



ORDERED in the Southern District of Florida on July 21, 2014.

Paul G. Hyman, Jr.
Paul G. Hyman, Jr.
Chief United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
PALM BEACH DIVISION
www.flsb.uscourts.gov

In re:

PALM BEACH FINANCE PARTNERS, L.P.
and PALM BEACH FINANCE II, L.P.,

Debtors.

BARRY E. MUKAMAL, IN HIS CAPACITY
AS LIQUIDATING TRUSTEE FOR THE
PALM BEACH FINANCE PARTNERS
LIQUIDATING TRUST and THE PALM
BEACH FINANCE II LIQUIDATING
TRUST;

Plaintiff,

v.

NATIONWIDE INTERNATIONAL
RESOURCES, INC.; LARRY REYNOLDS
A/K/A LARRY RESERVITZ; MICHAEL
CATAIN and ENCHANTED FAMILY
BUYING COMPANY;

Defendants.

Chapter 11

Case No. 09-36379-BKC-PGH

Adv. Case No. 11-02857-PGH

**FINAL JUDGMENT AFTER CLERK'S
DEFAULT IN FAVOR OF PLAINTIFF, ON BEHALF
OF THE PALM BEACH FINANCE II LIQUIDATING TRUST,
AGAINST DEFENDANT NATIONWIDE INTERNATIONAL RESOURCES, INC.**

THIS CAUSE having come before the Court on July 15, 2014 at 9:30 a.m. upon *Plaintiff's Motion for Final Judgment after Clerk's Default against Defendants Nationwide International Resources, Inc., Larry Reynolds a/k/a Larry Reservitz and Enchanted Family Buying Company* [ECF No. 56] ("**Motion**"),¹ filed by Barry E. Mukamal ("**Plaintiff**"), in his capacity as Liquidating Trustee for the Palm Beach Finance Partners Liquidating Trust and Palm Beach Finance II Liquidating Trust ("**PBF II Liquidating Trust**"), pursuant to *Fed. R. Civ. P. 55*, made applicable to this adversary proceeding by *Fed. R. Bankr. P. 7055*, and *Bankr. L.R. 7055-1*, following the entry of a Clerk's Default against Defendant Nationwide International Resources, Inc. ("**Nationwide**") [ECF No. 48] in this adversary proceeding. The Court having reviewed the Motion and the Court file, and having entered a separate Order granting the Motion, it is

ORDERED as follows:

1. As to Count 1, the transfers of Palm Beach Finance II, L.P.'s ("**PBF II**") interests in its property that PBF II made (or caused to be made) to or for the benefit of Nationwide within two years of the filing of the petition in PBF II's main bankruptcy case ("**Petition Date**") in the aggregate amount of \$118,760,000.00, as set forth on Schedule 1B attached to the Plaintiff's Affidavit in Support of the Motion (Exhibit 1 of the Motion) ("**Plaintiff's Affidavit**"), are avoided, and the property transferred, or the value of such property, may be recovered by the Plaintiff for the benefit of the PBF II Liquidating Trust.

¹ All capitalized terms not defined in this Final Judgment shall have the meaning given to them in the Motion.

2. Accordingly, as to Count 1, Final Judgment is entered in favor of the Plaintiff, on behalf of the PBF II Liquidating Trust, and against Nationwide in the amount of \$118,760,000.00, which amount shall bear interest from this date forward until fully paid at the prevailing legal rate of interest, for which let execution issue forthwith.

3. As to Counts 2 and 3, the transfers of PBF II's interests in its property that PBF II made (or caused to be made) to or for the benefit of Nationwide within four years of the Petition Date in the aggregate amount of \$1,849,018,000.00, as set forth on Schedule 1B attached to the Plaintiff's Affidavit, are avoided, and the property transferred, or the value of such property, may be recovered by the Plaintiff for the benefit of the PBF II Liquidating Trust.

4. Accordingly, as to Counts 2 and 3, Final Judgment is entered in favor of the Plaintiff, on behalf of the PBF II Liquidating Trust, and against Nationwide in the amount of \$1,849,018,000.00, which amount shall bear interest from this date forward until fully paid at the prevailing legal rate of interest, for which let execution issue forthwith.

5. As to Counts 4 and 5, Final Judgment is entered in favor of the Plaintiff, on behalf of the PBF II Liquidating Trust, and against Nationwide, jointly and severally with the other Defendants, in the total amount of \$1,264,693,268.61, as set forth on Amended Schedule 2B attached to the Plaintiff's Amended Affidavit in Support of the Motion,² which is the sum of (1) unpaid principal for promissory notes due and owing to PBF II ("**PBF II Promissory Notes**"); plus (2) accrued interest on the PBF II Promissory Notes as of September 24, 2008; and plus (3) prejudgment interest on the PBF II Promissory Notes accruing at a rate of (a) 6% per year pursuant to Minn. Stat. § 334.01, Subdivision 1., from September 25, 2008 through November 17, 2011, and (b) 10% per year pursuant to Minn. Stat. § 549.09(c)(2) from November 18, 2011

² See the Plaintiff's Notice of Filing of the Plaintiff's Amended Affidavit in Support of the Motion [ECF No. 67].

through the date of the filing of the Motion, which amount shall bear interest from this date forward until fully paid at the prevailing legal rate of interest, for which let execution issue forthwith.

6. The Court reserves jurisdiction to enter any further orders or take any other actions that may be necessary in connection with this matter, including, but not limited to, awarding prejudgment interest on Counts 1-3.

7. The last known addresses of Nationwide are as follows: (1) Nationwide International Resources, Inc., by and through Douglas A. Kelley, as (former) Receiver, Centre Villages Offices, Ste. 2530, 431 South Seventh Street, Minneapolis, MN 55415; (2) Nationwide International Resources, Inc., by and through Larry Reynolds, Register No. 89372-024, FCI Terminal Island Federal Correctional Institution, PO Box 3007, San Pedro, CA 90731; and (3) Nationwide International Resources, Inc., by and through Larry Reynolds, 5370 West Jefferson Blvd., Los Angeles, CA 90016.

8. The Plaintiff's address is: Barry E. Mukamal c/o Joshua A. Marcus, Esq., Meland Russin & Budwick, P.A., 200 South Biscayne Blvd., Suite 3200, Miami, Florida 33131.

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Submitted By:

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Copies Furnished To:

Michael S. Budwick, Esq. is directed to serve copies of this Order on all interested parties and to file a Certificate of Service.