

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 12-21876-CIV-Seitz/Simonton

FEDERAL DEPOSIT INSURANCE  
CORPORATION AS RECEIVER  
FOR BANKUNITED, F.S.B.,

Plaintiff,

vs.

RED DOOR TITLE INSURANCE AGENCY,  
INC., and K.E.L. TITLE INSURANCE  
GROUP, INC.,

Defendants,

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**JOINT STIPULATION OF SETTLEMENT, DISMISSAL WITH PREJUDICE,  
AND REQUEST FOR ORDER APPROVING AND ADOPTING STIPULATION**

Plaintiff Federal Deposit Insurance Corporation as Receiver for BankUnited, F.S.B. (“FDIC-R”) and Defendant K.E.L. Title Insurance Group, Inc., through its Receiver (“KEL Receiver”), collectively referred to hereinafter as the “Parties,” by and through their respective attorneys, hereby stipulate and agree to the following:

1. The Parties agree to settle and compromise this action under the terms and conditions set forth herein.
2. FDIC-R filed this action against defendants Red Door Title Insurance Agency, Inc. (“Red Door”) and K.E.L. Title Insurance Group, Inc. (“KEL”) in this District pursuant to 28 U.S.C. § 1331 and 12 U.S.C. § 1819(b)(2)(A), which grant the Federal Deposit Insurance Corporation as receiver for a failed financial institution the right to litigate its claims in federal court (“Action”).

3. Pursuant to a consent order entered on or about October 30, 2012, the Florida Department of Financial Services was appointed receiver for KEL in a state court action styled *In re: The Receivership of KEL Title Insurance Title Group*, case number 2012-CA-3514, currently pending in the Leon County Circuit Court (“KEL Action”). The KEL Action is an insurer rehabilitation proceeding under Florida Statutes section 631.051. In November 2012, KEL filed a Notice of Filing Order of Rehabilitation and Notice of Automatic Stay, pursuant to which this Court ordered that the Action against KEL be stayed. (DE 29.) On May 2, 2014, this Court entered a default judgment against Red Door, but not against KEL, in favor of FDIC-R. (DE 59.)

4. In consideration of Plaintiff FDIC-R’s agreement that this Action shall be dismissed with prejudice, the KEL Receiver agrees that the FDIC-R has a valid proof of claim (“POC”) for \$501,786.38 (copy attached hereto as Exhibit A) solely and exclusively as a Class 4<sup>1</sup> claimant under Florida Statute section 631.271(1)(d) when and if an insurer liquidation proceeding under Florida Statute section 631.061 is filed with respect to KEL Title Insurance Group (hereinafter “Insurer Liquidation Proceeding”).

5. By entering into this Joint Stipulation, the KEL Receiver agrees not to contest the POC or the amount of loss stated therein in any Insurer Liquidation Proceeding that may occur and FDIC-R agrees that any recovery for the POC shall be limited to funds available to Class 4 claimants in an Insurer Liquidation Proceeding.

6. Execution of this Stipulation of Settlement by FDIC-R’s counsel and KEL Receiver’s counsel shall constitute a dismissal of this Action with prejudice pursuant to Federal

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<sup>1</sup> The KEL Receiver agrees to the classification of the FDIC-R as a Class 4 claimant solely in an effort to settle and resolve this matter. The KEL Receiver *does not* admit that the FDIC-R is a Class 4 claimant and any agreement thereto shall not be construed as an admission by the Receiver as to the FDIC-R’s priority status under Fla. Stat. section 631.271(1)(d). The Receiver’s agreement to the FDIC-R’s Class 4 classification shall not be used as precedent and may not be used in any other action involving the Receiver.

Rule of Civil Procedure 41(a)(1)(A)(ii), except that the Court shall retain jurisdiction to enforce the terms of this Agreement. The parties request that the Court enter an Order Approving and Adopting this Stipulation.

7. Each Party shall bear its own fees and costs incurred in connection with the Action.

8. The Parties agree that an electronic or facsimile of the signature of the Parties and counsel will be the same as the original.

9. This Stipulation of Settlement may not be altered, modified, withdrawn, waived, rescinded or supplement except by written instrument executed by duly authorized representatives of both Parties.

10. The undersigned counsel represent that they are authorized to make this agreement on behalf of their clients

Executed on this 1<sup>ST</sup> day of August 2018.

Respectfully submitted,

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