), (b) participants (Defendants and their Co-conspirators), (c) victims (insurers, such as BCLIC and WNIC), (d) methods of commission (the use of fraudulent and deceptive devices to induce insurers into entrusting their assets with Beechwood Re and the false and fraudulent overvaluation of trust assets) and (e) other distinguishing characteristics (such as using Platinum plants as purported Beechwood Re senior managers).</p>

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Paragraph	Text of Allegation
793	<p>WNIC and BCLIC have been injured in their business and property by reason, and as a proximate result, of each such Defendant's violations of 18 U.S.C. § 1962(c), in at least the following ways: (a) by being fraudulently induced to enter into the Reinsurance Agreements with Beechwood Re, including paying a negative ceding commission to Beechwood Re in an amount exceeding \$42 million; (b) by Beechwood Re avoiding their obligations to top-up the trusts based on false and fraudulent over-valuations of trust assets; (c) by the Defendants enriching themselves in the form of compensation, bonuses, dividends and/or other payouts to the Co-conspirators; and (d) by Beechwood Re's failure to pay WNIC and BCLIC, upon recapture of the trust accounts, admitted assets with a fair market value equal to the statutory liabilities being recaptured.</p>
798	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] (b) the admissions of Co-conspirators Huberfeld and Bodner that Platinum and Beechwood were "integrated," [REDACTED]</p> <p>[REDACTED] and all of the Co-conspirator admissions and communications set forth above, among many others. It can also be inferred from the Co-conspirators' close ties to each other and their mutually dependent, coordinated efforts to achieve the common purposes of the Co-conspirators and each enterprise.</p>
799	<p>WNIC and BCLIC have been injured in their business and property by reason, and as a proximate result, of each Defendant's conspiracy to violate 18 U.S.C. § 1962(c), in at least the following ways: (a) by being fraudulently induced to enter into the Reinsurance Agreements with Beechwood Re and paying a negative ceding commission to Beechwood Re in an amount exceeding \$42 million; (b) by Beechwood Re avoiding its obligations to top-up the trusts based on false and fraudulent over-valuations of trust assets; (c) by the Defendants enriching themselves in the form of compensation, bonuses, dividends and/or other payouts to the Co-conspirators and others; and (d) by Beechwood Re's failure to pay WNIC and BCLIC, upon recapture of the trusts, admitted assets with a fair market value equal to the statutory liabilities being recaptured.</p>
801	<p>As set forth in detail above, many individuals from Beechwood Re, BAM and Beechwood Capital made numerous false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. These false representations included, but were not limited to, misrepresentations about: (a) the persons who owned and controlled Beechwood Re, Holdings, BAM and their affiliates; (b) the capitalization of Beechwood Re, Holdings, BAM and their affiliates; (c) Beechwood Re's, BAM's and BAM Administrative's plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes behind Beechwood Re's entering into the Reinsurance (and accompanying) Agreements; and (d) the senior management team of Beechwood Re, BAM and BAM Administrative.</p>
802	<p>As set forth in detail above, in 2013 and early 2014, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat each made false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. Each of these individuals represented that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum.</p>

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Paragraph	Text of Allegation
803	In addition, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Beechwood Re, Beechwood Capital, BAM, BAM Administrative, Feuer, Taylor, Levy, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain continued the frauds set forth above, including making representations to WNIC and BCLIC, knowing such statements were false when making them, and concealing material facts from WNIC and BCLIC, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. The individuals identified in this paragraph, in addition to Beechwood Re, BAM and BAM Administrative, continued to perpetrate these frauds to induce WNIC and BCLIC to not (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.
804	For example, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat continued representing that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum. In addition, Beechwood Re, BAM and BAM Administrative, Feuer, Taylor, Levy, Saks, Kim and Narain, continued misrepresenting the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes behind Beechwood Re's entering into the Reinsurance (and accompanying) Agreements and concealed material facts about the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes for Beechwood Re's entering into the Reinsurance (and accompanying) Agreements, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. These Co-conspirators continued making the false representations set forth above and continued omitting the materials facts to induce WNIC and BCLIC not to (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.
806	WNIC and BCLIC have been injured as a proximate result of each of these fraudulent acts and concealments in at least the following ways: (a) by being fraudulently induced to enter into Reinsurance (and accompanying) Agreements with Beechwood Re; (b) by not terminating the Reinsurance (and accompanying) Agreements sooner or taking other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing; and (c) by incurring significant expenses, exceeding \$10 million, including having to pay outside professionals in connection with terminating the Reinsurance Agreements and recapturing and liquidating the trust assets and the activities connected with such terminations, recapturing and liquidations.
809	<p>██████████ Taylor emailed WNIC's and BCLIC's ██████████ admitting for the first time that the Demand Note supporting Beechwood Re's obligations under the Reinsurance Agreements had, without prior notice to WNIC and BCLIC, been reduced from \$100 million to \$25 million. ██████████</p> <p>██████████ Taylor then represented to WNIC and BCLIC that the "Beechwood Companies have an irrevocable right to the assets within a Delaware Series LLC" that are "valued in excess of \$100M."</p>

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Paragraph	Text of Allegation
811	[REDACTED]
812	[REDACTED]
814	<p>WNIC and BCLIC justifiably relied on these misrepresentations to their detriment, including by not terminating the Reinsurance Agreements or taking other actions that could have ameliorated the damages WNIC and BCLIC incurred as a result of these misrepresentations. BBL, BBIL and and PB Investment are liable to WNIC and BCLIC for knowingly lying about [REDACTED]</p>
815	<p>WNIC and BCLIC suffered damages as a proximate result of these misrepresentations made on behalf of Beechwood Bermuda. Not only did these misrepresentations induce WNIC and BCLIC not to recapture the trust assets or terminate the Reinsurance Agreements, but also, as described above, Beechwood Re's assets were wholly inadequate to cover its obligations to WNIC and BCLIC under the Reinsurance Agreements. When WNIC and BCLIC recaptured the trust assets, the Co-conspirators did not make the capital of any Beechwood entities, including Beechwood Bermuda, available to satisfy Beechwood Re's obligations, [REDACTED]</p>

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Paragraph	Text of Allegation
838	<p>Hodgdon, Slota, Manela, Ottensoser, Poteat, Leff, Small and Kim aided and abetted the fraud in many ways, including directing and executing the fraudulent, non-arm's-length transactions in which Beechwood, BAM and BAM Administrative invested WNIC's and BCLIC's trust assets, including but not limited to Platinum-controlled funds and entities. So, for example, Small and Ottensoser played critical roles in the Black Elk Note scandal in which they used WNIC and BCLIC trust assets to manipulate the fraudulent consent solicitation. See EDNY Indictment and SEC Complaint. [REDACTED]</p>
839	<p>Hodgdon aided and abetted the fraud by passing himself off as Beechwood Re's Managing Director or Chief Underwriting Officer, when he was in fact a Platinum senior manager. He kept up this charade not only for himself, but also on behalf of his Co-conspirators. [REDACTED]</p>
840	<p>After WNIC and BCLIC entered into the Reinsurance (and accompanying) Agreements, the troika of Saks, Kim and Narain each played pivotal roles in aiding and abetting the continuing fraud. Saks and Narain served as the CIO's for BAM – Saks in 2015 and Narain in 2016 – and both, along with Kim, repeatedly continued the charade [REDACTED]</p>

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Paragraph	Text of Allegation
842	The substantial assistance of the persons and entities sued on this Count was the proximate cause of WNIC's and BCLIC's injuries in that WNIC's and BCLIC's injuries were at least the reasonable foreseeable result of their conduct: in addition to other ways in which WNIC and BCLIC were injured, their conduct caused WNIC and BCLIC to (a) be fraudulently induced to enter into Reinsurance (and accompanying) Agreements with Beechwood Re; (b) not terminate the Reinsurance (and accompanying) Agreements sooner or taking other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing; and (c) incur significant expenses, exceeding \$10 million, including having to pay outside professionals in connection with terminating the Reinsurance Agreements and recapturing and liquidating the trust assets and the activities connected with such terminations, recapturing and liquidations.
862	WNIC and BCLIC each had valid contracts with Beechwood Re, namely, their Reinsurance (and accompanying) Agreements and accompanying agreements.
863	As set forth above, Beechwood Re breached the Reinsurance (and accompanying) Agreements with each of WNIC and BCLIC, in numerous ways.
864	WNIC and BCLIC have been injured as a proximate result of Beechwood Re's numerous breaches of the Reinsurance (and accompanying) Agreements, including in at least the following ways: (a) by not receiving, upon recapture, admitted assets having a fair market value equal to the statutory liabilities being recaptured. The fair market value of the recaptured assets was at least \$110 million less than the statutory liabilities WNIC and BCLIC were required to recapture; (b) WNIC's not receiving, upon recapture, a negative ceding commission previously paid to Beechwood Re in an amount exceeding \$42 million; (c) by WNIC's and BCLIC's not being reimbursed in the amount of over \$18 million for claims and expenses that they paid in the second and third quarter of 2016 that, under the terms of the Reinsurance Agreements, Beechwood Re was obligated to pay. Beechwood Re has admitted owing these amounts to WNIC and BCLIC; and (d) by incurring significant expenses, exceeding \$10 million, as a proximate result of Beechwood Re's breaches of the Reinsurance (and accompanying), including having to pay outside professionals in connection with liquidating the trust assets that Beechwood Re imprudently invested.
865	As an alien insurer not licensed to do insurance business in this state, Beechwood Re is subject to the provisions of New York Insurance Law Section 1213(c)(1)(A) (the "Security Statute"), which requires Beechwood Re to post security before it will be permitted to defend itself against WNIC and BCLIC. This Court should fix the amount of cash or securities that Beechwood Re must deposit with the clerk of Court to secure Beechwood Re's payment of any final judgment that may be rendered in this proceeding, in an amount no lower than \$180 million.
867	The Reinsurance (and accompanying) Agreements, including the investment guidelines, afforded Beechwood Re, BAM and BAM Administrative considerable discretionary authority to manage the assets in WNIC's and BCLIC's trust accounts. Under the terms of the Agreements and governing Indiana and New York law, Beechwood Re, BAM and BAM Administrative were required to manage and invest the assets in WNIC's and BCLIC's trust accounts as fiduciaries, that is, to maintain and protect the trust assets for the benefit of WNIC and BCLIC and their policyholders, whose valid claims were to be paid from the trust accounts. [REDACTED]

Beechwood Re Ltd

Paragraph	Text of Allegation
868	<p>Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim all made representations to WNIC and BCLIC that were calculated to entice WNIC and BCLIC to repose trust in not only Beechwood Re, Beechwood Capital and BAM, but also themselves, as individuals, in serving as fiduciaries for WNIC and BCLIC under the Reinsurance (and accompanying) Agreements. Feuer, Taylor, Levy and Hodgdon each made these representations to induce WNIC and BCLIC to enter into the Reinsurance Agreements, and they succeeded in inducing WNIC and BCLIC to enter into the Reinsurance Agreements as a result of their representations. In addition, Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim – on behalf of Beechwood Re, BAM and BAM Administrative – all made such representations to WNIC and BCLIC after execution of the Reinsurance Agreements to induce WNIC and BCLIC not to terminate the Agreements or take other actions to ameliorate the damages that WNIC and BCLIC were incurring. As set forth above, [REDACTED]</p>
872	<p>WNIC and BCLIC have been injured as a proximate result of each of Defendants’ breaches of their fiduciary duty in at least the following ways: (a) by not terminating the Reinsurance (and accompanying) Agreements sooner or taking other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing; (b) by Beechwood Re avoiding its obligations to top-up the trusts based on false and fraudulent over-valuations of trust assets; (c) by the Defendants enriching themselves in the form of compensation, bonuses, dividends and/or other payouts to the Co-conspirators and others; (d) by not receiving, upon recapture, admitted assets having a fair market value equal to the statutory liabilities being recaptured; (e) by not receiving, upon recapture, a negative ceding commission previously paid to Beechwood Re in an amount exceeding \$42 million; and (f) by incurring significant expenses, exceeding \$10 million, including having to pay outside professionals in connection with terminating the Reinsurance Agreements and recapturing and liquidating the trust assets and the activities connected with such terminations, recapturing and liquidations.</p>
874	<p>Each of the Co-conspirators, which includes each cross-claim and third-party defendant sued in this Court, understood that the essential purpose of their conspiracy was to induce institutional investors such as WNIC and BCLIC to entrust their funds with Beechwood Re, BAM and BAM Administrative so that these Beechwood entities would, in turn, breach their fiduciary duties to the institutional investors by exercising Beechwood’s considerable discretionary authority and investing the investors’ funds in “egregious” “Platinum related stuff.”</p>
875	<p>And, in the case of each individual Defendant named herein, the Defendant specifically participated in the breaches of fiduciary duty that Beechwood perpetrated against WNIC and BCLIC. For example, Platinum co-founders Nordlicht, Huberfeld and Bodner aided and abetted the breaches of fiduciary duty by instructing and directing Beechwood Re, BAM and BAM Administrative as to the “Platinum related stuff” into which the Beechwood entities and their principals should invest WNIC’s and BCLIC’s trust assets. Similarly, over the course of Beechwood’s two and a half year relationship with WNIC and BCLIC, the three Beechwood CIO’s – first Levy, then Saks, then Narain – aided and abetted the breaches of fiduciary duty by taking directions from Nordlicht, Huberfeld and Bodner and then directing the Co-conspirators on how Beechwood should invest WNIC’s and BCLIC’s trust assets into the [REDACTED]</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
879	<p>WNIC and BCLIC have been injured as a proximate result of each of Defendants' aiding and abetting of the Co-conspirators' breaches of fiduciary duty in at least the following ways: (a) by not terminating the Reinsurance (and accompanying) Agreements sooner or taking other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing; (b) by Beechwood Re avoiding its obligations to top-up the trusts based on false and fraudulent over-valuations of trust assets; (c) by the Defendants enriching themselves in the form of compensation, bonuses, dividends and/or other payouts to the Co-conspirators and others; (d) by not receiving, upon recapture, admitted assets having a fair market value equal to the statutory liabilities being recaptured; (e) by not receiving, upon recapture, a negative ceding commission previously paid to Beechwood Re in an amount exceeding \$42 million; and (f) by incurring significant expenses, exceeding \$10 million, including having to pay outside professionals in connection with terminating the Reinsurance Agreements and recapturing and liquidating the trust assets and the activities connected with such terminations, recapturing and liquidations.</p>
881	<p>As set forth above, Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC in the investigation, recommendation, management and supervision of WNIC's and BCLIC's reinsurance trust assets. Beechwood Re, BAM and BAM Administrative breached its fiduciary duties to WNIC and BCLIC by, among other things, making egregious investments of the trust assets in Platinum-controlled funds and entities, misrepresenting ██████████ to WNIC and BCLIC and fraudulently concealing from WNIC and BCLIC ██████████. Additionally, under the Reinsurance Agreements, Beechwood Re was obligated to add its own funds to the reinsurance trusts if trust assets fell below certain thresholds. As set forth above, Beechwood Re, BAM and BAM Administrative overvalued trust assets to create the false impression that the trusts had surplus funds, thus allowing Beechwood Re to avoid its obligations to top-up the reinsurance trusts and instead remove as "surplus" more than \$100 million from the reinsurance trusts over the course of the relationship with WNIC and BCLIC. Moreover, under the plain terms of the Reinsurance Agreements, when those Reinsurance Agreements terminated, Beechwood Re was contractually obligated to return cash or admitted assets equal to the recaptured statutory reserves. But, again, Beechwood Re did not do that. It returned cash or admitted assets that had a value of over \$110 million less than the recaptured statutory reserves.</p>
882	<p>WNIC and BCLIC have been injured as a proximate result of Beechwood Re's breaches of its fiduciary duties.</p>
883	<p>██████████ ██████████ ██████████</p>

Beechwood Re Ltd

Paragraph	Text of Allegation
884	Lincoln knowingly and substantially assisted, participated in, enabled, and promoted Beechwood Re, BAM and BAM Administrative's breaches of their fiduciary obligations to WNIC and BCLIC by, among other things, [REDACTED]
885	WNIC and BCLIC have been injured as a proximate result of Beechwood Re, BAM and BAM Administrative's breaches of their fiduciary duties and Lincoln's substantial participation in furthering those breaches.
890	WNIC and BCLIC are Beechwood Re's creditors under the terms of the Reinsurance (and accompanying) Agreements. Under these Agreements, Beechwood Re was obligated to top-up the reinsurance trusts with its own funds if trust assets fell below contractual thresholds. Instead of doing so, Beechwood Re fraudulently, recklessly or with gross negligence overvalued trust assets to create the false impression that the trusts had surplus funds, thus allowing Beechwood Re to improperly avoid its obligations to in fact top-up the trusts.
891	Moreover, under the plain terms of the Reinsurance Agreements, when those Agreements terminated, Beechwood Re was contractually obligated to pay WNIC and BCLIC admitted assets equal to the statutory liabilities being recaptured. But Beechwood Re breached its obligations to do so, paying an amount that was at least \$110 million less than the amounts it was required to pay WNIC and BCLIC.
892	In addition, WNIC and BCLIC are creditors of Beechwood Re for the damages they suffered as a result of Beechwood Re's other breaches of the Reinsurance Agreements and fraudulent and other wrongful conduct, as set forth in this pleading. WNIC and BCLIC are tort creditors because they have claims against Beechwood Re for fraud stemming from Beechwood Re's fraudulent, reckless or grossly negligent misrepresentations, as set forth above.
893	Beechwood Bermuda was aware that WNIC and BCLIC were Beechwood Re's creditors. Beechwood Bermuda and Beechwood Re were commonly owned and controlled, and were together with other Co-Conspirators engaged in a conspiracy to defraud WNIC and BCLIC. Hence, Beechwood Bermuda knew everything Beechwood Re knew, including that Beechwood Re had defrauded WNIC and BCLIC and that Beechwood Re had breached and planned to continue breaching the Reinsurance Agreements. [REDACTED]
894	The Demand Note Transfer constituted a conveyance by Beechwood Re as defined under the New York Debtor and Creditor Law ("DCL") section 270.

Beechwood Re Ltd

Paragraph	Text of Allegation
895	The Demand Note Transfer was made by Beechwood Re [REDACTED] for no consideration with the actual intent to hinder, delay, or defraud the creditors of Beechwood Re.
896	Beechwood Re made the Demand Note Transfer [REDACTED] in furtherance of its fraud scheme, and for the purpose of ensuring that Beechwood Re would have no assets if and when the fraud scheme was discovered. That is, among the Beechwood entities, [REDACTED]
897	The Demand Note Transfer [REDACTED] with the actual intent to hinder, delay, or defraud the creditors and/or future creditors of Beechwood Re at the time of the Demand Note Transfer.
898	The Demand Note Transfer has all of the hallmarks of an actually fraudulent conveyance: (a) there was a close relationship between the parties to the transaction; (2) it was a secret and hasty transfer not in the usual course of business; (3) there was no consideration at all; (4) Beechwood Re knew it was defrauding WNIC and BCLIC and incurring obligations under the Reinsurance Agreements and would be unable to pay WNIC and BCLIC what was owed; and (5) the fraudsters retained control of the Demand Note after the Transfer.
902	WNIC and BCLIC are creditors of Beechwood Re for the damages they suffered as a result of Beechwood Re's breaches of the Reinsurance Agreements and fraudulent and other wrongful conduct set forth in this Complaint.
903	The Demand Note Transfer constituted a conveyance by Beechwood Re as defined under DCL section 270.
904	Beechwood Re did not receive fair consideration for the Demand Note Transfer. It received no consideration at all.
905	Beechwood Re was insolvent when it made the Demand Note Transfer, or became insolvent as a result of the Transfer. As a result of the Transfer, for example, Beechwood Re had only \$25 million in "capital," which was insufficient to satisfy all of the liabilities Beechwood Re then had and would incur under the Reinsurance Agreements. Moreover, when the Demand Note Transfer occurred, Beechwood Re was actively participating, with other Co-Conspirators including Beechwood Bermuda, in a massive fraud scheme directed at WNIC, BCLIC and others and had nowhere near the assets necessary to make its victims whole.
908	WNIC and BCLIC are creditors of Beechwood Re for the damages they suffered as a result of Beechwood Re's breaches of the Reinsurance Agreements and fraudulent and other wrongful conduct set forth in this Complaint.
909	The Demand Note Transfer constituted a conveyance by Beechwood Re as defined under DCL section 270.
910	Beechwood Re did not receive fair consideration for the Demand Note Transfer. It received no consideration at all.
911	Beechwood Re had unreasonably small capital after the Demand Note Transfer, as Beechwood Re's obligations under the Reinsurance Agreements made it potentially obligated to WNIC and BCLIC for multiples of the amount remaining in its Demand Note post-Transfer. Moreover, when the Demand Note Transfer occurred, Beechwood Re was actively participating, with other Co-Conspirators, including Beechwood Bermuda, in a massive fraud scheme directed at WNIC, BCLIC and others and had nowhere near the capital necessary to make its victims whole.

Beechwood Re Ltd

Paragraph	Text of Allegation
914	WNIC and BCLIC are creditors of Beechwood Re for the damages they suffered as a result of Beechwood Re's breaches of the Reinsurance Agreements and fraudulent and other wrongful conduct set forth in this Complaint.
915	The Demand Note Transfer constituted a conveyance by Beechwood Re as defined under DCL section 270.
916	Beechwood Re did not receive fair consideration for the Demand Note Transfer. It received no consideration at all.
917	When Beechwood Re made the Demand Note Transfer, Beechwood Re had incurred, was intending to incur, or believed that it would incur debts beyond its ability to pay them as the debts matured. When the Demand Note Transfer occurred, Beechwood Re was actively participating, with other Co-Conspirators, including Beechwood Bermuda, in a massive fraud scheme directed at WNIC, BCLIC and others and had nowhere near the capital necessary to make its victims whole.
924	All of the Cross-claim and Third-party Defendants in this action were unjustly enriched, at WNIC's and BCLIC's expense. Beechwood Re avoided its obligations to top-up the trusts by using bogus valuation reports to claim that the trusts were adequately capitalized with investments having a fair market value which they in fact did not have; the investments were the product of self-dealing. The Defendants used trust assets to keep the Platinum-Beechwood fraud scheme afloat, and to enrich themselves in the process in the form of compensation, bonuses, dividends and/or other payouts.
926	It is against equity and good conscience to permit any of these Defendants to retain any portion of the trust assets they funneled into Platinum and Platinum-related entities to keep their fraud scheme afloat and enrich themselves in the form of compensation, bonuses, dividends and/or other payouts, as Beechwood Re and other Co-conspirators made all of these payouts with the ill-gotten gains they received from WNIC and BCLIC. WNIC and BCLILC seek an accounting of the monies paid to each of these Cross-claim and Third-party Defendants, and a constructive trust should be imposed on all funds that they or other Co-conspirators removed from WNIC's and BCLIC's reinsurance trust accounts.

Exhibit G

Paragraph	Text of Allegation
654	Nordlicht, Huberfeld and Bodner have used two separate asset-protection schemes to try to defraud creditors. First, they have parked proceeds of their racketeering activity in trusts they created, known as Beechwood Trusts Nos. 1 through 19. Nordlicht has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 1 through 6, which he created with his children as beneficiaries. Bodner has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 7 through 14, which he created with his children as beneficiaries. Huberfeld has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 15 through 19, which he created with his children as beneficiaries. They have used these as part of the conspiracy since at least 2013, and continued doing so for years, including into 2016.
656	Feuer, Taylor and Levy have also sought to defraud their creditors by secreting assets in family trusts, with their wives and children as beneficiaries. Levy parked proceeds of the racketeering activity in Beechwood Trust No. 20, while Feuer used the Feuer Family Trust and Taylor used the Taylor-Lau Family Trust to do so. Upon information and belief, they have been doing so since at least 2013, and have continued doing so for years, including through late 2016.
788	A number of the Defendants named herein participated directly or indirectly in the management, direction or operation of each enterprise through their agent. For example, the Feuer Family Trust, which Feuer established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Mark Feuer. The Taylor-Lau Family Trust, which Taylor established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Scott Taylor. Beechwood Trust No. 20, which Levy established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, David Levy. Beechwood Trusts Nos. 1 through 19 and Beechwood Series A through I, which Nordlicht, Bodner and Huberfeld established and maintained to secrete their ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of their respective agents, Mark Nordlicht, David Bodner and Murray Huberfeld.
837	Moreover, each one of these three individuals perpetrated the fraud as agent for, on behalf of, and to benefit the entities that they established to secrete their ill-gotten gains. Nordlicht, Huberfeld and Bodner aided and abetted the fraud for themselves and their respective Beechwood Trusts (Trusts Nos. 1 through 19) and each Beechwood Series (A-I) that they established.
878	Moreover, many of the individual Defendants named herein aided and abetted the breaches of fiduciary duty as agent for, or on behalf of, the entities that they established to secrete their ill-gotten gains. Nordlicht, Huberfeld and Bodner aided and abetted the breaches of fiduciary duty as agents for their respective Beechwood Trusts and Beechwood Series – as well as for themselves.
925	Moreover, many of the individual Defendants named herein were unjustly enriched as agent for, or on behalf of, the entities that they established to secrete their ill-gotten gains. Feuer was unjustly enriched as an agent for the Feuer Family Trust. Taylor was unjustly enriched as an agent for the Taylor-Lau Family Trust. Levy was unjustly enriched as an agent for Beechwood Trust No. 20. Nordlicht, Huberfeld and Bodner were unjustly enriched as agents for their respective Beechwood Trusts and Beechwood Series.

Exhibit H

David Bodner

David Bodner

Paragraph	Text of Allegation
472	<p>In fact, the Co-conspirators have now admitted their fraud, which has also been confirmed in indictments and civil actions. In their secret correspondence, Co-conspirators and Platinum founders David Bodner and Murray Huberfeld confessed what all of the Co-conspirators feared (emphasis added): they were “really concerned that if Ed Bonach [the CEO] from CNO Financial Group Finds [sic] out we invested beechwoods [sic] money into platinum with its illiquid investments (since it didn’t exactly fit their investment objective) <i>he won’t trust us and he will take off the aprox [sic] 500 mil, he has invested in beachwood [sic] Out.</i> That means beechwood would either implode or not be able to function fiancialy [sic] and may have to be dissolved . . . <i>We weren’t exactly honest with [CNO’s CEO] Ed [Bonach] about the original investment or that beechwood and platinum really are integrated.</i> I’m concerned.” See Ex. 31 to the First Amended Complaint in the PPVA Action (the “Co-conspirators’ Confession Email”). Beechwood principals Feuer and Taylor, as well as Narain, have also admitted that [REDACTED]</p>
482	<p>Cross-claim/third-party defendant David Bodner was a Platinum co-founder and mastermind of the Platinum-Beechwood racketeering scheme. He is also a defendant in the PPVA Action. Bodner and Huberfeld, among others, were parties to the Co-conspirators’ Confession Email where they expressed the Co-conspirators’ concern “that if Ed Bonach [the CEO] from CNO Financial Group Finds [sic] out we invested beechwoods [sic] money into platinum with its illiquid investments (since it didn’t exactly fit their investment objective) he won’t trust us and he will take off the aprox [sic] 500 mil, he has invested in beachwood [sic] Out. That means beechwood would either implode or not be able to function fiancialy [sic] and may have to be dissolved . . . We weren’t exactly honest with [CNO’s CEO] Ed [Bonach] about the original investment or that beechwood and platinum really are integrated.” Ex. 31 to First Amended Complaint in the PPVA Action. As was the case with his Platinum co-founder Huberfeld (given their checkered histories), Bodner conducted the conspiracy’s day-to-day business via a secretary who relayed his directives to other Co-conspirators.</p>

David Bodner

Paragraph	Text of Allegation
511	<p>Cross-claim/third-party defendant Holdings is and, at all times material to these cross-claims, was the parent company of Beechwood Re and a Delaware corporation with its principal place of business in New York, New York. Starting in or around July 2013 and into the summer of 2016, Feuer, Taylor and Levy, on behalf of Holdings and others, repeatedly represented to WNIC and BCLIC, among others, that they and only they owned and controlled Beechwood Re, which by definition included Beechwood Re's parent company, Holdings. These repeated representations were false, as Holdings was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Although Feuer, Taylor and Levy represented that a "passive investor" held a minor ownership interest in Beechwood Re and its parent company, they further represented that the passive investor did not control Beechwood Re and that a confidentiality agreement precluded them from disclosing the passive investor. These representations were also false, as the passive investors – Platinum founders Nordlicht, Huberfeld and Bodner – owned a controlling stake in both Beechwood Re and its parent company and in fact controlled those entities. Moreover, it turns out that there was no confidentiality agreement that precluded Holdings, Beechwood Re, Feuer, Taylor or Levy from disclosing who owned and controlled Beechwood Re and Holdings. The Co-conspirators concealed these facts, misrepresented the ownership of Beechwood Re and Holdings and made misrepresentations about non-existent confidentiality agreements because [REDACTED]</p>
512	<p>Cross-claim/third-party defendant Beechwood Capital was an agent for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in or around May 2013 and for several months thereafter, Beechwood Capital, in the persons of Feuer and Taylor, on behalf of Beechwood Re, BAM and others, repeatedly represented to WNIC and BCLIC, among others, that Feuer, Taylor and Levy owned and controlled Beechwood Re and BAM and that there were no other persons who had any material role in owning or controlling Beechwood Re and BAM. These repeated representations were false, as Beechwood Re and BAM were owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner.</p>
513	<p>Cross-claim/third-party defendant BAM is and, at all times material to these claims, was an agent and the investment manager for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in the fall of 2013, Feuer, Taylor and Levy, on behalf of BAM and others, repeatedly represented to WNIC and BCLIC, among others, that they owned and controlled BAM and that there were no other persons who had any material role in owning or controlling BAM. These repeated representations were false, as BAM was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Moreover, after Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC in February 2014, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC (and continued breaching its fiduciary duties to them), through Beechwood Re's designated agents, BAM and BAM Administrative.</p>

David Bodner

Paragraph	Text of Allegation
518	This pleading will refer to BBL, BBIL and BBIH (and its successor-in-interest PB Investments) collectively as "Beechwood Bermuda." Cross-claim/third-party defendants the Beechwood Trusts are and, at all times material to these claims, were trusts that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner, except for Trust No. 20, which was established and controlled by Levy. The Platinum co-founders and Levy created each of the Beechwood Trusts as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each of the Beechwood Trusts is an alter ego of either Nordlicht, Bodner, Huberfeld or Levy (in the case of Trust No. 20 only). Through Beechwood Trusts Nos. 1 through 19, Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.
519	Cross-claim/third-party defendants Beechwood Investments is and, at all times material to these claims, was, a Delaware limited liability company with its principal place of business in New York, New York. Beechwood Investments was managed and controlled by Nordlicht and Levy, its President, and the beneficial owners of each Beechwood Series was a Platinum co-founder, Nordlicht, Huberfeld or Bodner. Nordlicht, as manager of Beechwood Investments, [REDACTED] [REDACTED] [REDACTED] The Platinum co-founders, with Levy's assistance, used Beechwood Investments as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each Beechwood Series is an alter ego of either Nordlicht, Bodner, Huberfeld or Levy.
520	Cross-claim/third-party defendants Beechwood Series, A through I, are and, at all times material to these claims, were vehicles that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner for funding and controlling Beechwood. The Platinum co-founders created each Beechwood Series as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each Beechwood Series is an alter ego of either Nordlicht, Bodner or Huberfeld. Through each Beechwood Series (and Beechwood Investments generally), Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.
524	Platinum co-founders Nordlicht, Huberfeld and Bodner were acutely aware of the need to attract significant sources of outside funding, particularly from institutional investors such as insurers and pension funds, to be able to continue to pay redemptions to investors and keep this Ponzi-esque scheme afloat.
525	However, they also knew that the world of institutional investors was closed to Platinum. Institutional investors, like CNO, WNIC and BCLIC, would not make significant (or any) investments in the high-risk Platinum funds, much less entrust trust assets to the kind of individuals associated with Platinum. Huberfeld, Nordlicht and Bodner each had checkered pasts.

David Bodner

Paragraph	Text of Allegation
526	Nordlicht, for example, had an entrenched reputation for making speculative investments with unsavory companies and individuals. And Huberfeld and Bodner both had criminal records, having each pled guilty to possession of false identification with the intent to defraud after they had imposters take their Series 7 securities broker examination in their stead.
528	Around 1998, the SEC alleged that Huberfeld and Bodner had covertly received over 513,000 shares of restricted stock as collateral for a loan. The two then allegedly sold the shares for a profit of \$3.7 million in violation of the securities laws. The two settled the case without admitting or denying liability, and were ordered to disgorge profits and interest exceeding \$4.6 million and pay civil penalties of \$15,000 each.
530	It was in this context that the Platinum-Beechwood conspiracy and fraud scheme was born: in or around 2013, Nordlicht, Huberfeld and Bodner, along with Huberfeld's nephew, David Levy, devised a scheme to obtain institutional investor capital by defrauding institutional investors like WNIC and BCLIC into entrusting their assets with front men who would hide their relationship with Platinum and its founders.
532	In early 2013, [REDACTED] The conspirators agreed to establish a reinsurance company, Beechwood Re, and use it as the vehicle for fraudulently inducing insurers to hand over funds to Beechwood, via reinsurance agreements or otherwise, so that Beechwood could use those funds to keep Platinum afloat, thereby enriching the Co-conspirators. The Co-conspirators used the mails and wires of interstate commerce to carry out these schemes. Beechwood Re served as the racketeering enterprise through which Nordlicht, Huberfeld, Feuer, Taylor, Levy, Bodner, Beechwood Capital and their many colleagues perpetrated a pattern of racketeering activity over several years aimed at WNIC, BCLIC, Senior Health Insurance Company of Pennsylvania ("SHIP") and other insurers, with Feuer, Taylor and Levy as the front men.
533	The Co-conspirators agreed that [REDACTED]
536	By 2013, WNIC and BCLIC were in the market to reinsure certain blocks of their long-term care business. In May 2013, [REDACTED] Feuer and Taylor presented themselves under the name of Beechwood Capital and represented that they were developing a "new entrant into the life and health reinsurance market," Beechwood Re. They assiduously concealed that Platinum founders Nordlicht, Huberfeld and Bodner were controlling and bankrolling them. On behalf of Beechwood Capital and the yet-to-be formed Beechwood Re, they stated their intention to submit a proposal for WNIC's and BCLIC's reinsurance business. They held themselves out as legitimate businessmen who would establish a world-class reinsurance company, with at least \$100 million in capital that they would prudently invest and manage WNIC's and BCLIC's reinsurance trust funds. Ultimately, both WNIC and BCLIC entered into a reinsurance agreement with Beechwood Re (the Reinsurance Agreements), which incorporated as a Cayman Islands insurer in the summer of 2013.

David Bodner

Paragraph	Text of Allegation
538	<p>Beechwood Re and Beechwood Capital, in the persons of Feuer, Taylor and Levy, [REDACTED]</p> <p>[REDACTED] Accordingly, from their earliest contacts with WNIC and BCLIC in 2013 through the signing of the Reinsurance Agreements in February 2014, Beechwood Capital, Beechwood Re, Feuer, Taylor and Levy repeatedly misrepresented the ownership structure of Beechwood. They misrepresented that only Feuer, Taylor and Levy owned and controlled Beechwood Re, its parent company (Holdings) and BAM.</p>
541	<p>On September 29, 2013, the Co-conspirators made new sets of misrepresentations to WNIC and BCLIC about the ownership and control of Beechwood. On that date Taylor, on behalf of Beechwood Re, its parent company, Beechwood Capital and BAM (and with the agreement of the Co-conspirators), misrepresented to WNIC and BCLIC in an email that Beechwood Re was “[o]wned by three U.S. individuals [Feuer, Taylor and Levy].” He further misrepresented that Beechwood had “no connection to ‘private equity.’” In fact, at that time, Beechwood was funded, owned and controlled by private equity in the persons of Nordlicht, Huberfeld and Bodner.</p>
542	<p>These representations were knowingly false. The Co-conspirators’ [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Moreover, the Co-conspirators had no confidentiality agreement that precluded them from revealing Beechwood’s ownership structure. They misrepresented the ownership structure to WNIC and BCLIC and concealed [REDACTED] control and ownership of Beechwood precisely because [REDACTED]. WNIC and BCLIC would not enter into reinsurance deals with entities owned, controlled and funded [REDACTED] particularly those with the checkered pasts that Nordlicht, Huberfeld and Bodner had. In entering into the Reinsurance Agreements, WNIC and BCLIC reasonably relied, to their detriment, on the misrepresentations by Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy about the ownership structure of Beechwood.</p>
548	<p>These representations were knowingly false. First, Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy [REDACTED]</p> <p>[REDACTED] It was funded with less than \$300,000 in cash, i.e., capital. [REDACTED]</p> <p>[REDACTED], which the Receiver and plaintiffs in the PPVA Action have acknowledged were fraudulently overvalued. Co-conspirator Dhruv Narain described this collateral [REDACTED]</p> <p>[REDACTED]</p>

David Bodner

Paragraph	Text of Allegation
566	<p>These representations were false, and Feuer, Taylor, Levy and the other Co-conspirators (including Nordlicht, Bodner and Huberfeld) knew them to be false when they made them. Long before [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
605	<p>The leaders of the conspiracy – [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
609	<p>Instead of observing their fiduciary duties, however, the Co-conspirators abused their discretionary authority under the Reinsurance Agreements and the accompanying investment guidelines to invest the reinsurance trust assets in Platinum-controlled funds and entities in non-arm’s-length transactions designed to benefit themselves and Platinum. To the outside world, however, particularly WNIC and BCLIC, the Co-conspirators misrepresented these investments as being at arm’s-length, repeatedly denying that Beechwood had any relationship to Platinum, even though, as Bodner and Huberfeld admitted to each other, Beechwood and Platinum were “integrated.” They similarly misrepresented the investments as being at arm’s-length to regulators and the valuation and ratings companies they retained, except that [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
610	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] These investments, like the ones in Platinum-controlled funds and entities, were not suitable for the investment of assets that backed insurance policy liabilities. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Investments with these entities were similarly not suitable for assets that backed insurance policy liabilities.</p>

David Bodner

Paragraph	Text of Allegation
612	When Johnson and other WNIC and BCLIC representatives continued noticing these data points – that is, Beechwood’s investment of trust assets in funds or entities controlled by Platinum – they called for a meeting. At a face-to-face meeting in New York in late March 2014, Feuer, Taylor and Levy specifically denied (again) the existence of any relationship between Beechwood and Platinum, even though Platinum co-founders Nordlicht, Huberfeld and Bodner owned majority positions in and controlled Beechwood Re, Holdings (its parent company), BAM and BAM Administrative. The Co-conspirators continued concealing the truth – that Beechwood and Platinum were commonly owned and controlled by the Platinum co-founders – by telling the lie that Beechwood was investing in these Platinum positions because Levy was familiar with them and believed they were valuable investments based on his former employment with Platinum.
653	The Platinum co-founders, along with Feuer, Taylor and Levy, all used or devised asset protection schemes to try to shield from creditors their ill-gotten gains from the conspiracy.
654	Nordlicht, Huberfeld and Bodner have used two separate asset-protection schemes to try to defraud creditors. <i>First</i> , they have parked proceeds of their racketeering activity in trusts they created, known as Beechwood Trusts Nos. 1 through 19. Nordlicht has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 1 through 6, which he created with his children as beneficiaries. Bodner has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 7 through 14, which he created with his children as beneficiaries. Huberfeld has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 15 through 19, which he created with his children as beneficiaries. They have used these as part of the conspiracy since at least 2013, and continued doing so for years, including into 2016.
655	<i>Second</i> , Nordlicht, Bodner and Huberfeld have sought to defraud creditors by parking assets in Beechwood Investments. Nordlicht has secreted proceeds of the racketeering activity in Beechwood Investments’ Series A, D, E and I, in which his wife and various other relatives are beneficiaries. Huberfeld has secreted proceeds of the racketeering activity in Beechwood Investments’ Series B, E, F, G and H, in which his wife and various other relatives are beneficiaries. Bodner has secreted proceeds of the racketeering activity in Beechwood Investments’ Series C, E, F, G and H, in which his wife and various other relatives are beneficiaries. They have used these as part of the conspiracy since at least 2013, and continued doing so for years, including into 2016.
787	Each of the Defendants was employed by or associated with the following enterprises: (a) the association-in-fact to which Co-conspirators Bodner and Huberfeld have admitted – that is, the association-in-fact of Platinum, Beechwood and the individuals who participated in the management, direction and operation of Platinum and Beechwood during the relevant period (2013 into late 2016), including but not limited to all of the individual Defendants in this action – and (b) Beechwood Re. The association-in-fact enterprise to which Co-conspirators Bodner and Huberfeld have admitted, as well as Beechwood Re, are both “enterprises” within the meaning of RICO, 18 U.S.C. § 1961(4). Each of these RICO enterprises had an ascertainable structure and organization, common purposes and existed apart from the predicate acts perpetrated by the Defendants. At all relevant times, each enterprise engaged in, and its activities affected, interstate commerce. Each of the Defendants participated directly or indirectly in the management, direction or operation of each enterprise.

David Bodner

Paragraph	Text of Allegation
788	A number of the Defendants named herein participated directly or indirectly in the management, direction or operation of each enterprise through their agent. For example, the Feuer Family Trust, which Feuer established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Mark Feuer. The Taylor-Lau Family Trust, which Taylor established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Scott Taylor. Beechwood Trust No. 20, which Levy established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, David Levy. Beechwood Trusts Nos. 1 through 19 and Beechwood Series A through I, which Nordlicht, Bodner and Huberfeld established and maintained to secrete their ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of their respective agents, Mark Nordlicht, David Bodner and Murray Huberfeld.
798	Moreover, each Defendant's agreement can reasonably be inferred from the Defendants' own communications, including (a) the March 2013 written agreements between the Co-conspirators to establish Beechwood Re and divide operations between the Nordlicht Group and the Feuer Group, (b) the admissions of Co-conspirators Huberfeld and Bodner that Platinum and Beechwood were "integrated," (c) Danny Saks' January 1, 2016 farewell email to Stewart Kim thanking Kim for their "platinum-beechwood journey the last 2 years" together, and all of the Co-conspirator admissions and communications set forth above, among many others. It can also be inferred from the Co-conspirators' close ties to each other and their mutually dependent, coordinated efforts to achieve the common purposes of the Co-conspirators and each enterprise.
836	Nordlicht, Huberfeld and Bodner, aided and abetted the fraudulent conspiracy. Among other things, they directed every aspect of the fraudulent scheme and met periodically to coordinate and direct the Co-conspirators' fraudulent activities. These three individuals were primarily responsible for communicating with the other Co-conspirators, including the other persons and entities sued in this Count, to coordinate the Co-conspirators' perpetration of the fraudulent scheme, as outlined in not only this pleading, but also the EDNY Indictment and SEC Complaint. The conspiracy they directed encompassed numerous tentacles, including but not limited to their defrauding insurers such as WNIC and BCLIC to entrust their funds with Beechwood, [REDACTED], the Black Elk Note scandal, the Demand Note Transfer, "Scheme 1" (as referenced in the PPVA Action) and Platinum's Ponzi-esque scheme generally, among other fraudulent and manipulative devices.
837	Moreover, each one of these three individuals perpetrated the fraud as agent for, on behalf of, and to benefit the entities that they established to secrete their ill-gotten gains. Nordlicht, Huberfeld and Bodner aided and abetted the fraud for themselves and their respective Beechwood Trusts (Trusts Nos. 1 through 19) and each Beechwood Series (A-I) that they established.

David Bodner

Paragraph	Text of Allegation
871	Co-conspirators Bodner and Huberfeld similarly admitted that Feuer, Taylor and other Co-conspirators breached their fiduciary duties to WNIC and BCLIC. In a July 30, 2015 email, Huberfeld and Bodner shared that they were “really concerned that if Ed Bonach [the CEO] from CNO Financial Group Finds [sic] out we invested beechwoods [sic] money into platinum with its illiquid investments (since it didn’t exactly fit their investment objective) he won’t trust us and he will take off the aprox [sic] 500 mil, he has invested in beachwood [sic] Out. That means beechwood would either implode or not be able to function fiancialy [sic] and may have to be dissolved . . . We weren’t exactly honest with [CNO’s CEO] Ed [Bonach] about the original investment or that beechwood and platinum really are integrated. I’m concerned.” Despite his concerns that Beechwood and its principals and other Co-conspirators had breached their fiduciary duties to WNIC and BCLIC by investing trust assets in “Platinum related stuff,” Feuer, Taylor and Beechwood continued doing so.
875	And, in the case of each individual Defendant named herein, the Defendant specifically participated in the breaches of fiduciary duty that Beechwood perpetrated against WNIC and BCLIC. For example, Platinum co-founders Nordlicht, Huberfeld and Bodner aided and abetted the breaches of fiduciary duty by instructing and directing Beechwood Re, BAM and BAM Administrative as to the “Platinum related stuff” into which the Beechwood entities and their principals should invest WNIC’s and BCLIC’s trust assets. Similarly, over the course of Beechwood’s two and a half year relationship with WNIC and BCLIC, the three Beechwood CIO’s – first Levy, then Saks, then Narain – aided and abetted the breaches of fiduciary duty by taking directions from Nordlicht, Huberfeld and Bodner and then directing the Co-conspirators on how Beechwood should invest WNIC’s and BCLIC’s trust assets into the egregious “Platinum related stuff.”
878	Moreover, many of the individual Defendants named herein aided and abetted the breaches of fiduciary duty as agent for, or on behalf of, the entities that they established to secrete their ill-gotten gains. Nordlicht, Huberfeld and Bodner aided and abetted the breaches of fiduciary duty as agents for their respective Beechwood Trusts and Beechwood Series – as well as for themselves.
925	Moreover, many of the individual Defendants named herein were unjustly enriched as agent for, or on behalf of, the entities that they established to secrete their ill-gotten gains. Feuer was unjustly enriched as an agent for the Feuer Family Trust. Taylor was unjustly enriched as an agent for the Taylor-Lau Family Trust. Levy was unjustly enriched as an agent for Beechwood Trust No. 20. Nordlicht, Huberfeld and Bodner were unjustly enriched as agents for their respective Beechwood Trusts and Beechwood Series.

Exhibit I

Feuer Family Trust

Feuer Family Trust

Paragraph	Text of Allegation
484	Cross-claim/third-party defendant the Feuer Family Trust is a trust organized under New York law with Feuer's wife or other family members as beneficiaries. Feuer created the Feuer Family Trust as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of his creditors.
656	Feuer, Taylor and Levy have also sought to defraud their creditors by secreting assets in family trusts, with their wives and children as beneficiaries. Levy parked proceeds of the racketeering activity in Beechwood Trust No. 20, while Feuer used the Feuer Family Trust and Taylor used the Taylor-Lau Family Trust to do so. Upon information and belief, they have been doing so since at least 2013, and have continued doing so for years, including through late 2016.
788	A number of the Defendants named herein participated directly or indirectly in the management, direction or operation of each enterprise through their agent. For example, the Feuer Family Trust, which Feuer established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Mark Feuer. The Taylor-Lau Family Trust, which Taylor established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Scott Taylor. Beechwood Trust No. 20, which Levy established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, David Levy. Beechwood Trusts Nos. 1 through 19 and Beechwood Series A through I, which Nordlicht, Bodner and Huberfeld established and maintained to secrete their ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of their respective agents, Mark Nordlicht, David Bodner and Murray Huberfeld.

Exhibit J

Murray Huberfeld

Murray Huberfeld

Paragraph	Text of Allegation
472	<p>In fact, the Co-conspirators have now admitted their fraud, which has also been confirmed in indictments and civil actions. In their secret correspondence, Co-conspirators and Platinum founders David Bodner and Murray Huberfeld confessed what all of the Co-conspirators feared (emphasis added): they were “really concerned that if Ed Bonach [the CEO] from CNO Financial Group Finds [sic] out we invested beechwoods [sic] money into platinum with its illiquid investments (since it didn’t exactly fit their investment objective) he won’t trust us and he will take off the aprox [sic] 500 mil, he has invested in beachwood [sic] Out. That means beechwood would either implode or not be able to function fiancialy [sic] and may have to be dissolved . . . We weren’t exactly honest with [CNO’s CEO] Ed [Bonach] about the original investment or that beechwood and platinum really are integrated. I’m concerned.” See Ex. 31 to the First Amended Complaint in the PPVA Action (the “Co-conspirators’ Confession Email”). Beechwood principals Feuer and Taylor, as well as Narain, have also admitted that [REDACTED]</p>
473	<p>The Co-conspirators’ house of cards began to collapse in the summer of 2016, starting with the arrest of Murray Huberfeld and the accompanying FBI investigation. Later that summer, the SEC opened a new investigation into Platinum, Beechwood and the Co-conspirators’ frauds. By late September 2016, when glimpses of the secret Platinum-Beechwood integration began being revealed to the public, CNO, WNIC and BCLIC did exactly what the Co-conspirators had feared: they terminated their arrangements with Beechwood and recaptured the reinsurance trust funds that they had entrusted to Beechwood.</p>
481	<p>Cross-claim/third-party defendant Murray Huberfeld was a Platinum co-founder, a mastermind of the Platinum-Beechwood racketeering scheme and an individual who specifically directed certain of Beechwood Re, BAM and BAM Administrative’s investments of WNIC’s and BCLIC’s reinsurance trust assets (e.g., Ace Foundation, Quest Livery Leasing LLC (“Quest Livery”), JF Aircorp). He is also a defendant in the PPVA Action. In a [REDACTED] Like Nordlicht, Huberfeld maintained offices at both Platinum and Beechwood from which he directed the Co-conspirators. [REDACTED] Often, however, given his checkered history, Huberfeld conducted the conspiracy’s day-to-day business via a secretary who relayed his directives to other Co-conspirators.</p>

Murray Huberfeld

Paragraph	Text of Allegation
482	<p>Cross-claim/third-party defendant David Bodner was a Platinum co-founder and mastermind of the Platinum-Beechwood racketeering scheme. He is also a defendant in the PPVA Action. Bodner and Huberfeld, among others, were parties to the Co-conspirators' Confession Email where they expressed the Co-conspirators' concern "that if Ed Bonach [the CEO] from CNO Financial Group Finds [sic] out we invested beechwoods [sic] money into platinum with its illiquid investments (since it didn't exactly fit their investment objective) he won't trust us and he will take off the aprox [sic] 500 mil, he has invested in beachwood [sic] Out. That means beechwood would either implode or not be able to function fiancialy [sic] and may have to be dissolved . . . We weren't exactly honest with [CNO's CEO] Ed [Bonach] about the original investment or that beechwood and platinum really are integrated." Ex. 31 to First Amended Complaint in the PPVA Action. As was the case with his Platinum co-founder Huberfeld (given their checkered histories), Bodner conducted the conspiracy's day-to-day business via a secretary who relayed his directives to other Co-conspirators.</p>
483	<p>Cross-claim/third-party defendant Mark Feuer was a founder and CEO of Beechwood Re as well as the principal of most Beechwood entities. In accordance with the Co-conspirators' agreement, Feuer served as the key front-man for the Co-conspirators' fraudulent activities, lending a patina of respectability to Beechwood that the likes of Nordlicht, Huberfeld and Bodner could not. A critical part of the Co-conspirators' agreement was that Feuer and Taylor should deny that Beechwood was owned, controlled or funded by Platinum and take great pains to conceal those relationships, even though the Co-conspirators acknowledged to each other that Beechwood and Platinum were commonly owned and integrated enterprises. Feuer's and Taylor's vehement denials of the relationships between Beechwood and Platinum were critical [REDACTED] – but also because Platinum co-founders Nordlicht, Huberfeld and Bodner were known to be disreputable. Thus, throughout the fall of 2013, as Beechwood was negotiating the reinsurance transactions with WNIC and BCLIC, Feuer repeatedly misrepresented Beechwood Re's ownership structure, capitalization and management team to WNIC's and BCLIC's negotiating team, including Timothy Bischof, Fred Crawford and Eric Johnson. As noted above, when Feuer and Taylor became dissatisfied with their cut of the conspiracy's proceeds, Feuer emailed Huberfeld to beg for a larger share of the conspiracy's cut, given the roles they were performing as the supposedly upstanding front men for Beechwood.</p>
485	<p>Cross-claim/third-party defendant Scott Taylor was a founder and President of Beechwood Re as well as the principal of most Beechwood entities. In accordance with the Co-conspirators' agreement, Taylor, along with Feuer, served as the key front-man for the Co-conspirators' fraudulent activities, lending a patina of respectability to Beechwood that the likes of Nordlicht, Huberfeld and Bodner could not. As was the case with Feuer (and in accordance with the Co-conspirators' plan), a critical part of the agreement was that Taylor deny that Beechwood was owned, controlled or funded by Platinum and take great pains to conceal those relationships, even though the Co-conspirators acknowledged to each other that Beechwood and Platinum were integrated.</p>

Murray Huberfeld

Paragraph	Text of Allegation
511	<p>Cross-claim/third-party defendant Holdings is and, at all times material to these cross-claims, was the parent company of Beechwood Re and a Delaware corporation with its principal place of business in New York, New York. Starting in or around July 2013 and into the summer of 2016, Feuer, Taylor and Levy, on behalf of Holdings and others, repeatedly represented to WNIC and BCLIC, among others, that they and only they owned and controlled Beechwood Re, which by definition included Beechwood Re's parent company, Holdings. These repeated representations were false, as Holdings was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Although Feuer, Taylor and Levy represented that a "passive investor" held a minor ownership interest in Beechwood Re and its parent company, they further represented that the passive investor did not control Beechwood Re and that a confidentiality agreement precluded them from disclosing the passive investor. These representations were also false, as the passive investors – Platinum founders Nordlicht, Huberfeld and Bodner – owned a controlling stake in both Beechwood Re and its parent company and in fact controlled those entities. Moreover, it turns out that there was no confidentiality agreement that precluded Holdings, Beechwood Re, Feuer, Taylor or Levy from disclosing who owned and controlled Beechwood Re and Holdings. The Co-conspirators concealed these facts, misrepresented the ownership of Beechwood Re and Holdings and made misrepresentations about non-existent confidentiality agreements because [REDACTED]</p>
512	<p>Cross-claim/third-party defendant Beechwood Capital was an agent for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in or around May 2013 and for several months thereafter, Beechwood Capital, in the persons of Feuer and Taylor, on behalf of Beechwood Re, BAM and others, repeatedly represented to WNIC and BCLIC, among others, that Feuer, Taylor and Levy owned and controlled Beechwood Re and BAM and that there were no other persons who had any material role in owning or controlling Beechwood Re and BAM. These repeated representations were false, as Beechwood Re and BAM were owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner.</p>
513	<p>Cross-claim/third-party defendant BAM is and, at all times material to these claims, was an agent and the investment manager for Beechwood Re, among other Beechwood entities, and was a Delaware limited partnership with its principal place of business in New York, New York. Starting in the fall of 2013, Feuer, Taylor and Levy, on behalf of BAM and others, repeatedly represented to WNIC and BCLIC, among others, that they owned and controlled BAM and that there were no other persons who had any material role in owning or controlling BAM. These repeated representations were false, as BAM was owned and controlled by Platinum founders Nordlicht, Huberfeld, and Bodner. Moreover, after Beechwood Re signed the Reinsurance Agreements with WNIC and BCLIC in February 2014, Beechwood Re continued perpetrating its fraudulent schemes on WNIC and BCLIC (and continued breaching its fiduciary duties to them), through Beechwood Re's designated agents, BAM and BAM Administrative.</p>

Murray Huberfeld

Paragraph	Text of Allegation
518	This pleading will refer to BBL, BBIL and BBIH (and its successor-in-interest PB Investments) collectively as "Beechwood Bermuda." Cross-claim/third-party defendants the Beechwood Trusts are and, at all times material to these claims, were trusts that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner, except for Trust No. 20, which was established and controlled by Levy. The Platinum co-founders and Levy created each of the Beechwood Trusts as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each of the Beechwood Trusts is an alter ego of either Nordlicht, Bodner, Huberfeld or Levy (in the case of Trust No. 20 only). Through Beechwood Trusts Nos. 1 through 19, Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.
519	Cross-claim/third-party defendants Beechwood Investments is and, at all times material to these claims, was, a Delaware limited liability company with its principal place of business in New York, New York. Beechwood Investments was managed and controlled by Nordlicht and Levy, its President, and the beneficial owners of each Beechwood Series was a Platinum co-founder, Nordlicht, Huberfeld or Bodner. Nordlicht, as manager of Beechwood Investments, [REDACTED] [REDACTED] [REDACTED] The Platinum co-founders, with Levy's assistance, used Beechwood Investments as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each Beechwood Series is an alter ego of either Nordlicht, Bodner, Huberfeld or Levy.
520	Cross-claim/third-party defendants Beechwood Series, A through I, are and, at all times material to these claims, were vehicles that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner for funding and controlling Beechwood. The Platinum co-founders created each Beechwood Series as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of their creditors. Each Beechwood Series is an alter ego of either Nordlicht, Bodner or Huberfeld. Through each Beechwood Series (and Beechwood Investments generally), Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.
524	Platinum co-founders Nordlicht, Huberfeld and Bodner were acutely aware of the need to attract significant sources of outside funding, particularly from institutional investors such as insurers and pension funds, to be able to continue to pay redemptions to investors and keep this Ponzi-esque scheme afloat.
525	However, they also knew that the world of institutional investors was closed to Platinum. Institutional investors, like CNO, WNIC and BCLIC, would not make significant (or any) investments in the high-risk Platinum funds, much less entrust trust assets to the kind of individuals associated with Platinum. Huberfeld, Nordlicht and Bodner each had checkered pasts.
526	Nordlicht, for example, had an entrenched reputation for making speculative investments with unsavory companies and individuals. And Huberfeld and Bodner both had criminal records, having each pled guilty to possession of false identification with the intent to defraud after they had imposters take their Series 7 securities broker examination in their stead.

Murray Huberfeld

Paragraph	Text of Allegation
534	<p>The Co-conspirators came to terms on their agreements in or around [REDACTED]</p> <p>[REDACTED]</p>
536	<p>By 2013, WNIC and BCLIC were in the market to reinsure certain blocks of their long-term care business. In May 2013, [REDACTED] Feuer and Taylor presented themselves under the name of Beechwood Capital and represented that they were developing a “new entrant into the life and health reinsurance market,” Beechwood Re. They assiduously concealed that Platinum founders Nordlicht, Huberfeld and Bodner were controlling and bankrolling them. On behalf of Beechwood Capital and the yet-to-be formed Beechwood Re, they stated their intention to submit a proposal for WNIC’s and BCLIC’s reinsurance business. They held themselves out as legitimate businessmen who would establish a world-class reinsurance company, with at least \$100 million in capital that they would prudently invest and manage WNIC’s and BCLIC’s reinsurance trust funds. Ultimately, both WNIC and BCLIC entered into a reinsurance agreement with Beechwood Re (the Reinsurance Agreements), which incorporated as a Cayman Islands insurer in the summer of 2013.</p>
538	<p>Beechwood Re and Beechwood Capital, in the persons of Feuer, Taylor and Levy, [REDACTED]</p> <p>[REDACTED] Accordingly, from their earliest contacts with WNIC and BCLIC in 2013 through the signing of the Reinsurance Agreements in February 2014, Beechwood Capital, Beechwood Re, Feuer, Taylor and Levy repeatedly misrepresented the ownership structure of Beechwood. They misrepresented that only Feuer, Taylor and Levy owned and controlled Beechwood Re, its parent company (Holdings) and BAM.</p>
541	<p>On September 29, 2013, the Co-conspirators made new sets of misrepresentations to WNIC and BCLIC about the ownership and control of Beechwood. On that date Taylor, on behalf of Beechwood Re, its parent company, Beechwood Capital and BAM (and with the agreement of the Co-conspirators), misrepresented to WNIC and BCLIC in an email that Beechwood Re was “[o]wned by three U.S. individuals [Feuer, Taylor and Levy].” He further misrepresented that Beechwood had “no connection to ‘private equity.’” In fact, at that time, Beechwood was funded, owned and controlled by private equity in the persons of Nordlicht, Huberfeld and Bodner.</p>

Murray Huberfeld

Paragraph	Text of Allegation
542	<p>These representations were knowingly false. The Co-conspirators' [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Moreover, the Co-conspirators had no confidentiality agreement that precluded them from revealing Beechwood's ownership structure. They misrepresented the ownership structure to WNIC and BCLIC and concealed [REDACTED] control and ownership of Beechwood precisely because [REDACTED]</p> <p>[REDACTED] WNIC and BCLIC would not enter into reinsurance deals with entities owned, controlled and funded [REDACTED] particularly those with the checkered pasts that Nordlicht, Huberfeld and Bodner had. In entering into the Reinsurance Agreements, WNIC and BCLIC reasonably relied, to their detriment, on the misrepresentations by Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy about the ownership structure of Beechwood.</p>
548	<p>These representations were knowingly false. First, Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] It was funded with less than \$300,000 in cash, i.e., capital. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] which the Receiver and plaintiffs in the PPVA Action have acknowledged were fraudulently overvalued. Co-conspirator Dhruv Narain described this collateral [REDACTED]</p> <p>[REDACTED]</p>
563	<p>All of these representations were false, and Feuer, Taylor, Levy and the other Co-conspirators knew them to be false when they made them. Unbeknownst to WNIC and BCLIC, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] so that Beechwood Re could access institutional investor funds, without the investors knowing that Platinum was controlling those entities, and Beechwood Re and BAM would then invest the fraudulently obtained funds in Platinum-controlled funds and investments.</p>

Murray Huberfeld

Paragraph	Text of Allegation
588	[REDACTED]
589	That was a lie. [REDACTED]
589 no. 21	[REDACTED]
590	[REDACTED]
604	After WNIC and BCLIC entered into their separate Reinsurance Agreements with Beechwood Re in February 2014, the Co-conspirators continued perpetrating their frauds on WNIC and BCLIC. Shortly after signing the Agreements, WNIC and BCLIC began transferring almost \$600 million to the reinsurance trusts for Beechwood Re to invest. Within ten minutes of Beechwood Re’s beginning to receive these assets, Feuer and Taylor contacted Huberfeld and Nordlicht to notify them that the funds were pouring in. Their scheme was working. [REDACTED]
604 no. 22	Adviser With Ties to Hedge Fund Platinum Put Client Funds in It, The Wall Street Journal, Sept. 17, 2016, available at http://www.wsj.com/articles/adviser-with-ties-to-hedge-fund-platinum-put-client-funds-in-it-1473997753 (the “9/17 WSJ Article”) (“Less than 10 minutes after Beechwood received word that money for its first transaction had arrived, Beechwood’s founders notified Nordlicht and Huberfeld, documents reviewed by the Journal show.”).

Murray Huberfeld

Paragraph	Text of Allegation
605	<p>The leaders of the conspiracy – [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
609	<p>Instead of observing their fiduciary duties, however, the Co-conspirators abused their discretionary authority under the Reinsurance Agreements and the accompanying investment guidelines to invest the reinsurance trust assets in Platinum-controlled funds and entities in non-arm’s-length transactions designed to benefit themselves and Platinum. To the outside world, however, particularly WNIC and BCLIC, the Co-conspirators misrepresented these investments as being at arm’s-length, repeatedly denying that Beechwood had any relationship to Platinum, even though, as Bodner and Huberfeld admitted to each other, Beechwood and Platinum were “integrated.” They similarly misrepresented the investments as being at arm’s-length to regulators and the valuation and ratings companies they retained, except that [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
610	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] These investments, like the ones in Platinum-controlled funds and entities, were not suitable for the investment of assets that backed insurance policy liabilities. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Investments with these entities were similarly not suitable for assets that backed insurance policy liabilities.</p>

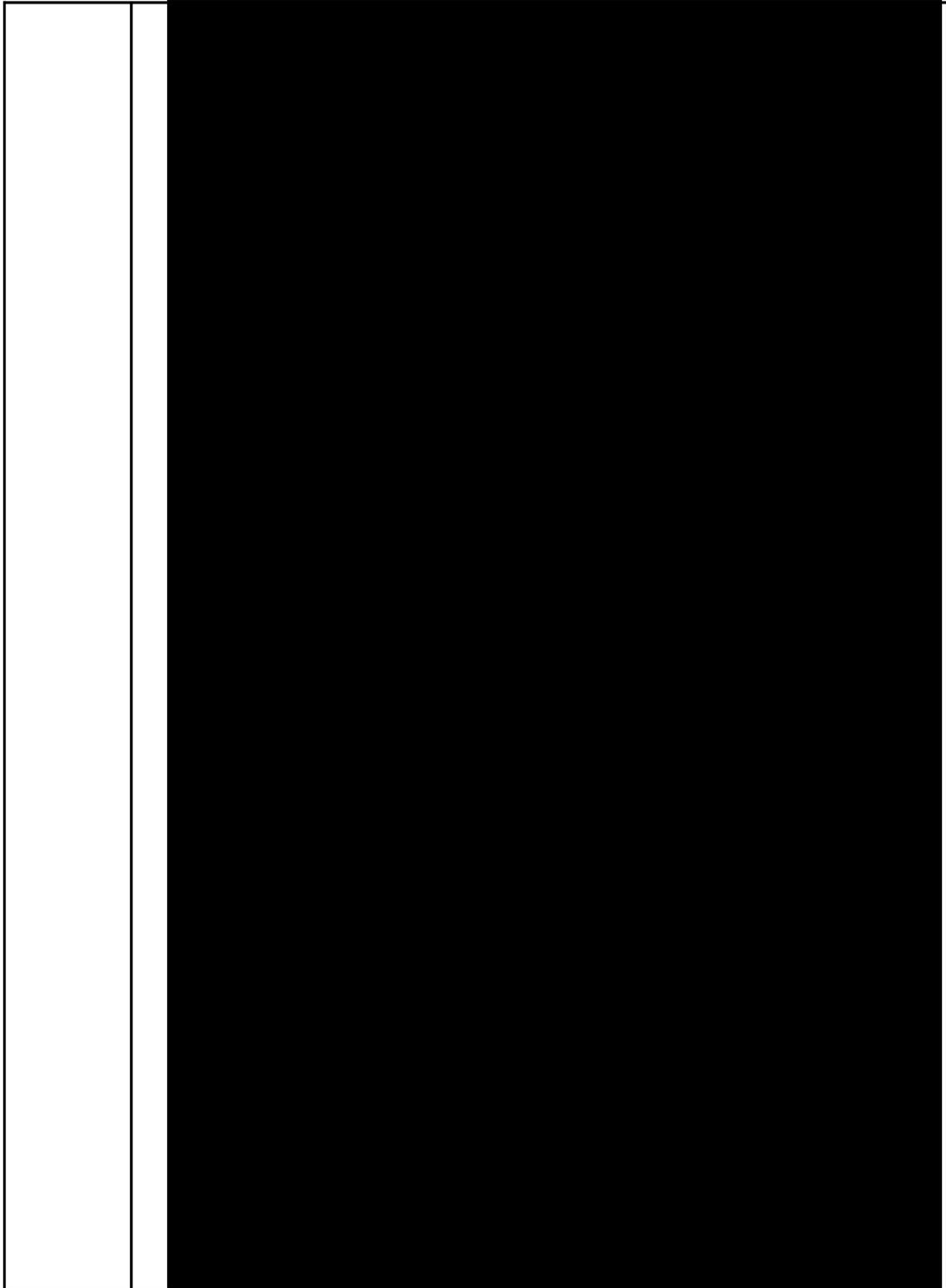
Murray Huberfeld

Paragraph	Text of Allegation
612	When Johnson and other WNIC and BCLIC representatives continued noticing these data points – that is, Beechwood’s investment of trust assets in funds or entities controlled by Platinum – they called for a meeting. At a face-to-face meeting in New York in late March 2014, Feuer, Taylor and Levy specifically denied (again) the existence of any relationship between Beechwood and Platinum, even though Platinum co-founders Nordlicht, Huberfeld and Bodner owned majority positions in and controlled Beechwood Re, Holdings (its parent company), BAM and BAM Administrative. The Co-conspirators continued concealing the truth – that Beechwood and Platinum were commonly owned and controlled by the Platinum co-founders – by telling the lie that Beechwood was investing in these Platinum positions because Levy was familiar with them and believed they were valuable investments based on his former employment with Platinum.

Murray Huberfeld

644	<p>Once Levy allegedly left Beechwood Re, BAM and BAM Administrative in late 2014 – [REDACTED] – the troika of Danny Saks, Stewart Kim and Dhruv Narain (starting in early 2016) took over the reins from Levy and continued the fraud these entities were perpetrating against WNIC and BCLIC. On a regular basis, when WNIC and BCLIC raised questions about the prudence of these entities’ investments of trust assets, Saks, Kim and Narain invariably inveighed upon WNIC and BCLIC to repose their trust and confidence in the troika’s expertise and prudence. In doing so, however, the troika also invariably concealed material facts from WNIC and BCLIC, including the Platinum-Beechwood relationship [REDACTED] and the facts demonstrating that the investments were not at arm’s-length. Examples of their continuing fraudulent conduct are legion, but include the following:</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
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Murray Huberfeld



Murray Huberfeld

Paragraph	Text of Allegation
	[REDACTED]
653	The Platinum co-founders, along with Feuer, Taylor and Levy, all used or devised asset protection schemes to try to shield from creditors their ill-gotten gains from the conspiracy.
654	Nordlicht, Huberfeld and Bodner have used two separate asset-protection schemes to try to defraud creditors. <i>First</i> , they have parked proceeds of their racketeering activity in trusts they created, known as Beechwood Trusts Nos. 1 through 19. Nordlicht has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 1 through 6, which he created with his children as beneficiaries. Bodner has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 7 through 14, which he created with his children as beneficiaries. Huberfeld has secreted proceeds of the racketeering activity in Beechwood Trusts Nos. 15 through 19, which he created with his children as beneficiaries. They have used these as part of the conspiracy since at least 2013, and continued doing so for years, including into 2016.
655	<i>Second</i> , Nordlicht, Bodner and Huberfeld have sought to defraud creditors by parking assets in Beechwood Investments. Nordlicht has secreted proceeds of the racketeering activity in Beechwood Investments' Series A, D, E and I, in which his wife and various other relatives are beneficiaries. Huberfeld has secreted proceeds of the racketeering activity in Beechwood Investments' Series B, E, F, G and H, in which his wife and various other relatives are beneficiaries. Bodner has secreted proceeds of the racketeering activity in Beechwood Investments' Series C, E, F, G and H, in which his wife and various other relatives are beneficiaries. They have used these as part of the conspiracy since at least 2013, and continued doing so for years, including into 2016.
677	On June 8, 2016, Huberfeld was arrested and charged with bribing a union official to make a \$20 million investment in one of Platinum's funds. Following his arrest, the <i>Wall Street Journal</i> and other publications began exposing Beechwood's ties to Platinum in the summer of 2016. These publications reported that Huberfeld and Nordlicht used Beechwood Re to attract institutional investors for the Platinum-controlled funds and entities. WNIC and BCLIC, alarmed by the trusts' continued investment of trust assets in Platinum-controlled funds and entities, Huberfeld's arrest and media reports concerning the same, began auditing the trusts' investments, with the aid of counsel and an independent financial consultant that counsel retained in anticipation of litigation.
751 no. 39	[REDACTED]

Murray Huberfeld

Paragraph	Text of Allegation
775	[REDACTED]
787	<p>Each of the Defendants was employed by or associated with the following enterprises: (a) the association-in-fact to which Co-conspirators Bodner and Huberfeld have admitted – that is, the association-in-fact of Platinum, Beechwood and the individuals who participated in the management, direction and operation of Platinum and Beechwood during the relevant period (2013 into late 2016), including but not limited to all of the individual Defendants in this action – and (b) Beechwood Re. The association-in-fact enterprise to which Co-conspirators Bodner and Huberfeld have admitted, as well as Beechwood Re, are both “enterprises” within the meaning of RICO, 18 U.S.C. § 1961(4). Each of these RICO enterprises had an ascertainable structure and organization, common purposes and existed apart from the predicate acts perpetrated by the Defendants. At all relevant times, each enterprise engaged in, and its activities affected, interstate commerce. Each of the Defendants participated directly or indirectly in the management, direction or operation of each enterprise.</p>
788	<p>A number of the Defendants named herein participated directly or indirectly in the management, direction or operation of each enterprise through their agent. For example, the Feuer Family Trust, which Feuer established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Mark Feuer. The Taylor-Lau Family Trust, which Taylor established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Scott Taylor. Beechwood Trust No. 20, which Levy established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, David Levy. Beechwood Trusts Nos. 1 through 19 and Beechwood Series A through I, which Nordlicht, Bodner and Huberfeld established and maintained to secrete their ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of their respective agents, Mark Nordlicht, David Bodner and Murray Huberfeld.</p>
798	<p>[REDACTED]</p> <p>(b) the admissions of Co-conspirators Huberfeld and Bodner that Platinum and Beechwood were “integrated,” [REDACTED]</p> <p>[REDACTED] and all of the Co-conspirator admissions and communications set forth above, among many others. It can also be inferred from the Co-conspirators’ close ties to each other and their mutually dependent, coordinated efforts to achieve the common purposes of the Co-conspirators and each enterprise.</p>

Murray Huberfeld

Paragraph	Text of Allegation
925	Moreover, many of the individual Defendants named herein were unjustly enriched as agent for, or on behalf of, the entities that they established to secrete their ill-gotten gains. Feuer was unjustly enriched as an agent for the Feuer Family Trust. Taylor was unjustly enriched as an agent for the Taylor-Lau Family Trust. Levy was unjustly enriched as an agent for Beechwood Trust No. 20. Nordlicht, Huberfeld and Bodner were unjustly enriched as agents for their respective Beechwood Trusts and Beechwood Series.

Exhibit K

Hokyong Kim a/k/a Stewart Kim

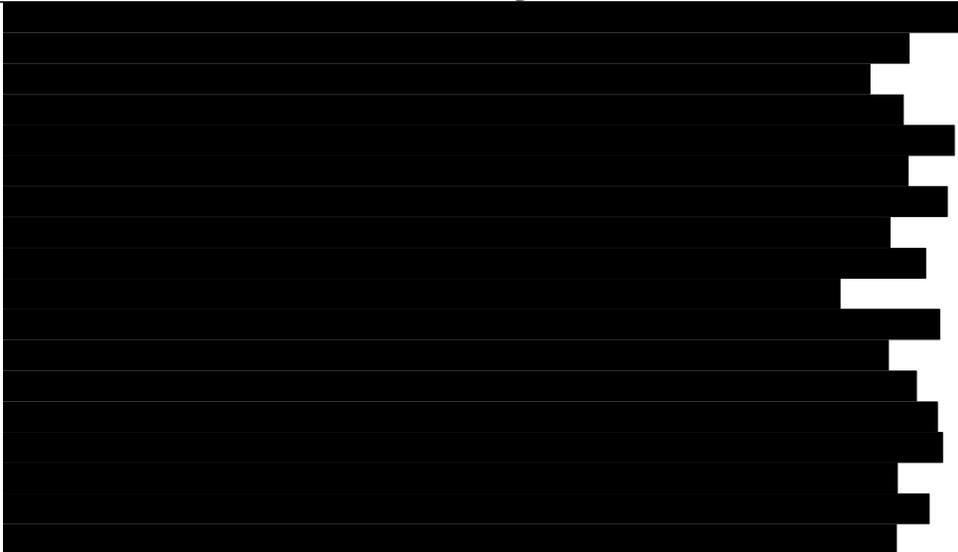
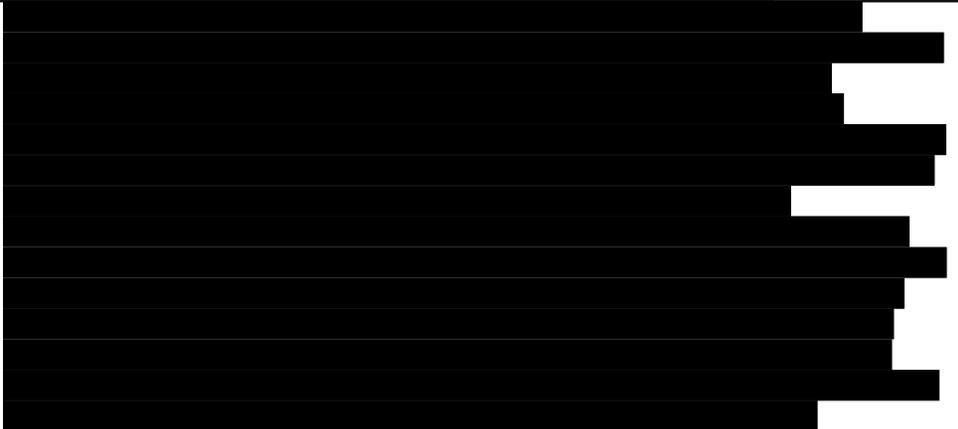
Hokyong Kim a/k/a Stewart Kim

Paragraph	Text of Allegation
505	<p>Third-party defendant Hokyong Kim a/k/a Stewart Kim was a senior manager of Platinum who, [REDACTED]. He was not alone in making this misrepresentation. His Co-conspirators misrepresented Kim as the Chief Risk Officer for Beechwood Re and BAM, all the while Kim was employed as a senior manager of Platinum. Kim and the Co-conspirators lived this lie starting in November 2013, [REDACTED]. Among other roles that Kim played in the conspiracy, he was involved in the fraudulent scheme [REDACTED].</p>
577	<p>Accordingly, at the November 8 meeting, Beechwood Re, BAM and Beechwood Capital trotted out a roomful of so-called “Beechwood” senior managers to WNIC and BCLIC, when in fact most (other than Feuer and Taylor) were Platinum senior managers. All of the following Co-conspirators played their part in this charade, [REDACTED]:</p> <ul style="list-style-type: none"> • Hodgdon, as noted above; • Will Slota, represented to be the Chief Operating Officer of Beechwood Re, while being [REDACTED] employed by Platinum; • David Ottensoser, represented to be the General Counsel of Beechwood Re, while [REDACTED] and employed [REDACTED] Platinum; • Paul Poteat, represented to be the Chief Technology Officer of Beechwood Re, while being [REDACTED] employed by Platinum. [REDACTED] <p>[REDACTED]</p> <ul style="list-style-type: none"> • [REDACTED] <ul style="list-style-type: none"> • David Leff, represented to be a Portfolio Manager for Beechwood Re, [REDACTED]; • Daniel Small, represented to be a Portfolio Manager for Beechwood Re, while being [REDACTED] employed by Platinum.

Hokyong Kim a/k/a Stewart Kim

Paragraph	Text of Allegation
607	After the Reinsurance Agreements were signed, [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
608	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
614	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
629	In addition, once the Reinsurance Agreements were signed, the number of individuals who began wearing both Beechwood and Platinum hats grew, as did the number of individuals who swung through the revolving door of the integrated Platinum-Beechwood enterprise. The cast of individuals who shuttled back and forth between Platinum and Beechwood included Nordlicht, Levy, Slota, Hodgdon, Ottensoser, Poteat, Leff, Small, Manela, Saks and Kim. Most of them had Beechwood email addresses and/or offices, along with Platinum email addresses and/or offices. [REDACTED] [REDACTED] [REDACTED]

Hokyong Kim a/k/a Stewart Kim

Paragraph	Text of Allegation
638	
639	And, the fraud did not end there. 
640	

Hokyong Kim a/k/a Stewart Kim

Paragraph	Text of Allegation
641	<p>[REDACTED]</p>
642	<p>Second, the Co-conspirators continued [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Throughout 2014, 2015 and into 2016, WNIC and BCLIC continued questioning the prudence of Beechwood Re’s, BAM’s and BAM Administrative’s investment of trust assets into speculative and illiquid Level 3 assets and ventures, including but not limited to investments in Platinum-controlled funds and entities. Although Feuer, Taylor, Levy and others continued denying – and denying vehemently – the existence of any relationship between Beechwood and Platinum, WNIC and BCLIC also questioned whether these Level 3 assets were appropriate for supporting long-term care policy liabilities. Feuer, Taylor, Levy, Kim and later Saks and Narain – with Saks replacing Levy in 2015, and Narain replacing Saks in 2016 – repeatedly assured WNIC and BCLIC of the prudence of these investments.</p>
643	<p>Their assurances were fraudulent. [REDACTED]</p> <p>[REDACTED]</p> <p>Yet, they never said as much to WNIC and BCLIC, to whom Beechwood Re, BAM and BAM Administrative owed fiduciary duties. Instead, they kept telling WNIC and BCLIC that [REDACTED] They said the same about their other investments in Level 3 assets that were not made at arm’s-length (and that they never revealed to WNIC and BCLIC were not made at arm’s-length).</p>

Hokyong Kim a/k/a Stewart Kim

644 Once Levy allegedly left Beechwood Re, BAM and BAM Administrative in late 2014 – [REDACTED] – the troika of Danny Saks, Stewart Kim and Dhruv Narain (starting in early 2016) took over the reins from Levy and continued the fraud these entities were perpetrating against WNIC and BCLIC. On a regular basis, when WNIC and BCLIC raised questions about the prudence of these entities’ investments of trust assets, Saks, Kim and Narain invariably inveighed upon WNIC and BCLIC to repose their trust and confidence in the troika’s expertise and prudence. In doing so, however, the troika also invariably concealed material facts from WNIC and BCLIC, including the Platinum-Beechwood relationship [REDACTED] and the facts demonstrating that the investments were not at arm’s-length. Examples of their continuing fraudulent conduct are legion, but include the following:

- [REDACTED]

[REDACTED]

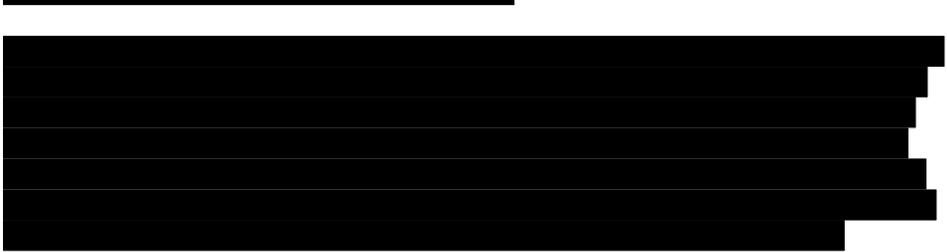
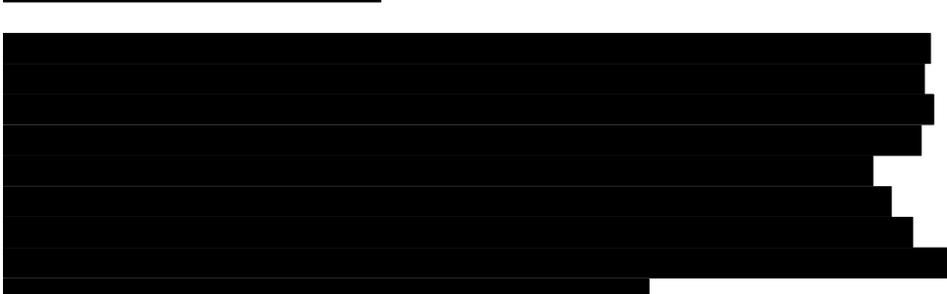
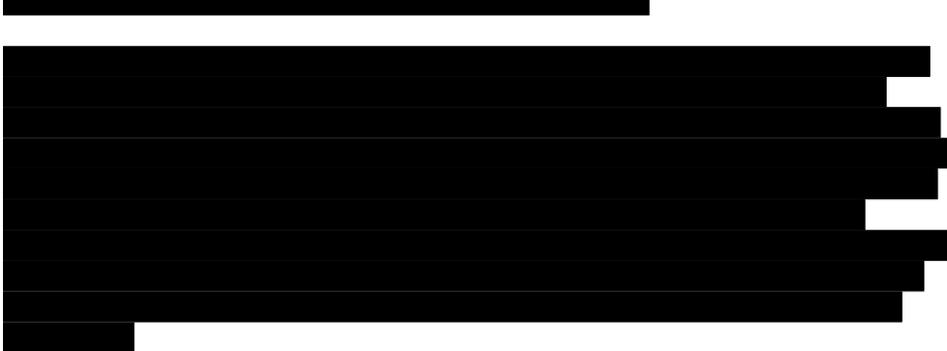
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Hokyong Kim a/k/a Stewart Kim

Paragraph	Text of Allegation
	
	
	
	
	

Hokyong Kim a/k/a Stewart Kim

Paragraph	Text of Allegation
645	<p>Third, after the Reinsurance Agreements were signed, Beechwood Re, BAM and BAM Administrative continued [REDACTED]</p> <p>[REDACTED] The reality was otherwise. Nordlicht pulled the strings.</p> <p>[REDACTED]</p>
645 n. 24	<p>[REDACTED]</p>
646	<p>[REDACTED]</p>
798	<p>[REDACTED] (b) the admissions of Co-conspirators Huberfeld and Bodner that Platinum and Beechwood were “integrated,” [REDACTED]</p> <p>[REDACTED] and all of the Co-conspirator admissions and communications set forth above, among many others. It can also be inferred from the Co-conspirators’ close ties to each other and their mutually dependent, coordinated efforts to achieve the common purposes of the Co-conspirators and each enterprise.</p>
802	<p>As set forth in detail above, in 2013 and early 2014, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat each made false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. Each of these individuals represented that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum.</p>

Hokyong Kim a/k/a Stewart Kim

Paragraph	Text of Allegation
803	In addition, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Beechwood Re, Beechwood Capital, BAM, BAM Administrative, Feuer, Taylor, Levy, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain continued the frauds set forth above, including making representations to WNIC and BCLIC, knowing such statements were false when making them, and concealing material facts from WNIC and BCLIC, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. The individuals identified in this paragraph, in addition to Beechwood Re, BAM and BAM Administrative, continued to perpetrate these frauds to induce WNIC and BCLIC to not (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.
804	For example, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat continued representing that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum. In addition, Beechwood Re, BAM and BAM Administrative, Feuer, Taylor, Levy, Saks, Kim and Narain, continued misrepresenting the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes behind Beechwood Re's entering into the Reinsurance (and accompanying) Agreements and concealed material facts about the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes for Beechwood Re's entering into the Reinsurance (and accompanying) Agreements, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. These Co-conspirators continued making the false representations set forth above and continued omitting the materials facts to induce WNIC and BCLIC not to (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.

Hokyong Kim a/k/a Stewart Kim

Paragraph	Text of Allegation
868	<p>Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim all made representations to WNIC and BCLIC that were calculated to entice WNIC and BCLIC to repose trust in not only Beechwood Re, Beechwood Capital and BAM, but also themselves, as individuals, in serving as fiduciaries for WNIC and BCLIC under the Reinsurance (and accompanying) Agreements. Feuer, Taylor, Levy and Hodgdon each made these representations to induce WNIC and BCLIC to enter into the Reinsurance Agreements, and they succeeded in inducing WNIC and BCLIC to enter into the Reinsurance Agreements as a result of their representations. In addition, Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim – on behalf of Beechwood Re, BAM and BAM Administrative – all made such representations to WNIC and BCLIC after execution of the Reinsurance Agreements to induce WNIC and BCLIC not to terminate the Agreements or take other actions to ameliorate the damages that WNIC and BCLIC were incurring. As set forth above, [REDACTED]</p>
870	[REDACTED]
871	<p>Co-conspirators Bodner and Huberfeld similarly admitted that Feuer, Taylor and other Co-conspirators breached their fiduciary duties to WNIC and BCLIC. In a July 30, 2015 email, Huberfeld and Bodner shared that they were “really concerned that if Ed Bonach [the CEO] from CNO Financial Group Finds [sic] out we invested beechwoods [sic] money into platinum with its illiquid investments (since it didn’t exactly fit their investment objective) he won’t trust us and he will take off the aprox [sic] 500 mil, he has invested in beachwood [sic] Out. That means beechwood would either implode or not be able to function fiancialy [sic] and may have to be dissolved . . . We weren’t exactly honest with [CNO’s CEO] Ed [Bonach] about the original investment or that beechwood and platinum really are integrated. I’m concerned.” Despite his concerns that Beechwood and its principals and other Co-conspirators had breached their fiduciary duties to WNIC and BCLIC by investing trust assets in [REDACTED] Feuer, Taylor and Beechwood continued doing so.</p>
876	<p>Other individual Defendants – specifically Saks, Narain and Kim – served as liaisons to WNIC and BCLIC and aided and abetted the breaches of fiduciary duty [REDACTED]</p>

Exhibit L

Dhruv Narain

Dhruv Narain

Paragraph	Text of Allegation
472	<p>In fact, the Co-conspirators have now admitted their fraud, which has also been confirmed in indictments and civil actions. In their secret correspondence, Co-conspirators and Platinum founders David Bodner and Murray Huberfeld confessed what all of the Co-conspirators feared (emphasis added): they were “really concerned that if Ed Bonach [the CEO] from CNO Financial Group Finds [sic] out we invested beechwoods [sic] money into platinum with its illiquid investments (since it didn’t exactly fit their investment objective) he won’t trust us and he will take off the aprox [sic] 500 mil, he has invested in beachwood [sic] Out. That means beechwood would either implode or not be able to function fiancialy [sic] and may have to be dissolved . . . We weren’t exactly honest with [CNO’s CEO] Ed [Bonach] about the original investment or that beechwood and platinum really are integrated. I’m concerned.” See Ex. 31 to the First Amended Complaint in the PPVA Action (the “Co-conspirators’ Confession Email”). Beechwood principals Feuer and Taylor, as well as Narain, have also admitted that [REDACTED]</p>
505	<p>Third-party defendant Hokyong Kim a/k/a Stewart Kim was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED] His Co-conspirators misrepresented Kim as the Chief Risk Officer for Beechwood Re and BAM, all the while Kim was employed as a senior manager of Platinum. Kim and the Co-conspirators lived this lie starting in November 2013, [REDACTED]</p> <p>[REDACTED]. Among other roles that Kim played in the conspiracy, he was involved in the fraudulent scheme [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

Dhruv Narain

Paragraph	Text of Allegation
508	<p>Cross-claim/third-party defendant Dhruv Narain served as the CIO for Beechwood Re and BAM starting in January 2016 and directed the investment of WNIC's and BCLIC's reinsurance trust assets in Platinum-controlled funds and entities. Within a month or two of joining Beechwood Re and BAM [REDACTED]</p>
508 n. 12	<p>The PPVA Liquidators, the Receiver and SHIP have all taken aim at Narain and his central role in the Agera transactions, in which Narain invested WNIC's and BCLIC's trust assets. WNIC and BCLIC hereby incorporate those allegations against Narain in this pleading.</p>
548	<p>These representations were knowingly false. First, Beechwood Re, Beechwood Capital, Feuer, Taylor and Levy [REDACTED]</p> <p style="padding-left: 100px;">It was funded with less than \$300,000 in cash, i.e., capital [REDACTED]</p> <p>[REDACTED], which the Receiver and plaintiffs in the PPVA Action have acknowledged were fraudulently overvalued. Co-conspirator Dhruv Narain described this collateral [REDACTED]</p>
564	<p>Feuer, Taylor and Levy, as well as the other Co-conspirators, knew that the Platinum-controlled funds and entities into which they intended to invest WNIC's and BCLIC's trust assets, [REDACTED]</p>

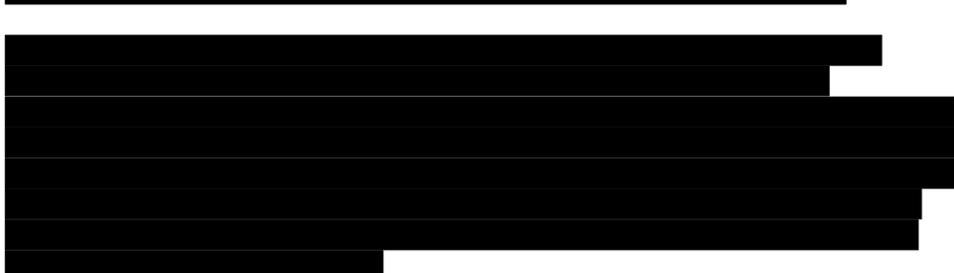
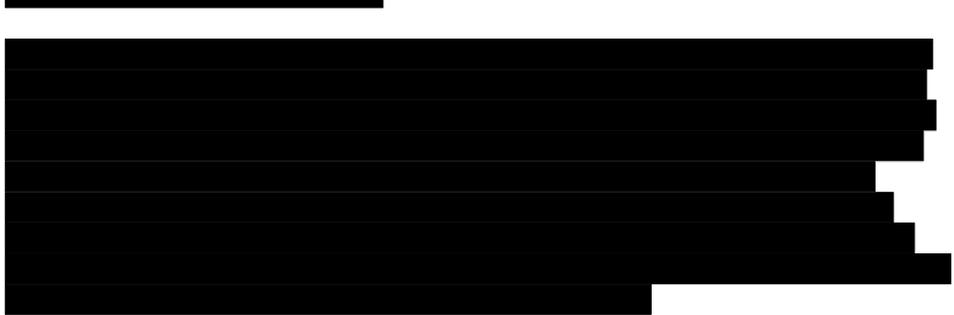
Dhruv Narain

Paragraph	Text of Allegation
609	<p>Instead of observing their fiduciary duties, however, the Co-conspirators abused their discretionary authority under the Reinsurance Agreements and the accompanying investment guidelines to invest the reinsurance trust assets in Platinum-controlled funds and entities in non-arm’s-length transactions designed to benefit themselves and Platinum. To the outside world, however, particularly WNIC and BCLIC, the Co-conspirators misrepresented these investments as being at arm’s-length, repeatedly denying that Beechwood had any relationship to Platinum, even though, as Bodner and Huberfeld admitted to each other, Beechwood and Platinum were “integrated.” They similarly misrepresented the investments as being at arm’s-length to regulators and the valuation and ratings companies they retained, except that [REDACTED]</p> <p>[REDACTED]</p>
614	<p>[REDACTED]</p>
642	<p><i>Second</i>, the Co-conspirators continued [REDACTED]</p> <p>[REDACTED] Throughout 2014, 2015 and into 2016, WNIC and BCLIC continued questioning the prudence of Beechwood Re’s, BAM’s and BAM Administrative’s investment of trust assets into speculative and illiquid Level 3 assets and ventures, including but not limited to investments in Platinum-controlled funds and entities. Although Feuer, Taylor, Levy and others continued denying – and denying vehemently – the existence of any relationship between Beechwood and Platinum, WNIC and BCLIC also questioned whether these Level 3 assets were appropriate for supporting long-term care policy liabilities. Feuer, Taylor, Levy, Kim and later Saks and Narain – with Saks replacing Levy in 2015, and Narain replacing Saks in 2016 – repeatedly assured WNIC and BCLIC of the prudence of these investments.</p>
643	<p>Their assurances were fraudulent. [REDACTED]</p> <p>[REDACTED] Yet, they never said as much to WNIC and BCLIC, to whom Beechwood Re, BAM and BAM Administrative owed fiduciary duties. Instead, they kept telling WNIC and BCLIC that [REDACTED]. They said the same about their other investments in Level 3 assets that were not made at arm’s-length (and that they never revealed to WNIC and BCLIC were not made at arm’s-length).</p>

Dhruv Narain

Paragraph	Text of Allegation
644	<p>Once Levy allegedly left Beechwood Re, BAM and BAM Administrative in late 2014 – [REDACTED] – the troika of Danny Saks, Stewart Kim and Dhruv Narain (starting in early 2016) took over the reins from Levy and continued the fraud these entities were perpetrating against WNIC and BCLIC. On a regular basis, when WNIC and BCLIC raised questions about the prudence of these entities’ investments of trust assets, Saks, Kim and Narain invariably inveighed upon WNIC and BCLIC to repose their trust and confidence in the troika’s expertise and prudence. In doing so, however, the troika also invariably concealed material facts from WNIC and BCLIC, including the Platinum-Beechwood relationship [REDACTED] and the facts demonstrating that the investments were not at arm’s-length. Examples of their continuing fraudulent conduct are legion, but include the following:</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

Dhruv Narain

Paragraph	Text of Allegation
	
	
	
	
	

Dhruv Narain

Paragraph	Text of Allegation
678	<p>On September 29, 2016, state insurance departments in New York (where BCLIC is domiciled) and Indiana (where WNIC is domiciled) concluded that many assets in the trusts were “not compliant” with the investment guidelines prescribed by applicable state laws and the Reinsurance Agreements. Unbeknownst to WNIC and BCLIC, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
803	<p>In addition, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Beechwood Re, Beechwood Capital, BAM, BAM Administrative, Feuer, Taylor, Levy, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain continued the frauds set forth above, including making representations to WNIC and BCLIC, knowing such statements were false when making them, and concealing material facts from WNIC and BCLIC, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. The individuals identified in this paragraph, in addition to Beechwood Re, BAM and BAM Administrative, continued to perpetrate these frauds to induce WNIC and BCLIC to not (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.</p>
804	<p>For example, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat continued representing that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum. In addition, Beechwood Re, BAM and BAM Administrative, Feuer, Taylor, Levy, Saks, Kim and Narain, continued misrepresenting the Co-conspirators’ plans and strategies for managing and investing WNIC’s and BCLIC’s trust assets and the true purposes behind Beechwood Re’s entering into the Reinsurance (and accompanying) Agreements and concealed material facts about the Co-conspirators’ plans and strategies for managing and investing WNIC’s and BCLIC’s trust assets and the true purposes for Beechwood Re’s entering into the Reinsurance (and accompanying) Agreements, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. These Co-conspirators continued making the false representations set forth above and continued omitting the materials facts to induce WNIC and BCLIC not to (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.</p>

Dhruv Narain

Paragraph	Text of Allegation
840	<p>After WNIC and BCLIC entered into the Reinsurance (and accompanying) Agreements, the troika of Saks, Kim and Narain each played pivotal roles in aiding and abetting the continuing fraud. Saks and Narain served as the CIO's for BAM – Saks in 2015 and Narain in 2016 – and both, along with Kim, repeatedly continued the charade [REDACTED]</p>
868	<p>Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim all made representations to WNIC and BCLIC that were calculated to entice WNIC and BCLIC to repose trust in not only Beechwood Re, Beechwood Capital and BAM, but also themselves, as individuals, in serving as fiduciaries for WNIC and BCLIC under the Reinsurance (and accompanying) Agreements. Feuer, Taylor, Levy and Hodgdon each made these representations to induce WNIC and BCLIC to enter into the Reinsurance Agreements, and they succeeded in inducing WNIC and BCLIC to enter into the Reinsurance Agreements as a result of their representations. In addition, Feuer, Taylor, Levy, Hodgdon, Narain, Saks and Kim – on behalf of Beechwood Re, BAM and BAM Administrative – all made such representations to WNIC and BCLIC after execution of the Reinsurance Agreements to induce WNIC and BCLIC not to terminate the Agreements or take other actions to ameliorate the damages that WNIC and BCLIC were incurring. As set forth above, [REDACTED]</p>
870	<p>[REDACTED]</p>

Dhruv Narain

Paragraph	Text of Allegation
871	<p>Co-conspirators Bodner and Huberfeld similarly admitted that Feuer, Taylor and other Co-conspirators breached their fiduciary duties to WNIC and BCLIC. In a July 30, 2015 email, Huberfeld and Bodner shared that they were “really concerned that if Ed Bonach [the CEO] from CNO Financial Group Finds [sic] out we invested beechwoods [sic] money into platinum with its illiquid investments (since it didn’t exactly fit their investment objective) <i>he won’t trust us and he will take off the aprox [sic] 500 mil, he has invested in beachwood [sic] Out.</i> That means beechwood would either implode or not be able to function fiancialy [sic] and may have to be dissolved . . . <i>We weren’t exactly honest with [CNO’s CEO] Ed [Bonach] about the original investment or that beechwood and platinum really are integrated.</i> I’m concerned.” Despite his concerns that Beechwood and its principals and other Co-conspirators had breached their fiduciary duties to WNIC and BCLIC by investing trust assets in [REDACTED] Feuer, Taylor and Beechwood continued doing so.</p>
875	<p>And, in the case of each individual Defendant named herein, the Defendant specifically participated in the breaches of fiduciary duty that Beechwood perpetrated against WNIC and BCLIC. [REDACTED]</p> <p>Similarly, over the course of Beechwood’s two and a half year relationship with WNIC and BCLIC, the three Beechwood CIO’s – first Levy, then Saks, then Narain – aided and abetted the breaches of fiduciary duty by [REDACTED]</p>
876	<p>Other individual Defendants – specifically Saks, Narain and Kim – served as liaisons to WNIC and BCLIC and aided and abetted the breaches of fiduciary duty [REDACTED]</p>

Exhibit M

David Ottensoser

Paragraph	Text of Allegation
558	<p>[REDACTED]</p>
577	<p>Accordingly, at the November 8 meeting, Beechwood Re, BAM and Beechwood Capital trotted out a roomful of so-called “Beechwood” senior managers to WNIC and BCLIC, when in fact most (other than Feuer and Taylor) were Platinum senior managers. All of the following Co-conspirators played their part in this charade, [REDACTED]:</p> <ul style="list-style-type: none"> • Hodgdon, as noted above; • Will Slota, represented to be the Chief Operating Officer of Beechwood Re, while being [REDACTED] employed by Platinum; • David Ottensoser, represented to be the General Counsel of Beechwood Re, while being [REDACTED] employed [REDACTED] Platinum; • Paul Poteat, represented to be the Chief Technology Officer of Beechwood Re, while being [REDACTED] employed by Platinum. [REDACTED] <p>[REDACTED];</p> <ul style="list-style-type: none"> • [REDACTED] <p>[REDACTED]</p> <ul style="list-style-type: none"> • David Leff, represented to be a Portfolio Manager for Beechwood Re, [REDACTED] • Daniel Small, represented to be a Portfolio Manager for Beechwood Re, while being [REDACTED] employed by Platinum.
584	<p>[REDACTED]</p>
606	<p>In the next two and a half years after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED] used the reinsurance trust assets as a piggybank to enrich themselves and further the Platinum Ponzi-esque scheme, abusing their fiduciary duties to WNIC and BCLIC, as the trust beneficiaries. The Co-conspirators admitted owing these fiduciary duties. For example, before the Reinsurance Agreements were signed, Hodgdon admitted as much in an October 7, 2013 email he sent to Tim Bischof, copying Co-conspirators Feuer, Taylor and Levy acknowledging that Beechwood Re and its affiliates had duties “to protect the asset base” of WNIC’s and BCLIC’s reinsurance trusts due to “the fiduciary character of the insurance business.”</p>

David Ottensoser

Paragraph	Text of Allegation
629	<p>In addition, once the Reinsurance Agreements were signed, the number of individuals who began wearing both Beechwood and Platinum hats grew, as did the number of individuals who swung through the revolving door of the integrated Platinum-Beechwood enterprise. The cast of individuals who shuttled back and forth between Platinum and Beechwood included Nordlicht, Levy, Slota, Hodgdon, Ottensoser, Poteat, Leff, Small, Manela, Saks and Kim. Most of them had Beechwood email addresses and/or offices, along with Platinum email addresses and/or offices. [REDACTED]</p>
638	<p>[REDACTED]</p>
802	<p>As set forth in detail above, in 2013 and early 2014, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat each made false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. Each of these individuals represented that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum.</p>
803	<p>In addition, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Beechwood Re, Beechwood Capital, BAM, BAM Administrative, Feuer, Taylor, Levy, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain continued the frauds set forth above, including making representations to WNIC and BCLIC, knowing such statements were false when making them, and concealing material facts from WNIC and BCLIC, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. The individuals identified in this paragraph, in addition to Beechwood Re, BAM and BAM Administrative, continued to perpetrate these frauds to induce WNIC and BCLIC to not (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.</p>

Exhibit N

PB Investment Holdings

PB Investment Holdings Ltd.

Paragraph	Text of Allegation
517	<p>Third-party defendant PB Investment Holdings Ltd. (“PB Investment”) is the successor-in-interest to BBIH. PB Investment is and, at all times material to these claims, was an entity organized under Bermuda law, with its principal place of business in Bermuda. BBIH was a reinsurance and wealth management company domiciled in Bermuda that issued wealth management products for Beechwood entities. [REDACTED]</p> <p>[REDACTED] Feuer, Taylor and Levy, had represented to WNIC and BCLIC would support Beechwood Re’s obligations to WNIC and BCLIC. In 2014, however, [REDACTED] [REDACTED] diverted the so-called “capital” that supported Beechwood Re’s obligations to WNIC and BCLIC [REDACTED] without disclosing the diversion to WNIC or BCLIC at the time of the diversion.</p>
518	<p>This pleading will refer to BBL, BBIL and BBIH (and its successor-in-interest PB Investments) collectively as “Beechwood Bermuda.” Cross-claim/third-party defendants the Beechwood Trusts are and, at all times material to these claims, were trusts that were established and controlled by Platinum co-founders Nordlicht, Huberfeld or Bodner, except for Trust No. 20, which was established and controlled by Levy. The Platinum co-founders and Levy created each of the Beechwood Trusts as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators’ racketeering activities and placing them beyond the reach of their creditors. Each of the Beechwood Trusts is an alter ego of either Nordlicht, Bodner, Huberfeld or Levy (in the case of Trust No. 20 only). Through Beechwood Trusts Nos. 1 through 19, Nordlicht, Huberfeld and Bodner owned and controlled Beechwood Re, Holdings and BAM, among other Beechwood entities.</p>
521	<p>Moreover, Beechwood Investments and each Beechwood Series provided Beechwood Re and other Beechwood entities with the so-called “capital” that Beechwood Re, in the persons of Feuer, Taylor and Levy, had represented to WNIC and BCLIC would support Beechwood Re’s obligations to WNIC and BCLIC. In 2014, however, [REDACTED] [REDACTED] entities diverted the so-called “capital” that supported Beechwood Re’s obligations to WNIC and BCLIC [REDACTED], without disclosing the diversion to WNIC or BCLIC at the time of the diversion.</p>
618	<p>The Co-conspirators then fraudulently diverted this \$75 million in “capital” [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] (the “Demand Note Transfer”).</p>
619	<p>The Demand Note Transfer occurred on or about May [REDACTED] 2014, when the \$100 million Demand Note supporting Beechwood Re was unilaterally changed to an Amended and Restated Demand Note for \$25 million. Of course, the Co-conspirators concealed the Demand Note Transfer from WNIC and BCLIC, as well.</p>

PB Investment Holdings

Paragraph	Text of Allegation
620	<p>The Demand Note Transfer was designed to render, and succeeded in rendering, Beechwood Re insolvent and placed its “capital” beyond the reach of WNIC and BCLIC, so that Beechwood could continue its participation in the fraud scheme with impunity [REDACTED]. There was no consideration for Beechwood Re’s Demand Note Transfer of \$75 million [REDACTED]. The Transfer was to the detriment of WNIC and BCLIC.</p>
622	<p>[REDACTED] Taylor was forced to reveal the truth to WNIC and BCLIC, in an email admitting for the first time that Beechwood had unilaterally reduced the Demand Note supporting its obligations under the Reinsurance Agreement from \$100 million to \$25 million.</p>
623	<p>To keep WNIC and BCLIC from terminating the Reinsurance Agreements right then and there, Taylor assured WNIC and BCLIC that the “Beechwood Companies have an irrevocable right to the assets within a Delaware Series LLC” that are “valued in excess of \$100M.” [REDACTED]</p>
624	<p>[REDACTED] As they had intended, this kept WNIC and BCLIC from terminating the Reinsurance Agreements.</p>
625	<p>Unbeknownst to WNIC and BCLIC, the Co-conspirators instead used the \$75 million in Demand Note capacity that the Co-Conspirators had diverted from Beechwood Re [REDACTED] BBIL’s executive vice president, David Lessing, to crow that BBIL was “on course for record monthly sales” in June 2016 and thus June 2016 “will be our best month, and that has been true for each month over the last couple of months.” [REDACTED] At all relevant times, and in direct contradiction to what WNIC and BCLIC were told, none of the money was ever available to Beechwood Re to satisfy its obligations under the Reinsurance Agreements.</p>
626	<p>The Demand Note Transfer of \$75 million from Beechwood Re [REDACTED] left Beechwood Re a mere shell company, grossly undercapitalized and with assets that were wholly inadequate to cover its obligations to WNIC and BCLIC under the Reinsurance Agreements. This undercapitalization eventually led to Beechwood Re being placed in controllership in 2017, while Feuer, Taylor, Nordlicht, Levy and other Co-Conspirators enjoyed their ill-gotten gains from their fraudulent scheme.</p>

PB Investment Holdings

Paragraph	Text of Allegation
627	<p>[REDACTED]</p> <p>[REDACTED] The Co-conspirators made these continuing misrepresentations to WNIC and BCLIC about Beechwood’s “capital” to induce WNIC and BCLIC not to terminate the Reinsurance (and accompanying) Agreements. As to each of the Co-conspirators’ misrepresentations, WNIC and BCLIC reasonably relied on the representation to their detriment, including by not terminating the Reinsurance Agreements or taking other actions that could have ameliorated the damages WNIC and BCLIC incurred as a result of these misrepresentations.</p>
690	<p>On August 8, 2017, Reuters reported that Global Bankers Insurance Group, a Durham, North Carolina-based subsidiary of Eli Global, purchased certain undisclosed assets “from the Beechwood family of reinsurance and asset management companies.”</p> <p>[REDACTED]</p>
809	<p>[REDACTED] Taylor emailed WNIC’s and BCLIC’s [REDACTED], admitting for the first time that the Demand Note supporting Beechwood Re’s obligations under the Reinsurance Agreements had, without prior notice to WNIC and BCLIC, been reduced from \$100 million to \$25 million. [REDACTED] Taylor then represented to WNIC and BCLIC that the “Beechwood Companies have an irrevocable right to the assets within a Delaware Series LLC” that are “valued in excess of \$100M.”</p>
810	<p>[REDACTED]</p>
811	<p>[REDACTED]</p>
812	<p>[REDACTED]</p>

PB Investment Holdings

Paragraph	Text of Allegation
813	[REDACTED]
814	WNIC and BCLIC justifiably relied on these misrepresentations to their detriment, including by not terminating the Reinsurance Agreements or taking other actions that could have ameliorated the damages WNIC and BCLIC incurred as a result of these misrepresentations. BBL, BBIL and and PB Investment are liable to WNIC and BCLIC for knowingly lying about [REDACTED]
815	WNIC and BCLIC suffered damages as a proximate result of these misrepresentations made on behalf of Beechwood Bermuda. Not only did these misrepresentations induce WNIC and BCLIC not to recapture the trust assets or terminate the Reinsurance Agreements, but also, as described above, Beechwood Re's assets were wholly inadequate to cover its obligations to WNIC and BCLIC under the Reinsurance Agreements. When WNIC and BCLIC recaptured the trust assets, the Co-conspirators did not make the capital of any Beechwood entities, including Beechwood Bermuda, available to satisfy Beechwood Re's obligations, [REDACTED]
893	Beechwood Bermuda was aware that WNIC and BCLIC were Beechwood Re's creditors. Beechwood Bermuda and Beechwood Re were commonly owned and controlled, and were together with other Co-Conspirators engaged in a conspiracy to defraud WNIC and BCLIC. Hence, Beechwood Bermuda knew everything Beechwood Re knew, including that Beechwood Re had defrauded WNIC and BCLIC and that Beechwood Re had breached and planned to continue breaching the Reinsurance Agreements. [REDACTED]
895	The Demand Note Transfer was made by Beechwood Re [REDACTED] for no consideration with the actual intent to hinder, delay, or defraud the creditors of Beechwood Re.
896	Beechwood Re made the Demand Note Transfer [REDACTED] in furtherance of its fraud scheme, and for the purpose of ensuring that Beechwood Re would have no assets if and when the fraud scheme was discovered. That is, among the Beechwood entities, [REDACTED]

PB Investment Holdings

Paragraph	Text of Allegation
897	The Demand Note Transfer [REDACTED] with the actual intent to hinder, delay, or defraud the creditors and/or future creditors of Beechwood Re at the time of the Demand Note Transfer.
905	Beechwood Re was insolvent when it made the Demand Note Transfer, or became insolvent as a result of the Transfer. As a result of the Transfer, for example, Beechwood Re had only \$25 million in “capital,” which was insufficient to satisfy all of the liabilities Beechwood Re then had and would incur under the Reinsurance Agreements. Moreover, when the Demand Note Transfer occurred, Beechwood Re was actively participating, with other Co-Conspirators including Beechwood Bermuda, in a massive fraud scheme directed at WNIC, BCLIC and others and had nowhere near the assets necessary to make its victims whole.
917	When Beechwood Re made the Demand Note Transfer, Beechwood Re had incurred, was intending to incur, or believed that it would incur debts beyond its ability to pay them as the debts matured. When the Demand Note Transfer occurred, Beechwood Re was actively participating, with other Co-Conspirators, including Beechwood Bermuda, in a massive fraud scheme directed at WNIC, BCLIC and others and had nowhere near the capital necessary to make its victims whole.

Exhibit O

Daniel Saks

Daniel Saks a/k/a Danny Saks

Paragraph	Text of Allegation
486	<p>The complete fraudulence of Taylor’s denials are exemplified in [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] All the while, Taylor was denying to WNIC and BCLIC that Beechwood and Platinum were related.</p>
504	<p>Cross-claim/third-party defendant Daniel Saks a/k/a Danny Saks was a senior manager of Platinum who, [REDACTED]</p> <p>[REDACTED] While purportedly serving in this role and owing fiduciaries duties to WNIC and BCLIC, Saks directed the investment of WNIC’s and BCLIC’s reinsurance trust assets and furthered the Co-conspirators’ fraudulent scheme by using WNIC’s and BCLIC’s reinsurance trust assets as a piggybank for Platinum, all the while being under the secret control of Nordlicht and Platinum. For example, while purportedly serving as CIO for Beechwood Re and BAM, Saks was continuing to act for Platinum and used his dual roles in furtherance of the Black Elk Note scandal that Nordlicht directed. He was also instrumental in the Co-conspirators’ fraudulent scheme to overvalue Platinum-controlled entities, referred to as “Scheme 1” in the PPVA Action, into which he and other Co-conspirators invested WNIC’s and BCLIC’s trust assets. As set forth below, after the Reinsurance Agreements were signed, Saks was instrumental in continuing the fraud that Platinum and Beechwood were unrelated parties.</p>

Daniel Saks

Paragraph	Text of Allegation
614	<p>[REDACTED]</p>
629	<p>In addition, once the Reinsurance Agreements were signed, the number of individuals who began wearing both Beechwood and Platinum hats grew, as did the number of individuals who swung through the revolving door of the integrated Platinum-Beechwood enterprise. The cast of individuals who shuttled back and forth between Platinum and Beechwood included Nordlicht, Levy, Slota, Hodgdon, Ottensoser, Poteat, Leff, Small, Manela, Saks and Kim. Most of them had Beechwood email addresses and/or offices, along with Platinum email addresses and/or offices. [REDACTED]</p>
632	<p>By late 2014 or early 2015, Feuer and Taylor represented that Levy was no longer at Beechwood and that Danny Saks was replacing him as the CIO of Beechwood Re and its agent, BAM. [REDACTED]</p> <p>[REDACTED] In fact, Saks was from Platinum, and was just one more senior manager in the integrated Platinum-Beechwood operating platform who wore both hats simultaneously and used the revolving door. The Co-conspirators, including Saks himself, concealed that fact from WNIC and BCLIC.</p>
633	<p>Despite Saks' supposed replacement of Levy as the CIO for Beechwood Re and BAM, little else changed. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] And, despite promises from Feuer and Taylor that Beechwood Re and BAM would divest the trusts of Platinum-controlled funds and entities with Saks on board, they failed to keep their promises. Beechwood Re and its agents divested the trusts of some Platinum-controlled investments, but not all, and then added new Platinum-controlled funds and entities to the trusts' portfolios of assets during the course of 2015 and 2016.</p>

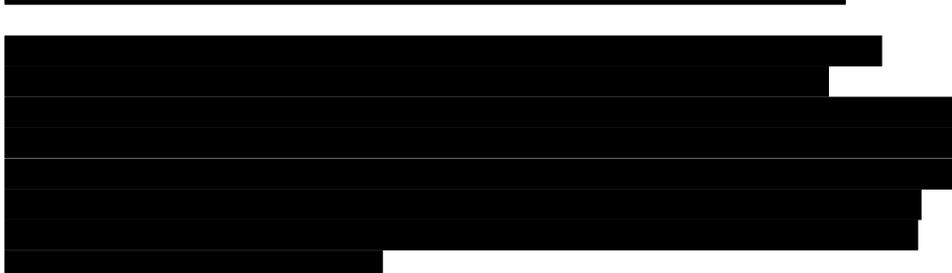
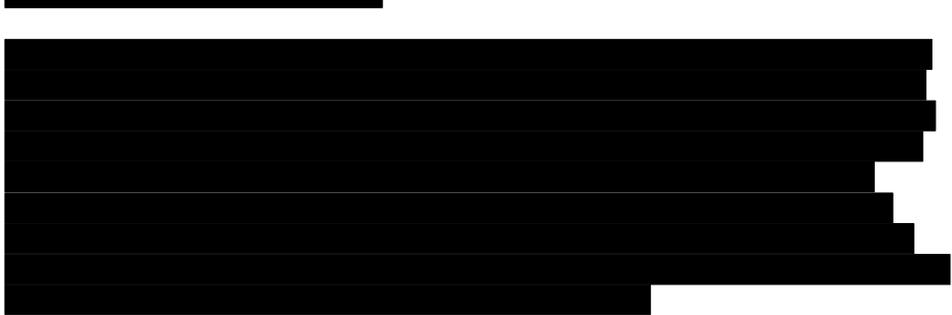
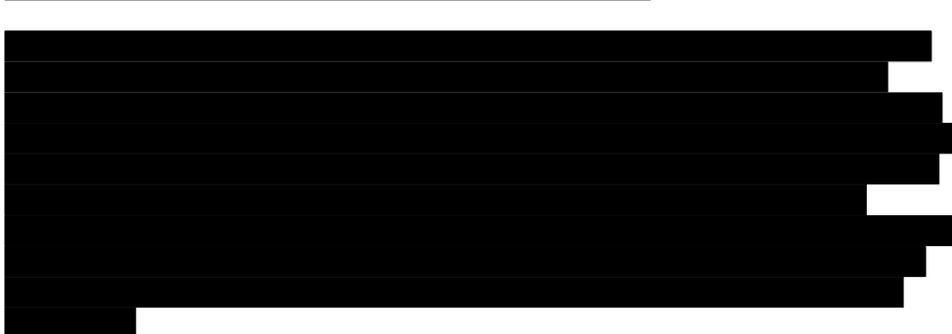
Daniel Saks

Paragraph	Text of Allegation
634	<p>[REDACTED]</p>
642	<p>Second, the Co-conspirators continued [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] Throughout 2014, 2015 and into 2016, WNIC and BCLIC continued questioning the prudence of Beechwood Re's, BAM's and BAM Administrative's investment of trust assets into speculative and illiquid Level 3 assets and ventures, including but not limited to investments in Platinum-controlled funds and entities. Although Feuer, Taylor, Levy and others continued denying – and denying vehemently – the existence of any relationship between Beechwood and Platinum, WNIC and BCLIC also questioned whether these Level 3 assets were appropriate for supporting long-term care policy liabilities. Feuer, Taylor, Levy, Kim and later Saks and Narain – with Saks replacing Levy in 2015, and Narain replacing Saks in 2016 – repeatedly assured WNIC and BCLIC of the prudence of these investments.</p>

Daniel Saks

644	<p>Once Levy allegedly left Beechwood Re, BAM and BAM Administrative in late 2014 – [REDACTED] – the troika of Danny Saks, Stewart Kim and Dhruv Narain (starting in early 2016) took over the reins from Levy and continued the fraud these entities were perpetrating against WNIC and BCLIC. On a regular basis, when WNIC and BCLIC raised questions about the prudence of these entities’ investments of trust assets, Saks, Kim and Narain invariably inveighed upon WNIC and BCLIC to repose their trust and confidence in the troika’s expertise and prudence. In doing so, however, the troika also invariably concealed material facts from WNIC and BCLIC, including the Platinum-Beechwood relationship [REDACTED] and the facts demonstrating that the investments were not at arm’s-length. Examples of their continuing fraudulent conduct are legion, but include the following:</p> <p>[REDACTED]</p>
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Daniel Saks

Paragraph	Text of Allegation
	
	
	
	
	

Daniel Saks

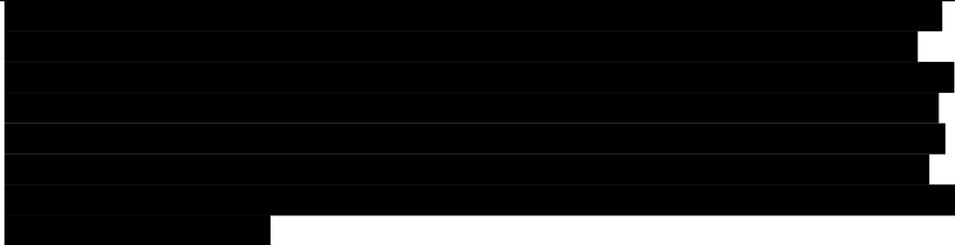
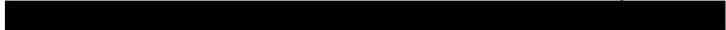
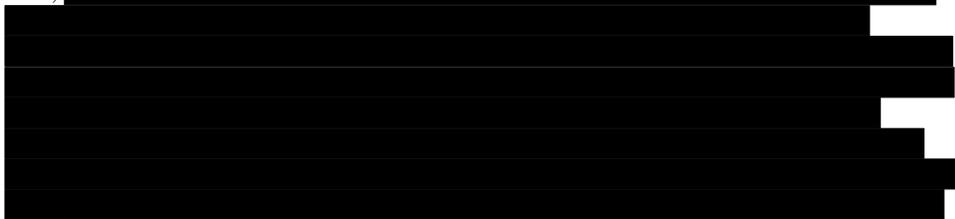
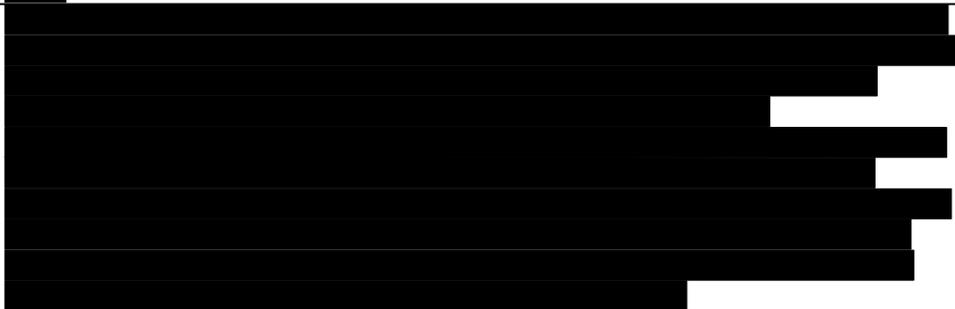
Paragraph	Text of Allegation
645	<p>Third, after the Reinsurance Agreements were signed, Beechwood Re, BAM and BAM Administrative continued [REDACTED]</p> <p>[REDACTED] The reality was otherwise. Nordlicht pulled the strings. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
646	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
798	<p>[REDACTED]</p> <p>[REDACTED], (b) the admissions of Co-conspirators Huberfeld and Bodner that Platinum and Beechwood were “integrated,” [REDACTED]</p> <p>[REDACTED] and all of the Co-conspirator admissions and communications set forth above, among many others. It can also be inferred from the Co-conspirators’ close ties to each other and their mutually dependent, coordinated efforts to achieve the common purposes of the Co-conspirators and each enterprise.</p>
803	<p>In addition, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Beechwood Re, Beechwood Capital, BAM, BAM Administrative, Feuer, Taylor, Levy, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain continued the frauds set forth above, including making representations to WNIC and BCLIC, knowing such statements were false when making them, and concealing material facts from WNIC and BCLIC, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. The individuals identified in this paragraph, in addition to Beechwood Re, BAM and BAM Administrative, continued to perpetrate these frauds to induce WNIC and BCLIC to not (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.</p>

Daniel Saks

Paragraph	Text of Allegation
875	<p>And, in the case of each individual Defendant named herein, the Defendant specifically participated in the breaches of fiduciary duty that Beechwood perpetrated against WNIC and BCLIC. [REDACTED]</p> <p>Similarly, over the course of Beechwood's two and a half year relationship with WNIC and BCLIC, the three Beechwood CIO's – first Levy, then Saks, then Narain – aided and abetted the breaches of fiduciary duty by [REDACTED]</p>
876	<p>Other individual Defendants – specifically Saks, Narain and Kim – served as liaisons to WNIC and BCLIC and aided and abetted the breaches of fiduciary duty [REDACTED]</p>

Exhibit P

Will Slota

Paragraph	Text of Allegation
558	
566	<p>These representations were false, and Feuer, Taylor, Levy and the other Co-conspirators (including Nordlicht, Bodner and Huberfeld) knew them to be false when they made them. Long before </p> 
567	<p>And, </p>  <p>Beechwood never disclosed the true facts to WNIC or BCLIC.</p>
576	

Will Slota

Paragraph	Text of Allegation
577	<p>Accordingly, at the November 8 meeting, Beechwood Re, BAM and Beechwood Capital trotted out a roomful of so-called “Beechwood” senior managers to WNIC and BCLIC, when in fact most (other than Feuer and Taylor) were Platinum senior managers. All of the following Co-conspirators played their part in this charade, [REDACTED]</p> <ul style="list-style-type: none"> • Hodgdon, as noted above; • Will Slota, represented to be the Chief Operating Officer of Beechwood Re, while being [REDACTED] employed by Platinum; • David Ottensoser, represented to be the General Counsel of Beechwood Re, while being [REDACTED] employed [REDACTED] Platinum; • Paul Poteat, represented to be the Chief Technology Officer of Beechwood Re, while being [REDACTED] employed by Platinum. [REDACTED] <p>[REDACTED]</p> <ul style="list-style-type: none"> • [REDACTED] <ul style="list-style-type: none"> • David Leff, represented to be a Portfolio Manager for Beechwood Re [REDACTED] • Daniel Small, represented to be a Portfolio Manager for Beechwood Re, while being [REDACTED] employed by Platinum.
578	<p>[REDACTED]</p>
606	<p>In the next two and a half years after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED] used the reinsurance trust assets as a piggybank to enrich themselves and further the Platinum Ponzi-esque scheme, abusing their fiduciary duties to WNIC and BCLIC, as the trust beneficiaries. The Co-conspirators admitted owing these fiduciaries duties. For example, before the Reinsurance Agreements were signed, Hodgdon admitted as much in an October 7, 2013 email he sent to Tim Bischof, copying Co-conspirators Feuer, Taylor and Levy acknowledging that Beechwood Re and its affiliates had duties “to protect the asset base” of WNIC’s and BCLIC’s reinsurance trusts due to “the fiduciary character of the insurance business.”</p>

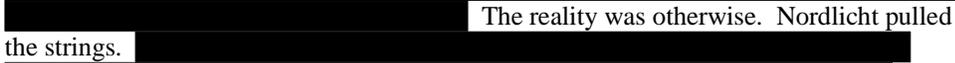
Will Slota

Paragraph	Text of Allegation
611	<p>The Co-conspirators continued perpetrating their frauds on WNIC and BCLIC in the process of abusing the discretionary authority that Beechwood Re and its agents had over the transferred assets. For example, they continued misrepresenting the ownership interests in and control over Beechwood. Almost immediately after the Reinsurance Agreements were signed, [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] WNIC and BCLIC representatives noticed these data points and began asking about it. Over the telephone, Levy told WNIC and BCLIC representative Eric Johnson, among others, that there was no relationship between Beechwood and Platinum.</p>
629	<p>In addition, once the Reinsurance Agreements were signed, the number of individuals who began wearing both Beechwood and Platinum hats grew, as did the number of individuals who swung through the revolving door of the integrated Platinum-Beechwood enterprise. The cast of individuals who shuttled back and forth between Platinum and Beechwood included Nordlicht, Levy, Slota, Hodgdon, Ottensoser, Poteat, Leff, Small, Manela, Saks and Kim. Most of them had Beechwood email addresses and/or offices, along with Platinum email addresses and/or offices. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>
637	<p>After the Reinsurance Agreements were signed, the Co-conspirators continued misrepresenting their intentions to WNIC and BCLIC as to how they intended to invest the reinsurance trust assets. <i>First</i>, the Co-conspirators' fraudulent [REDACTED] was not only continued, but also expanded after the Reinsurance Agreements were signed. [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>

Will Slota

Paragraph	Text of Allegation
638	
639	And, the fraud did not end there. 
640	

Will Slota

Paragraph	Text of Allegation
641	
645	<p>Third, after the Reinsurance Agreements were signed, Beechwood Re, BAM and BAM Administrative continued   The reality was otherwise. Nordlicht pulled the strings. </p>
645 n. 24	
646	
693	

Will Slota

Paragraph	Text of Allegation
694	[REDACTED]
695	[REDACTED]
696	[REDACTED]
697	[REDACTED]
702	Ultimately, [REDACTED] [REDACTED] [REDACTED] What is more, [REDACTED] [REDACTED] Of course, [REDACTED] [REDACTED]
704	[REDACTED]
704 n. 34	This is significant, as Slota was the “enforcer” of the integrated Platinum-Beechwood conspiracy, charged with ensuring that the Co-conspirators maintained the deception that [REDACTED]

Will Slota

Paragraph	Text of Allegation
759	<p>To be sure, Lincoln's valuation reports were used to establish whether the actual value of the trust assets reported by Beechwood Re, BAM and BAM Administrative was reasonable (or, in the case of the Negative Assurance Letters, at least not unreasonable). In addition to the ways in which they were used by WNIC and BCLIC, described above,</p> <p>[REDACTED]</p>
802	<p>As set forth in detail above, in 2013 and early 2014, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat each made false representations of material fact to WNIC and BCLIC, knowing such statements were false when making them, to induce WNIC and BCLIC to enter into the Reinsurance (and accompanying) Agreements. Each of these individuals represented that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum.</p>
803	<p>In addition, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Beechwood Re, Beechwood Capital, BAM, BAM Administrative, Feuer, Taylor, Levy, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain continued the frauds set forth above, including making representations to WNIC and BCLIC, knowing such statements were false when making them, and concealing material facts from WNIC and BCLIC, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. The individuals identified in this paragraph, in addition to Beechwood Re, BAM and BAM Administrative, continued to perpetrate these frauds to induce WNIC and BCLIC to not (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.</p>
804	<p>For example, as set forth in detail above, after the Reinsurance (and accompanying) Agreements were signed, Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim and Poteat continued representing that himself and the others were the senior managers of Beechwood Re, BAM and BAM Administrative, when in fact they were senior managers of Platinum, not Beechwood, and were being compensated by Platinum. In addition, Beechwood Re, BAM and BAM Administrative, Feuer, Taylor, Levy, Saks, Kim and Narain, continued misrepresenting the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes behind Beechwood Re's entering into the Reinsurance (and accompanying) Agreements and concealed material facts about the Co-conspirators' plans and strategies for managing and investing WNIC's and BCLIC's trust assets and the true purposes for Beechwood Re's entering into the Reinsurance (and accompanying) Agreements, even though Beechwood Re, BAM and BAM Administrative owed fiduciary duties to WNIC and BCLIC. These Co-conspirators continued making the false representations set forth above and continued omitting the materials facts to induce WNIC and BCLIC not to (a) terminate the Reinsurance (and accompanying) Agreements or (b) take other actions to ameliorate the damages that WNIC and BCLIC were incurring while the Agreements were continuing.</p>

Will Slota

Paragraph	Text of Allegation
838	<p>Hodgdon, Slota, Manela, Ottensoser, Poteat, Leff, Small and Kim aided and abetted the fraud in many ways, including directing and executing the fraudulent, non-arm's-length transactions in which Beechwood, BAM and BAM Administrative invested WNIC's and BCLIC's trust assets, including but not limited to Platinum-controlled funds and entities. So, for example, Small and Ottensoser played critical roles in the Black Elk Note scandal in which they used WNIC and BCLIC trust assets to manipulate the fraudulent consent solicitation. See EDNY Indictment and SEC Complaint. Slota and Leff directed the Co-conspirators' scheme to leverage WNIC's and BCLIC's trust assets and encumber them with prime brokers, even though Beechwood Re had already granted WNIC and BCLIC the "first priority security interest" in those assets, as Beechwood Re was required to do under law.</p> <p>[REDACTED]</p>
877	<p>[REDACTED]</p>

Exhibit Q

Taylor-Lau Family Trust

Taylor-Lau Family Trust

Paragraph	Text of Allegation
488	Cross-claim/third-party defendant the Taylor-Lau Family Trust is a trust organized under New York law with Taylor's wife or other family members as beneficiaries. Taylor created the Taylor-Lau Family Trust as an asset protection vehicle for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities and placing them beyond the reach of his creditors.
656	Feuer, Taylor and Levy have also sought to defraud their creditors by secreting assets in family trusts, with their wives and children as beneficiaries. Levy parked proceeds of the racketeering activity in Beechwood Trust No. 20, while Feuer used the Feuer Family Trust and Taylor used the Taylor-Lau Family Trust to do so. Upon information and belief, they have been doing so since at least 2013, and have continued doing so for years, including through late 2016.
788	A number of the Defendants named herein participated directly or indirectly in the management, direction or operation of each enterprise through their agent. For example, the Feuer Family Trust, which Feuer established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Mark Feuer. The Taylor-Lau Family Trust, which Taylor established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, Scott Taylor. Beechwood Trust No. 20, which Levy established and maintained to secrete his ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of its agent, David Levy. Beechwood Trusts Nos. 1 through 19 and Beechwood Series A through I, which Nordlicht, Bodner and Huberfeld established and maintained to secrete their ill-gotten gains, participated directly or indirectly in the management, direction or operation of each enterprise through the acts of their respective agents, Mark Nordlicht, David Bodner and Murray Huberfeld.