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6 UNITED STATES OF AMERICA  
7 BEFORE THE  
8 SECURITIES AND EXCHANGE COMMISSION  
9

10 DOUGLAS MARTIN,  
11 RESPONDENT  
12

ADMINISTRATIVE PROCEEDING

13 File No. 3-21010  
14

15 I.  
16

17 As the RESPONDENT, I strongly disagree with the SEC amounts indicated as past due  
18 for multiple reasons but primarily because it is a punitive penalty and certainly not an equitable  
19 remedy when the facts indicated that I was operating as a “referral partner”, NOT A  
20 SOLICITOR with the understanding that the company and defendants were operating under  
21 Nevada law allowing “pooled sports betting” as a business for residents outside the state. As the  
22 SEC is aware, the SEC determined after the fact, that Nevada law SB 843 was successfully  
23 operating and Wellington Sports Club along with the principals who were mismanaging client  
24 funds, were in violation of Federal securities laws by selling an unregistered security. Therefore,  
25 as a referral partner and victim with the loss of 7 accounts of my own personal monies, I became  
26 implicated and accused by the SEC of selling an unregistered security.  
27  
28

- 1

1  
2 II.

3 The SEC knows that although I was Series 6 licensed through the mid-1990's through  
4 about the year 2000 dealing with Variable Annuities, I never dealt with anything that related to  
5 traditional investments under Regulation D other than those related to insurance products.  
6

7  
8 III.

9 After I had already invested my own funds into Wellington over numerous months, two  
10 of my clients were dissatisfied with the cap of interest imposed on their annuities and expressed  
11 interest in other options for more growth. After doing their own due diligence in addition to my  
12 own due diligence as clients in addition to the clients speaking with the principals of Wellington  
13 Sports Club, they decided to rollover their funds to a Staking Agreement with the company.  
14 Neither client lost any funds and both parties walked away with returns over and above the  
15 amount provided to WSC. Every other individual was either referred to me after speaking with  
16 Wellington or referred from existing clients. No one was ever **solicited** by me personally as  
17 alleged by the SEC. Also, each prospective individual was vetted by me on suitability based on  
18 income and assets and many were turned away as not qualified to become a client of WSC.  
19  
20

21  
22 IV.

23 As a Referral Partner, I also was a "VICTIM" with losses in seven (7) accounts of personal  
24 funds, several IRA accounts, and Educational Savings Accounts on grandchildren totaling  
25 \$75,825 (**EXHIBIT A**). As a victim of WSC's mismanagement and fraud, I should be entitled to  
26 a credit towards the disgorgement amount submitted to the court.  
27

1 V.

2 I also paid **\$50,000** to settle an “Involuntary Bankruptcy” case brought against me by a  
3 law firm representing the Trustee of the victims (**Exhibit B**). These funds were deposited into the  
4 victim’s fund managed by the trustee, **Leonard Schwartz**. In all fairness, I should be credited  
5 against the disgorgement balance and was led to believe that this would occur. To indicate that  
6 the SEC and attorney’s representing the SEC were unaware of this settlement is disingenuous  
7 and should be recognized by the SEC and credited against the disgorgement balance.  
8

9  
10 VI.

11 The SEC was aware of my compensation arrangement as a referral partner with WSC.  
12 They knew that I was compensated not only when clients opened accounts but were also aware  
13 that I was also compensated when contractual targets were reached (back-end) in a client’s  
14 respective accounts and requests for withdrawals were made and processed. Having said this, my  
15 total compensation (not paid to me personally but to Executive Financial Services, Inc of which  
16 the corporation paid expenses while I was paid on a monthly salary) on requested withdrawal  
17 amounts by stakeholders (which were all **gains** generated in their accounts and paid to them  
18 directly) totaling approximately **\$200,000** over almost 3 years (I have back-end pay stub’s that  
19 are too numerous to send electronically but can be provided to TOP). This represented **10%** of  
20 the total funds paid out to these stakeholders of approximately **\$2,000,000**. Having said this,  
21 these account holders in many cases were paid out funds that either put them in a position of  
22 having no losses or in many cases substantial gains. This should have been taken into  
23 consideration especially when there were no attempts **by the SEC** to claw back gains paid out  
24 over and above their initial amounts invested. Therefore, many people that are listed as victims  
25  
26  
27  
28

1 with the SEC are in fact those that suffered **no losses** at all or in many cases experienced **large**  
2 **gains**. In the interest of fairness, I should not have to face disgorgement of funds that were in fact  
3 paid out to clients and where no losses occurred.  
4

5  
6 VII.


7  
8 As far as the disgorgement action, the SEC knows that I was unable to afford  
9 counsel and had to represent myself through the entire process and not allowed to represent my  
10 S-Corp. [REDACTED]  
11 [REDACTED]. My income from my  
12 insurance practice has declined substantially due health reasons and my major source of income  
13 is [REDACTED]  
14 [REDACTED]  
15 [REDACTED]

16  
17  
18 VIII.

19  
20 To conclude, I respectfully request that the Commission review the amounts owed considering  
21 the proceeding information stated and hopefully find that I would be entitled to some sort of oral  
22 hearing, certainly within the Commissions discretion, to determine the validity of the amounts  
23 before they are submitted to the Treasury Offset Program.  
24

25  
26 Dated the 19<sup>th</sup> day of September 2022.  
27  
28

1 Dated the 19<sup>th</sup> day of September 2022.

2  
3   
4 \_\_\_\_\_  
5 Douglas Martin, prose

6 Douglas Martin  
7 4581 Weston Road  
8 Suite 344  
9 Weston FL 33331  
10 786-718-2871  
11 dmartin@efscorporation.com  
12  
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Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings ("Order"), on the Respondent.

The attached Order has been sent to the following parties and other persons entitled to notice:

ELECTRONIC SERVICE  
Lynn M. Dean, Esq.  
Los Angeles Regional Office  
Securities and Exchange Commission  
444 S Flower St., 9th Flr.  
Los Angeles, CA 90071  
(323) 965-3245  
deanl@sec.gov

# Exhibit A

Name	Date Started	Amount	Target Date	Date Paid	Amount
[REDACTED]	1-4-17	\$25,000	5-19-18		0
AZRB Roth	4-15-17	\$25,000	6-9-18		0
[REDACTED]	5-2-17	\$35,042	6-9-18	10-10-17	\$15,000
	6-30-18	\$38021	n/a	10-2-18	\$5,000
[REDACTED]	8-1-17	\$10,000	n/a	11-21-17	\$2,500
				5-8-18	\$5,000
				6-6-18	\$5,000
				7-3-18	\$5,000
				8-7-18	\$5,000
[REDACTED] M	8-9-17	\$24,270	6-9-18		0
[REDACTED] MA	10-10-17	\$2,000	9-22-18		0
[REDACTED]	3-15-18	\$25,028	n/a		0
[REDACTED]	7-15-17	\$25,000	2-18-18		0
[REDACTED]	4-15-17	\$25,000	6-9-18		0
[REDACTED]	10-7-17	\$25,026	8-8-18		0
EFS Enterprises LLC	10-8-16	\$25,000	1-21-17	M.Y ACCOUNTS	\$75,000
	1-21-17	\$50,000	5-23-17		0
EFS 401k	9-2-17	\$7,525	n/a		0
[REDACTED]	9-1-18	\$25,000	n/a		0
[REDACTED]	7-14-18	\$25,000	n/a		0
[REDACTED]	8-1-18	\$25,000	6-16-18		0
[REDACTED]	9-1-18	\$25,000	n/a	9-11-18	\$750 (m)
				10-9-18	\$750
[REDACTED]	10-14-17	\$25,026	n/a		0
" "	10-18-17	\$50,000	n/a		0
" "	2-17-18	\$100,027	n/a		0
				3-28-18	\$3,000 (m)
				4-19-18	\$3,000
				5-15-18	\$3,000
				6-12-18	\$3,000
				7-10-18	\$3,000
				8-14-18	\$3,000
				9-11-18	\$3,000
				10-9-18	\$3,000
" "	5-12-18	\$100,027	n/a	6-12-18	\$3,000 (m)
				7-10-18	\$3,000
				8-14-18	\$3,000
				9-11-18	\$3,000
[REDACTED]	5-12-18	\$100,027	n/a	10-9-18	\$3,000
				6-12-18	\$3,000 (m)
				7-10-18	\$3,000
				8-14-18	\$3,000
				9-11-18	\$3,000
				10-9-18	\$3,000

# Exhibit A

[REDACTED]	6-30-18	\$50,029	n/a		0
[REDACTED]	6-30-18	\$100,029	n/a	7-10-18	\$3,000 (m)
				8-14-18	\$3,000
				9-11-18	\$3,000
				10-9-18	\$3,000
[REDACTED]	10-13-18	\$50,030	n/a		
[REDACTED]	8-18-18	\$50,030	n/a		0
[REDACTED]	9-23-17	\$100,026	10-6-18		0
[REDACTED]	2-03-18	\$100,000	n/a		0
[REDACTED]	4-15-17	\$25,000			
MARTIN	7-1-17	\$6,000			
[REDACTED]	2-18-17	\$10,020			
[REDACTED]	7-25-17	\$2,000			
[REDACTED]	3-15-18	\$25,028			
Panagos, Alex	9-2-17	\$2,000			
Panagos, Andrew	9-2-17	\$2,000			
Panagos, Thomas	9-2-17	\$2,000			
Martin, L	7-15-17	\$6,300			
[REDACTED]	8-1-17	\$25,024			
[REDACTED]	3-16-17	\$25,021	7-18-17	11-17-17	\$25,000
				05-08-18	\$5,000
[REDACTED]	7-5-17	\$15,022	1-6-18	6-5-18	\$1,000
				7-3-18	\$1,000
[REDACTED]	7-5-17	\$5,000	1-6-18 (closed)	8-7-18	\$1,000
				6-5-18	\$1,500
				7-3-18	\$1,500
[REDACTED]	10-7-17	\$2,000	9-15-18	8-7-18	\$2,500
[REDACTED]	7-5-17	\$5,000	1-6-18		0
					0
[REDACTED]	7-5-17	\$25,000	1-6-18	7-3-18	\$10,000
				8-7-18	\$5,000
				10-2-18	\$5,000
[REDACTED]	2-11-17	\$25,020	6-20-17	6-23-17	\$25,000
				04-3-18	\$12,500
				4-24-18	\$12,500
				06-5-18	\$12,500
				07-03-18	\$12,500
				08-07-18	\$12,500
[REDACTED]	10-8-16	\$24,000	5-23-17	6-13-17	\$100,000
				2-7-17	\$22,000
				8-18-17	\$162,000
				7-3-18	\$7,000
[REDACTED]	3-16-17	\$15,000	7-18-17	8-7-18	\$7,000
				7-3-18	\$3,000

Martin - Beth - mine  
 Grandchildren - our  
 Martin, L - spouse



Exhibit B

DOUGLAS A. MARTIN 03-06  
[REDACTED]

3296  
61-460 680  
04  
Date 9/3/21 CHECK ARMOR

Pay to the Order of THE ESTATE OF WELSCORP INC \$ 50,000.<sup>00</sup>  
fifty thousand and ~~no~~ 00/100 Dollars

GROVE BANK & TRUST  
4005 S. Dixie Hwy  
Reno, NV 89502

For [REDACTED]

[Signature]

Denard Schwartzer  
Chapter 7 Trustee to Welscorp, INC  
2850 S. JONES BLVD.  
Suite 1  
Las Vegas, Nevada  
89146

Exhibit B et al

## SETTLEMENT AGREEMENT

This settlement agreement (the "Agreement") is entered into as of the dates signed below by and between Douglas Martin and Executive Financial Services, Inc. ("Defendants") on the one hand, and Lenard E. Schwartzer, in his capacity as Chapter 7 Trustee to Welscorp Inc. and affiliated debtors (the "Debtors") in the chapter bankruptcy cases described below (the "Trustee"), on the other hand. (Trustee and Defendants are referred to collectively at times herein as the "Parties").

### Recitals

A. The Debtors' chapter 7 bankruptcy cases are pending in the United States Bankruptcy Court for the District of Nevada (the "Bankruptcy Court"), jointly administered under the chapter 7 case entitled *In re Welscorp Inc., et al.*, No. 19-18056-ABL (lead case) (the "Bankruptcy Case").

B. On or about January 12, 2021 the Trustee filed a complaint (the "Complaint") against Defendants with the Bankruptcy Court, designated as Adversary Proceeding No. 21-01002 (the "Adversary Proceeding"). The Complaint seeks to recover alleged transfers Defendants received in commissions, referral fees or other compensation in the amount of \$458,000 (the "Transfers") for sourcing investors for the Debtors.

C. Martin has presented to the Trustee certain defenses challenging the avoidability of the alleged Transfers.

D. Contingent to approval by the Bankruptcy Court, the Parties wish to resolve all of the matters set forth above in this Agreement, on the terms and conditions set forth below.

**NOW, THEREFORE**, in consideration of the foregoing recitals, set out at paragraphs A through E, inclusive, are incorporated into and made an integral part of this Agreement:

### Agreement

1. **Authority**. The Parties warrant that they are authorized to enter into this Agreement and the Agreement shall become effective upon execution of the Agreement and the Stipulation For Judgment (as defined below) by the Parties (the "Effective Date").

2. **Court Approval**. The Parties understand that this Agreement is subject to approval by the Bankruptcy Court (the "Approval Date"), and that its provisions will only take effect on or following the date of the issuance of an order granting approval to the Agreement.

3. **Financial Declaration**: The representations, disclosures, and agreements set forth in Defendants' declaration (the "Declaration"), including, without limitation, agreements concerning the consequences of failure to disclose certain assets or transactions, are hereby incorporated by reference and made a part of this Agreement.

In furtherance of the above, Defendants agree as follows:

a. In the event that Defendants have failed in the Declaration to disclose either (i) any of their assets having a value (as of the date the Declaration is signed) in excess of \$10,000, or (ii) multiple assets of theirs having an aggregate value (as of the date the Declaration is signed) in excess of \$25,000, or if the value Defendants ascribe to an asset is understated by more than 25% (provided, however, that the difference between the declared and actual value must be at least \$5,000), then the Trustee shall have the right to compel Defendants to surrender to the Trustee any omitted asset or assets or, at the Trustee's option, to obtain a judgment against Defendants for the value (as of the date the Declaration is signed) of that asset or those assets and, in the case of an asset whose value has been understated by more than 25% (provided, however, that the difference between the declared and actual value must be at least \$5,000), to obtain a judgment against Defendants for the difference between the stated and actual value.

b. In the event that any of the statements made in the Declaration is untrue and Defendants have made either any gifts of her assets or transfers of her assets for less than reasonably equivalent value (collectively "voidable transactions") to any person (as that term is defined in 11 U.S.C. § 101(41)), trust or any entity of any kind within the four years preceding the date of the Declaration, which voidable transactions involve assets to a single donee or transferee in excess of \$10,000 or in the aggregate (to all donees and transferees) of a value in excess of \$25,000, then the Trustee shall have the right to obtain a judgment against Defendants for the value of any and all voidable transactions made within four years preceding the date of the Declaration.

4. **Payment.** Defendants shall pay \$50,000.00 (the "Settlement Payment") to the account of the Debtors' bankruptcy estate, either by check or by wire, no later than August 30, 2021.

If by check, the Settlement Payment shall be made payable to "The Estate of Welscorp, Inc." and mailed as follows:

Lenard Schwartzner, Chapter 7 Trustee to Welscorp Inc  
2850 S. Jones Blvd., Suite 1  
Las Vegas, Nevada 89146

If by wire, Settlement Payment instructions are as follows:

Independent Bank  
1600 Redbud Blvd  
McKinney, TX 75069  
ABA No 111916326  
Beneficiary Name- The Estate of Welscorp, Inc.  
Acct No. 46711918056

5. **Stipulated Judgment, Satisfaction and Events of Default.** The Trustee shall be entitled to a judgment against Defendants in the amount of \$413,000 as set forth in the Stipulation attached hereto as **Exhibit A** (the "Stipulated Judgment"). Concurrent with and as a condition to this Agreement, Defendants shall sign a stipulation for entry of the Stipulated

Judgment. Timely payment of the Settlement Payment in accordance with Section 3 of this Agreement shall be deemed by the Parties to fully satisfy the Stipulated Judgment. Should Defendants fail to do so, then they shall be in default ("Default") under this Agreement: In the event of such Default, and the failure by Defendants to cure the Settlement Payment obligation within seven (7) business days after its due date, the Stipulated Judgment shall be entered against Defendants, as provided therein. Counsel for the Trustee shall retain the fully-executed Stipulated Judgment until Defendants have made the Settlement Payment in accordance with Section 3 of this Agreement or is in Default as defined in this paragraph.

6. **Claim Rights.** Defendants hereby waive any filed or scheduled claim(s) in the Debtor's Bankruptcy Case and any and all rights to assert a claim cognizable under 11 U.S.C. § 502(h), inclusive of their rights to receive distributions thereon.

7. **Dismissal of Litigation.** Within ten (10) business days after the Effective Date, the Trustee shall cause to be filed whatever documents are necessary to ensure that the Adversary Proceeding is dismissed with prejudice. Each party will bear its own costs relating to the Adversary Proceeding, including attorneys' fees.

8. **Release of the Trustee.** Except as for the obligations contained in this Agreement, as of the Effective Date, Defendants hereby release and forever discharge the Trustee, Debtors and their respective bankruptcy estates, their successors in interest and their respective agents, attorneys, consultants, financial advisors and insurers each in their capacity(ies) as such (collectively, the "Debtor Release Parties") from and against any and all claims and causes of action, of any kind, nature or type, whether known or unknown, liquidated or unliquidated, matured or unmatured, that they have or may have against any, some, or all of the Debtor Release Parties.

9. **Limited Release of the Defendants.** Except as for the obligations contained in this Agreement, as of the Effective date, each of the Debtors and their respective bankruptcy estates, including the Trustee (collectively, the "Trustee Releasers") hereby release and forever discharge Defendants and her respective predecessors, successors, assigns, and attorneys (the "Defendant Released Parties") from and against any and all claims and causes of action, of any kind, nature or type, whether known or unknown, liquidated or unliquidated, matured or unmatured, that the Trustee Releasers have or may have against the Defendant Released Parties arising from or relating to the Adversary Proceeding.

10. **Attorneys' Fees.** Each Party shall bear its own attorneys' fees and costs in connection with the Bankruptcy Cases through the Effective Date, including the negotiation, documentation, execution, delivery, and performance of this Agreement. Notwithstanding the preceding sentence, should any action, suit or proceeding be commenced by any Party to this Agreement to enforce any provision hereof, the prevailing Party shall be entitled to recover reasonable attorneys' fees, all costs (whether denominated as such in 28 U.S.C. § 1920), and expert expenses incurred in said action, suit or proceeding, including any appeal.

11. **No Admission of Liability.** The Parties acknowledge that this Agreement represents a compromise of disputed claims and that, by entering into this Agreement, none of the Parties admits or acknowledges the existence of any liability or wrongdoing.

**UNITED STATES BANKRUPTCY COURT**

**DISTRICT OF NEVADA**

In re WELSCORP, INC.  <p align="right">Debtor.</p>	Case No. BK-S-19-18056-ABL (Lead Case) Consolidated under BK-S-19-18056-ABL with: Case No. BK-S-20-11597-ABL Case No. BK-S-20-11211-ABL Case No. BK-S-20-11215-ABL  Chapter 7
<input type="checkbox"/> Affects Einstein Sports Advisory Ltd. <input type="checkbox"/> Affects QSA LLC <input type="checkbox"/> Affects Wellington Sports Club, LLC <input type="checkbox"/> Affects Welscorp, Inc. <input checked="" type="checkbox"/> Affects All Debtors	<p align="center"><b>ADVERSARY PROCEEDING</b></p> Case No. 21-01002-ABL
LENARD E. SCHWARTZER, in his capacity as CHAPTER 7 TRUSTEE  <p align="center">Plaintiff,</p> <p align="center">vs.</p> DOUGLAS MARTIN and EXECUTIVE FINANCIAL SERVICES, Inc.  <p align="center">Defendants</p>	

**STIPULATION FOR JUDGMENT**  
**AGAINST DOUGLAS MARTIN AND EXECUTIVE FINANCIAL SERVICES, INC.**

*This Stipulation for Judgment Against Douglas Martin and Executive Financial Services, Inc. (the "Stipulation") is entered into between the following parties (collectively, the "Parties") to the above-captioned adversary proceeding (the "Adversary Proceeding"): Plaintiff Lenard E. Schwartzer, in his capacity as Chapter 7 Trustee to Welscorp Inc. and affiliated debtors (the "Debtors"), (the "Trustee"); and Defendants Douglas Martin and Executive Financial Services, Inc. ("Defendants").*

### RECITALS

WHEREAS, Plaintiff is the duly Chapter 7 Trustee to the Debtors, empowered to avoid certain transfers that were made to Defendants.

WHEREAS, the Defendant Douglas Martin is an individual who resides in the State of Florida, and is a former agent of the Debtors who allegedly used Defendant Executive Financial Services, Inc., a corporation formed under the laws of the State of Florida, to receive commissions from the Debtors.

WHEREAS, the United States Bankruptcy Court for the District of Nevada (the "Bankruptcy Court") has jurisdiction over this adversary proceeding under the Bankruptcy Code pursuant to 28 U.S.C. §§ 157(a) and 1334(a).

WHEREAS this proceeding is a core proceeding within the meaning of 28 U.S.C. § 157(b) and the Bankruptcy Court may enter final orders for the matters contained herein.

WHEREAS, venue in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409(a).

WHEREAS, on or about January 12, 2021 the Trustee filed a complaint (the "Complaint") against Defendants with the Bankruptcy Court, designated as Adversary Proceeding No. 21-01002 (the "Adversary Proceeding"). The Complaint seeks to recover alleged transfers that Defendants received in commissions, referral fees or other compensation for sourcing investments in the Debtors in the amount of \$458,000 (the "Transfers").

WHEREAS, the Trustee and Defendants have reached a settlement regarding the Transfers.

A copy of the fully-executed settlement agreement between the Trustee and Defendants (the "Settlement Agreement") is attached hereto as **Exhibit 1** (without exhibits).<sup>1</sup>

WHEREAS, the Settlement Agreement provides, among other things, that (1) the Trustee is entitled to a judgment against Defendants in the amount of \$413,000 (the "Stipulated Judgment") and (2) the Stipulated Judgment will be considered satisfied by payment by Defendants to the Trustee of \$50,000.00 (the "Payment"). The Payment shall be made the attorney escrow account of the Trustee's Special Litigation Counsel on or before August 16, 2021.

WHEREAS, the Settlement Agreement further provides that, in the event of a Default by Defendants (as defined in Section 4 of the Settlement Agreement), the Trustee may file the Stipulated Judgment so that the Court can enter it against Defendants.

NOW, THEREFORE, it is hereby stipulated by the Parties that:

1. Counsel for the Trustee shall maintain possession of the fully executed Stipulation. Neither the Trustee nor his counsel shall file this Stipulation, seek entry of the order approving this Stipulation (the "Order"), or seek entry of the judgment (the "Judgment") provided for under this Stipulation unless Defendants have committed a Default and such default has not been cured.<sup>2</sup>

2. As used in this Stipulation, the term "Default Amount" means the following amount: \$413,000, less any payments paid pursuant to the Settlement Agreement together with interest at the Federal interest rate.

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<sup>1</sup> Capitalized terms not otherwise defined in this Stipulation have the meanings ascribed to such terms in the Settlement Agreement.

<sup>2</sup> The agreed-upon form of Order is attached hereto as **Exhibit 2**, and the agreed-upon form of Judgment is attached hereto as **Exhibit 3**.

3. Defendants will make the Payment to the Trustee in accordance with the Settlement Agreement. If the Trustee does not timely receive the Payment, it will provide Defendants with a written default notice (the "Default Notice"). Defendants shall have seven (7) business days from service of the Default Notice to cure the Default. Notices provided herein shall be sent to Defendants by email or U.S. mail, to the following address:

To Defendants:

Douglas Martin, CLU  
Executive Financial Services, Inc.  
4581 Weston Road, Ste 344  
Weston, Florida 33331  
Email: [dmartin@efscorporation.com](mailto:dmartin@efscorporation.com)

4. Immediately upon the occurrence of any Default under Section 4 of the Settlement Agreement and any failure to timely cure, the Trustee is authorized and entitled to file this Stipulation in the Bankruptcy Court and seek entry of the Order and Judgment as follows:

- a. The Trustee may file this Stipulation with a request for entry of default seeking entry of the Order and Judgment against Defendants.
- b. Nothing in this Stipulation shall preclude the Trustee, to the extent necessary, from filing the Stipulation with a noticed motion seeking entry of the Order and Judgment against Defendants.
- c. The request for entry of default or noticed motion shall set forth the Default. Defendants may oppose the request for entry of default or noticed motion only by supporting declaration(s) providing competent evidence of the absence of any Default and any timely cure.
- d. The Order shall provide for approval of this Stipulation.



e. The Judgment shall award judgment in favor of the Trustee, and against Defendants, jointly and severally, in an amount equal to the Default Amount.

5. Except as provided in this Stipulation, the Parties waive their rights to (a) any trial (jury or otherwise), (b) appeal or (c) otherwise attempt to set aside or attack the Stipulation, the Order or the Judgment, and agree that the Judgment may be entered pursuant to this Stipulation following the request for entry of default or noticed motion.

6. The Trustee may execute on the Judgment (once entered) without providing notice or opportunity for a hearing.

7. The Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or related to the Stipulation, any order of the Bankruptcy Court approving the Stipulation, and/or any judgment entered by the Bankruptcy Court in connection with the Stipulation.

8. The Parties acknowledge that they have each carefully read and understood this Stipulation in its entirety and have had the opportunity to seek advice from legal counsel of their own choosing prior to executing the Stipulation.

9. Each signatory represents and warrants that he is authorized to execute this Stipulation.

10. This Stipulation may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Stipulation. Delivery of a signature page to this Stipulation by facsimile or other electronic means shall be effective as delivery of the original signature page to this Stipulation.

12. **No Assignment.** Each Party represents and warrants to all of the other Parties and each of them, that it has not assigned or transferred any of the claims or interests addressed in this Agreement. Each Party agrees to defend and indemnify all of the other Parties and each of them against any claim based upon, arising out of, or arising in connection with any such alleged or actual assignment or transfer.

13. **Mutual Cooperation.** The Parties hereby provide assurances of cooperation to each other and agree to take any and all necessary and reasonable steps, including executing any other and further documents or instructions and performing any other and further acts, appropriate to effect the intent of this Agreement.

14. **Retention of Jurisdiction.** The Parties specifically consent to the jurisdiction and power of the Bankruptcy Court to determine any dispute relating to this Agreement, including any claim for breach, and to the power and authority of the Bankruptcy Court to enter a final judgment in connection therewith.

15. **Notice.** The Parties may give notice to each other by sending a written communication by overnight mail or e-mail to the Parties at the addresses set forth below, which notice shall be effective on the first business day after notice is sent.

a. To the Trustee:

Zachary E. Mazur, Esq.  
Sarachek Law Firm PLLC  
670 White Plains Road, Fl. PH  
Scarsdale, NY 10583  
Email: [zachary@saracheklawfirm.com](mailto:zachary@saracheklawfirm.com)

b. To Defendants:

Douglas Martin, CLU  
Executive Financial Services, Inc.  
4581 Weston Road, Ste 344  
Weston, Florida 33331  
Email: [dmartin@efscorporation.com](mailto:dmartin@efscorporation.com)

Any Party wishing to change the address or email address at which he or she receives notices or payments may do so by giving notice as provided in this paragraph 14.

16. **Applicable Law.** This Agreement is to be construed under and governed by the internal laws of the State of Nevada (without regard to conflict of laws principles) and, as applicable, the Bankruptcy Code.

17. **Entirety of Agreement.** This Agreement contains the entire agreement and understanding among the Parties concerning the matters set forth herein and supersedes all prior or contemporaneous stipulations, negotiations, representations, understandings, and discussions among the Parties or their respective counsel with respect to the subject matter of this

Agreement. No other representations, covenants, undertakings, or other earlier or contemporaneous agreements respecting these matters may be deemed in any way to exist or bind any of the Parties. The Parties acknowledge that they have not executed this Agreement in reliance on any promise, representation, or warranty other than those contained in this Agreement.

18. **Construction.** This Agreement is the product of negotiation among the Parties and represents the jointly conceived and bargained-for language mutually determined by the Parties to express their intentions in entering into this Agreement. Any ambiguity or uncertainty in this Agreement is therefore to be deemed to be caused by or attributable to the Parties collectively and is not to be construed against any particular Party. Instead, this Agreement is to be construed in a neutral manner, and no term or provision of this Agreement as a whole is to be construed more or less favorably to any one Party.

19. **Written Modification.** This Agreement may not be modified except as mutually agreed to in a writing signed by all the Parties.

20. **Waiver.** No waiver, forfeiture or forbearance of or concerning any provision of this Agreement shall be deemed or shall constitute a waiver, forfeiture or forbearance of or concerning any of the other provisions hereof, or a continuing waiver, forfeiture or forbearance.

21. **Severability.** If, for any reason, any provision of this Agreement is determined to be invalid or unenforceable, such provision shall be automatically reformed to embody the essence of that provision to the maximum extent permitted by law, and the remaining provisions of this Agreement shall be construed, performed and enforced as if the reformed provision had been included in this Agreement at inception.

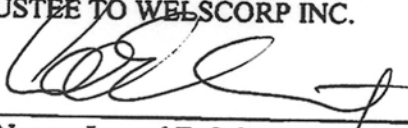
22. **Execution.** This Agreement may be executed in several counterparts, and any and all such executed counterparts, taken together, will constitute a single agreement binding on all Parties to this Agreement. Facsimiles of signatures may be taken as the actual signatures.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth above (but subject to the provisions regarding effectiveness set forth herein).

WHEREFORE, the Parties have executed this Stipulation on the dates shown below.

Dated: 7/21/21

LENARD E. SCHWARTZER, CHAPTER 7  
TRUSTEE TO WELSCORP INC.


By:   
Name: Lenard E. Schwartzer

Dated: 7/19/21

By:   
Douglas Martin

Dated: 7/19/21

EXECUTIVE FINANCIAL SERVICES,  
INC.

By:   
By: Douglas Martin