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FILED
Superior Court of California
County of Los Angeles
07/18/2023

David W. Slayton, Executive Officer / Clerk of Court
By: R. Redmond Deputy

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

RELIANT LIFE SHARES, LLC, a California
Limited Liability Company,

Plaintiff,

vs.

DANIEL B. COOPER, an individual; and
RICHARD D. COOPER, in his capacity as
Trustee of the 2010 Irrevocable Trust of BBC,

Defendants.

Case No. BC604858

*[Assigned to the Hon. Huey P. Cotton
Department: A]*

**~~PROPOSED~~ ORDER MODIFYING AND
SUPPLEMENTING POWERS GRANTED
TO RECEIVER**

DANIEL B. COOPER, an individual; and
RICHARD D. COOPER, in his capacity as
Trustee of the 2010 Irrevocable Trust of BBC,

Cross-Complainants,

vs.

SEAN MICHAELS, an individual, SCOTT
GRADY, an individual, JOEL KLEINFELD,
an individual, ANDREW MURPHY, an
individual, RELIANT LIFE SHARES, LLC, a
California Limited Liability Company, PB
CONSULTING, LLC, a California Limited
Liability Company, SMDC HOLDINGS, LLC,
a California Limited Liability Company, and
AMERICAN LIFE SHARES, INC.,

Cross-Defendants.

ORDER

1 **WHEREAS**, on June 21, 2023 the Court entered an order captioned “Order After Hearing
2 Directing Judgment Debtors to Freeze All Assets And Account Activity; Appointment of Receiver”;

3 **WHEREAS**, on June 23, 2023 the Court entered an order captioned “Order Appointing
4 Limited Temporary Receiver”;

5 **WHEREAS**, the June 21, 2023 order was intended as a temporary order while the Court,
6 Reliant Life Shares, LLC and the appointed Receiver and their counsel continued to develop and
7 submit proposals modifying the June 23, 2023 “Order Appointing Limited Temporary Receiver”;

8 **WHEREAS**, on July 14, 2023 the Court entered an order captioned “Order Vacating in Part
9 and Modifying June 21, 2023 Court Order”;

10 **WHEREAS**, the Receiver and Reliant Life Shares, LLC jointly propose this Order
11 Modifying and Supplementing Powers Granted to Receiver:

12 **THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:**

13 1. Christopher Conway, Managing Director at Longevity Asset Advisors, remains
14 appointed as Limited Receiver over Judgment Debtor Reliant Life Shares, LLC
15 (“Reliant”), subject to the terms of the June 21 and 23, 2023 and July 14, 2023 Orders,
16 except as those orders are vacated or modified as provided herein.

17
18 2. The June 21, 2023 Order is hereby **MODIFIED** to allow Receiver to expend funds
19 to pay insurance policy premiums on behalf of investors in policies owned by the
20 Reliant Life Shares Series Trust, or give instruction to the trustee of the Reliant Life
21 Shares Series Statutory Trust Second Amended and Restated Agreement and
22 Declaration of Trust dated March 16, 2023 (“Reliant Life Shares Series Trust”) that
23 such payments be made, in order to protect any policies from lapsing or to pay such
24 premiums as they become due in the ordinary course.

25
26 3. To the extent it has not already done so, Reliant is ordered to produce within 48 hours,
27 by uploading to the Box account set up by Receiver all of the information attached at
28 **Exhibit A**, which Receiver requested directly from Reliant’s counsel on July 4, 2023.

1 Receiver is not prohibited from obtaining additional information from Reliant or
2 from requesting further information as described in the June 23, 2023 Order;
3 however, the documents and information identified on Exhibit A shall be given
4 immediate priority. Going forward, Reliant shall provide Receiver, or give directions
5 to the Bank of Utah, any successor Trustee, Montage or any other service provider to
6 provide to Receiver, copies of all mail and written correspondence received relating
7 to the policies by immediately depositing such documents in the Receiver's Box
8 folder.

9
10 4. To the extent it has not already done so, Reliant is further ordered to provide Receiver
11 with full and complete access to Reliant's "Back Office System," Quickbooks
12 software, and any other software or data systems of Reliant that contain information
13 necessary for the Receiver to obtain "a comprehensive understanding of the
14 operational history, asset utilization, and potential liabilities" of Reliant, as outlined
15 in this Court's June 23, 2023 Order. Such access shall include Receiver's ability to
16 download documents and run reports, and shall not require Receiver to modify his
17 own personal technology or data security systems in order to login. Additionally,
18 Receiver's access shall not depend upon the availability of Reliant personnel in order
19 to login. Receiver also has the authority to request that Reliant, its servicer, the
20 trustee, and any vendors, run reports for him as needed; except that Reliant is not
21 required to modify its systems or change any software to accomplish such task.

22
23 5. Receiver is hereby authorized to employ and utilize the services of Longevity Asset
24 Advisors, LLC to assist him in reviewing the necessary information for each policy
25 in order to determine whether any policies can be utilized for the purpose of securing
26 funding to protect Reliant's assets and enable its continuing business operations.
27 Such information includes but is not limited to confirming the ownership and
28 beneficiaries of each policy, determining the status of the policies (e.g., whether

1 current, in grace, lapsed, or in danger of lapsing, etc.), the identities of any investors
2 and their respective positions in such policies, the premium amounts due, etc.
3 Expenses and fees charged by Longevity Asset Advisors, LLC for its services shall
4 be submitted by Receiver to the Court for approval and payment, but shall not applied
5 against any monthly cap on Receiver's fees.

6
7 6. Receiver's aggregate monthly fees (per the effective date of June 21, 2023 as noted
8 in the Court's June 23, 2023 Order) shall be amended and capped as follows: \$25,000
9 for June 2023 and \$50,000 for July 2023.

10
11 7. Receiver is hereby authorized to have immediate direct access to any bank accounts
12 or financial accounts held at any financial institution for or on behalf of Reliant or ,
13 the Reliant Life Shares Series Trust, including accounts with Bank of Utah, UMB,
14 Wells Fargo, Bank of America, or any other financial institution. Receiver shall have
15 signatory authority for the same, as well as the ability to communicate directly with
16 personnel at these financial institutions. The accounts include the business services
17 account opened in the name of Old Ranch Road Business Services LLC, the entity
18 that manages Reliant's business checking account, as well as RLS LLC, RLS
19 Financial Services, LLC, Life Shares Inc./LLC, and Laforce Holdings, LLC (to the
20 extent these entities exist and/or have accounts).

21
22 8. Reliant and its members (including their members and/or trustees), employees,
23 representatives, vendors, or servicers are hereby prohibited from transferring,
24 conveying, disbursing, divesting, distributing, using, withdrawing, or otherwise
25 directing any funds held by any financial institution for or on behalf of Reliant Life
26 Shares, LLC, Old Ranch Road Business Services, LLC, or, the Reliant Life Shares
27 Series Trust (or its subtrusts), without first obtaining advance written permission
28 from the Receiver or this Court.

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9. To the extent it has not already been completed, Receiver is hereby authorized to immediately arrange for and direct a transfer of any life insurance policies in which Reliant or its investors have an interest of any kind, to The Bank of Utah, as Trustee for the Reliant Life Shares Series Trust or any subtrusts thereof.

10. The Purchase and Sale Agreement with Superior Life Finance, LLC shall be reviewed by Receiver, but shall not be repudiated, canceled, or modified unless or until further order of the Court; except that Receiver may explore alternative options as a substitute for this source of funding, which options shall be presented to the Court for approval.

11. Receiver is hereby authorized to direct the Bank of Utah or the servicer to contact the insurance carriers on every owned policy in order to obtain updated account and surrender values and dates thereof, the most recent COIs and monthly deductions and dates thereof, amount of most recent premium credited and dates credited to each policy. Receiver shall be notified immediately if Trustee or servicer does not have standing on any specific policy to call the carrier to comply with this Order.

12. Receiver is hereby authorized to direct all insurance companies to communicate directly with him with respect to any insurance policies in which Reliant or its investors have an interest or repurchase right of any kind, including the [REDACTED] Policy (Pacific Life #MW8350) and the [REDACTED] Policy (Brighthouse Life Ins. Co. #DB6208) (the "Transferred Policies"), and to provide Receiver with all correspondence and/or documentation, including but not limited to grace notices, lapse notices, premium payment histories, illustrations, and any other policy documentation requested for such policies.

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1 13. Receiver is hereby authorized to direct all insurance companies that have issued
2 policies in which Reliant or its investors have an interest or repurchase right of any
3 kind, including the Transferred Policies, to provide prior notice to the Receiver (in
4 lieu of any employee or representative of Reliant) in the event that any policy is
5 subject to lapse for a failure to pay premiums, or any delay in the paying of premiums,
6 on the policy. Notice shall be sent to the Receiver – Christopher Conway c/o
7 Longevity Asset Advisors, LLC, 2472 Jett Ferry Road, Suite 400-191, Atlanta,
8 Georgia 30338, with a copy to Scott Grady, Reliant Life Shares, LLC at the address
9 he designates in writing to Receiver & Receiver’s counsel.

10
11 14. Receiver has authority to pay any prior incurred, undisputed, reasonable fixed
12 operational costs of Reliant, upon presentation of the appropriate
13 documentation/proof or invoicing and supporting materials, in order to maintain
14 corporate stability of Reliant. Any disputed costs shall be presented by separate
15 application to this Court for review. Nothing in this paragraph is intended to prohibit
16 Receiver from reviewing and/or re-negotiating any contracts or arrangements with
17 consultants, 1099 employees, or any individuals/entities receiving compensation but
18 not officially recognized as employees or agents of Reliant, as provided by Paragraph
19 4 of the June 23, 2023 Order.

20
21 15. Other than the policies identified in the Purchase and Sale Agreement with Superior
22 Life Finance, LLC, no other policies owned by the Reliant Life Shares Series Trust
23 shall be included in that transaction absent express written agreement of the Receiver
24 or unless further ordered by this Court.

25
26 16. Receiver is hereby authorized to direct all insurance companies that have issued
27 policies in which Reliant or any of its investors have an interest of any kind, including
28 the Transferred Policies, to provide Receiver with all communications relating to the

1 claim (including, but not limited to, notification of the death of an insured covered
2 by a Transferred Policy) and to accept and process any claim forms or other policy-
3 related forms that are executed by the Receiver.
4

5 17. Receiver is hereby authorized to require all banks, trustee, financial institutions, and
6 life insurance companies involved in paying or distributing any benefits on matured
7 policies in which Reliant has an interest or investors of Reliant have an interest of
8 any kind, to pay such death benefits directly to Receiver for the benefit of the Reliant
9 Life Shares Series Trust (or its subtrusts), or in the event of the Transferred Policies
10 to a separate escrow account, until further order of this Court. Receiver shall
11 maintain any such benefits in an interest-bearing account. Receiver shall confirm
12 and maintain an accounting as to the identity of all investors and/or owners and/or
13 beneficiaries who may claim an interest in any matured policy, and is authorized to
14 demand such information from Superior as to the Transferred Policies.
15

16 18. In order to allow Receiver to explore options for securing additional financing to
17 provide for ongoing business operations of Reliant, Reliant shall provide Receiver all
18 life settlement origination documents used to acquire any policy in which Reliant or
19 any of its investors have any interest, other than the Transferred Policies, from its
20 original owner by a licensed life settlement provider and others as well as any
21 subsequent sale/purchase transactions involving the policy, and including but not
22 limited to purchase and sale agreements, broker disclosures, HIPAA and other
23 privacy authorizations, all medical records, all life expectancy reports, policy copies,
24 annual statements, illustrations, confirmation of ownership and beneficiary forms,
25 beneficiary waivers, disbursement conforms and all other forms and document used
26 in the normal course of the life settlement business. The Receiver is further
27 authorized to obtain updated records/documentation and/or issue subpoenas to non-
28 parties as necessary for this purpose.

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19. Receiver is hereby authorized to immediately begin the search for a replacement/successor Trustee to take over in light of The Bank of Utah's notice of resignation and/or discuss the terms of such resignation or negotiate the withdrawal of the resignation notice, and shall provide an update on the same at the time of filing of his First Status Report, if not before.

IT IS SO ORDERED.

Dated: July Fl, 2023



Huey Cotton

By _____
Honorable Huey P. Cotton
Judge of the Superior Court
Huey P. Cotton / Judge

Exhibit A

Summary List of Key Documents/Data Requested by Receiver
Reliant Life Shares, LLC v. Cooper et al; Case No. BC604858

The following is an initial request for information. Additional requests are likely to be forthcoming. Thank you for your prompt response, and please note a Box.com folder has been provided for the purpose of enabling the submission of documents and other information. If additional personnel need to be provided with access to this platform, please notify the Receiver by email immediately.

For each policy including those sold or proposed for sale to Superior, please provide the following information:

1. Premiums paid by Superior or any non-Reliant party
 - a. Amount of each premium
 - b. Date each premium was paid
 - c. Form of payment
 - d. How payment was made, for example directly to a carrier or paid to a trust or sub trust, the Trustee of which then paid the premium (e.g., Bank of Utah)
 - e. Whether the payment was equal to the optimized premium for the policy according to per Colva's premium streams as provided to Montage or Reliant, or
 - f. If the policy was in a grace period, whether the premium paid was a grace premium and equal to the amount on the grace notice or some other amount
 - g. The date on which the premium paid was confirmed by the carrier as being received and credited to the policy
 - h. The account value and cash surrender value of the policy after the most recent premium payment
 - i. The total monthly deduction amount or cost of insurance portion thereof as of the most recent monthly deduction
 - j. The portion of any premium payment made using investor (a.k.a., Fractional Interest Position Holders, FIPH) funds held in any trust or sub trust account for such purposes
 - k. The portion of any premium paid from any source other than Superior or a trust or sub trust (i.e., has any other person or entity paid premiums for a Reliant policy at any time)
 - l. The consideration given to Superior or any non-Reliant party with respect to premiums paid by them (i.e., what did any non-Reliant premium payor get in exchange for paying any premium, fee or expense related to a Reliant policy?)
2. Copies of the most recent monthly statements (e.g., June 30, 2023) from each bank or financial institution holding funds for Reliant or any related entity. This includes all money held in trust or sub trust accounts at the Bank of Utah, UMB, First Western or any other financial institution holding funds intended for use in paying premiums, fees and expenses related to the Reliant policies, including those sold or proposed for sale to Superior. Each such trust account should clearly indicate which funds are allocable to which policy and the portion of each policy account that is held in each of the "collection" account and the "reserve" account.
3. Copies of all grace notices received by Reliant, Superior, Montage, Bank of Utah, First Western Trust, UMB or any other party for any Reliant policy, including those sold or proposed for sale to Superior.

4. Copies of all lapse notices received by Reliant, Superior, Montage, Bank of Utah, First Western Trust, UMB or any other party for any Reliant policy, including those sold or proposed for sale to Superior.
5. Copies of all documentation of any kind related to the lapsation of and any efforts undertaken or currently underway by Reliant, Superior, Montage, Bank of Utah, First Western Trust, UMB or any other party to reinstate a lapsed policy including but not limited to the Roth Policy, the Pollak Policy, the Seiden Policy and the Eulo Policy.
6. A current Income Statement and Balance Sheet for Reliant and any related entities.
7. A copy of the annual budget for Reliant broken down by calendar month and showing all line items related to Reliant's operations (e.g., 1H 2023 budget).
8. A list of all debts owed by the company, exclusive of the Judgment Creditor, including:
 - a. The name of each creditor
 - b. The current amount owed to each creditor
 - c. The terms applicable to each debt
 - d. Any due date for payments due to any creditor in the next 30, 60 and 90 days
 - e. The source of funds used to make payments on any such debt
9. A list of the current W-2 employees of Reliant and the following information concerning each such employee:
 - a. Their full legal name
 - b. Their date of employment
 - c. Their regular working hours
 - d. Any pending vacation time expected to be taken in the next 90 days
 - e. The names of employees who have access and authority to handle Reliant funds and any limitations applicable thereto
 - f. Their current salary as well as any incentives, bonuses or other compensation tied to their employment.
 - g. A brief description of their activities and responsibilities
 - h. A brief description of any benefits to which each employee is entitled such as health care, retirement plans, paid time off or paid vacation, sick leave, etc.
 - i. Information concerning any vendor or service responsible for handling payroll, benefits and other human resources provided to Reliant employees (e.g., a PEO, bookkeeping service, benefits administrator, etc.)
10. A list of any 1099 or independent contractors ("Contractors") providing services of any kind to Reliant and the following information concerning each such employee:
 - a. Their full legal name
 - b. Their date of engagement
 - c. Copies of the agreements, contracts or engagement letters entered into with each such party
 - d. Any pending vacation time expected to be taken in the next 90 days
 - e. The names of which, if any, contractors have access and authority to handle Reliant's funds and any limitations applicable thereto
 - f. Their current compensation arrangements, including applicable terms and conditions
 - g. A brief description of their role and the services they provide to Reliant or related entities.

- h. Information concerning any vendor or service responsible for payments to Contractors if not Reliant.
11. A copy of the trusts related to the Reliant policies, including the original trust, the first and second amended trust and any other similar documents, including all attachments, schedules, and other related documents to the trusts.
 12. A copy of each version of the agreements and other documents used by Reliant at the point of sale to an investor. This should include a complete copy of all schedules, forms, standard correspondence, and other materials given to an investor when they invest.
 13. Copies of all documents and forms used by Reliant to notify investors of the status of their FIP (e.g., quarterly statements, notices, other general correspondence).
 14. Copies of all documents and forms used request additional monies from investors to be used for the payment of premiums, fees, and expenses due upon the expiration or exhaustion of their pro rata portion of any premium reserve funded by their initial purchase.
 15. Copies of the forms and documents, including examples of email and other correspondence, used by Reliant to foreclose on the FIP held by an investor who defaults on any obligation required by their agreements to remit additional funds to support their pro rata portion of a Reliant policy.
 16. Copies of any agreements, contracts, side letters, or other documentation evidencing any pre-arranged pledges, options, sales or other use of Reliant policies or portions thereof, other than the 13 policies currently proposed for sale to Superior, to either Superior or any other party.
 17. Copies of any agreements, contracts, side letters, or other documentation evidencing any arrangement to pay any external party any fee, commission, or other compensation in relation to either the Superior transaction or any other similar sale, loan, option, or similar transaction.
 18. Copies of any notices provided to investors concerning the pledge, sale, or option to acquire or hold as collateral by any trust, or by Reliant directly, any Reliant policy.
 19. Copies of all the documentation of any kind evidencing the due diligence conducted by Reliant concerning Superior.
 20. A listing of all fractional interest positions owned by Reliant, or any party related to Reliant whether such FIPs are held by a trust or sub trust, another entity or individually. This list should include:
 - a. The name of the owner of each FIP
 - b. The date on which the current owner took possession of the FIP
 - c. The pro rata premium obligation associated with the FIP, particularly the current amount owed or due from the current owner
 - d. When the amount owed or due was or will be paid by the current owner of the FIP
 - e. Whether the FIP was obtained through forfeiture and foreclosure, thus the FIP was previously held by an investor

PROOF OF SERVICE
STATE OF CALIFORNIA, COUNTY OF ORANGE

I am employed in the County of Orange, State of California. I am over the age of 18 and not a party to the within action. My business address is 400 Spectrum Center Drive, Suite 1700, Irvine, CA 92618.

On July 18, 2023, I served the foregoing document described as:
[PROPOSED] ORDER MODIFYING AND SUPPLEMENTING POWERS GRANTED TO RECEIVER

on the interested parties listed below in the manner prescribed below:

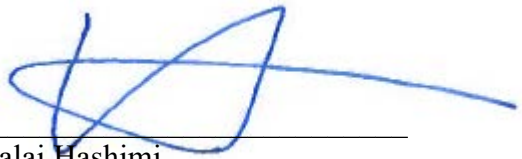
L. Richard Walton, Esq. Walton & Walton, LLP 4640 Admiralty Way Fifth Floor Marina del Rey, California 90292 Tel: 310-496-5835 Fax: 310-464-3057 Email: rwalton@taxtriallawyers.com Attorneys for Plaintiff and Cross-Defendant, RELIANT LIFE SHARES, LLC	Christopher Moore Stevens, Esq. 1010 Wilshire Boulevard Suite 1011 Los Angeles, California 90017 Tel: 310-990-0459 Fax: 213-289-1925 Email: cms@cmoorestevens.com Attorneys for Cross-Defendants, SCOTT GRADY AND AMERICAN LIFE SHARES, INC.
Timothy W. Fredricks, Esq. Jared M. Ahern, Esq. Winget Spadafora Schwartzberg LLP 1900 Avenue of the Stars Suite 450 Los Angeles, California 90067 Tel: 310-836-4800 Fax: 310-836-4801 Email: fredricks.t@wsslpl.com Attorneys for Judgment Debtors, SEAN MICHAELS AND PB CONSULTING, LLC	Joshua P. Friedman, Esq. Joshua P. Friedman and Associates 23679 Calabasas Road Suite 377 Calabasas, California 91302 Tel: 310-278-8600 Fax: 310-388-5421 Email: jfriedman@jpfassociates.com Attorneys Cross-Defendant, SEAN MICHAELS
Kyle Roehler, Esq. Foland, Wickens, Roper, Hofer & Crawford, PC 1200 Main St., Suite 2200 Kansas City, Missouri 64105 Tel: 816-472-7474; 816-460-2837 Mobile: 816-260-5540 Fax: 816-472-6262 Email: kroehler@fwpcplaw.com Attorneys for Plaintiff and Cross-Defendant, RELIANT LIFE SHARES, LLC	Daniel A. Solitro, Esq. LOCKE LORD, LLP 300 South Grand Avenue, Suite 2600 Los Angeles, CA 90071 Tel: (213) 687-6747 Fax: (213) 341-6747 Email: DSolitro@lockelord.com Email: BCasey@lockelord.com Email: Ana.Chairez@lockelord.com Attorney for Plaintiff and Cross-Defendant, RELIANT LIFE SHARES, LLC
Tikran Babayan Ramond Babaian Valiant Law 800 Ferrari Lane, Suite 100 Ontario, CA 91764 Main 909.677.2270 Fax 909.677.2290 Email: TB@valiantlaw.com Email: rb@valiantlaw.com	

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XX **BY ELECTRONIC MAIL:** By attaching an electronic copy of the document listed above to the email addresses listed above.
XX **STATE:** I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on July 18, 2023, at Irvine, California.



Halai Hashimi