

GLOBAL SETTLEMENT AGREEMENT

This Settlement Agreement (the “Agreement”), dated as of November __, 2024, is entered into by and between Martin Memorial Medical Center, Inc. (“Martin Memorial”),¹ Martin County Sheriff’s Office and Martin County Board of County Commissioners (collectively “Martin County”), Enhanced Management Services, LLC (“Purchaser”), and Daniel J. Stermer (the “Assignee”), not individually but solely in his capacity as the Assignee for the Benefit of Creditors of Armor Health Management, LLC (“Armor”) and Armor Correctional Health & Medical Services of New York, Inc. (“Armor NY,” and together with Armor, “Armor Health”). Martin Memorial, Martin County, Purchaser, and Assignee each being referred to individually below as a “Party,” and collectively as the “Parties.”

WHEREAS, on or about October 11 and 16, 2023 (the “Assignment Date”), Armor and Armor NY, respectively, initiated an Assignment for the Benefit of Creditors pursuant to Florida law by executing an assignment of its assets to the Assignee;

WHEREAS, upon receipt of the assignment, the Assignee commenced the pending state court case styled *In re Armor Health Management, LLC et al.*, 2023-024558-CA-01 (11th Jud. Cir., Florida)(administratively consolidated)(the “Assignment Proceeding”);

WHEREAS, prior to the Assignment Date, Armor facilitated the medical care required from time to time by detainees of its client, Martin County Sheriff’s Office, by transporting such detainees, in many instances, to Martin Memorial for medical treatment;

WHEREAS, the Martin County Board of County Commissioners funds the budget for the Martin County Sheriff’s Office, which included payment of funds on the contract between Armor and the Sheriff’s Office.

WHEREAS, Armor and Martin County had a dispute concerning the performance and conclusion of a Contract dated about November 21, 2020, claims for payment under the Local Government Prompt Payment Act, and claims for equitable compensation for services, resulting in litigation, namely CASE NO. 2023-CA-1212 filed in the Circuit Court of the 19th Judicial Circuit in and for Martin County, Florida (the “Sheriff’s Receivable Litigation”);

WHEREAS, as of the Assignment Date, Martin Memorial asserted that Armor owed Martin Memorial nearly \$6,500,000 in accounts receivable for services rendered to detainees delivered to it by Armor;

WHEREAS, prior to the applicable claim filing deadline, Martin Memorial filed a Proof of Claim in the Assignment Proceeding for the sum of \$6,478,916.32, (the “Martin Memorial Claim”);

¹ As used herein, Martin Memorial also includes affiliates Costal Care Corporation, and Martin Memorial Physician Corporation.



WHEREAS, Martin County has made an offer of judgment in the amount of \$200,000 (the “Sheriff’s Offer of Judgment”) to Armor in the Sheriff’s Receivable Litigation which Armor has accepted;

WHEREAS, Martin Memorial asserts that any funds recovered through the Sheriff’s Receivable Litigation is held in trust or is burdened by equitable liens in favor of Martin Memorial as a result of the Martin Memorial Claim;

WHEREAS, on or about August 2, 2024, the Assignee filed in the Assignment Proceeding a Renewed Motion to Authorize a Sale and Approve a Related Settlement Agreement and Release of Purchaser Affiliates [DE 151] (the “Sale and Settlement Motion”);

WHEREAS, pursuant to the Sale and Settlement Motion, Assignee proposes to sell substantially all the assets of Armor Health, including the Sheriff’s Receivable Litigation, to the Purchaser, and settle and release any and all claims against such parties;

WHEREAS, Martin Memorial has presented to the Assignee various objections to the Sale and Settlement Motion including the filing of a preliminary objection to any such sale (the “Sale Objection”);

WHEREAS, the Parties, through counsel, have engaged in good faith arms’ length settlement discussions to resolve their disputes and summarized above, and have reached a mutually agreeable settlement terms, which terms are set forth in this Agreement; and

WHEREAS, based on and as a result of such good faith settlement discussions, the Parties desire to enter into this Agreement to provide for the full and final compromise and settlement of their differences.

NOW THEREFORE, in consideration of the foregoing and the mutual promises, undertakings and agreements contained herein, subject to Court approval, the Parties agree as follows:

1. Incorporation of Recitals. The foregoing recitals are true and correct and incorporated herein by reference.
2. The Sheriff’s Offer of Judgment. The Sheriff’s Offer of Judgment has been accepted and Martin County shall pay \$200,000.00 to the trust account of Grimes, Hawkins, Gladfelter & Galvano, P.L. (“GHGG”).
 - a. Upon receipt of such funds, Armor shall file a Notice of Voluntary Dismissal with prejudice within 10 (ten) days as to the Sheriff’s Receivable Litigation, under CASE NO. 2023-CA-1212, with each party to bear its own fees and costs.
 - b. Upon receipt of such funds, GHGG is immediately authorized to pay outstanding legal fees and costs, not to exceed \$25,000 in the aggregate, due it in the Sheriff’s Receivable Litigation. The balance of funds received by GHGG (the “Net Sheriff Funds”) shall be held by GHGG counsel and disbursed in furtherance of this Agreement.

3. The Sale and Settlement Motion. Martin Memorial shall withdraw and shall not file any objection to the Sale and Settlement Motion. In the event that the Court presiding over the Assignment Proceeding enters an order granting the Sale and Settlement Motion, Purchaser shall cause GHGG to release the Net Sheriff Funds to counsel to Martin Memorial and the Martin Memorial Claim shall be deemed withdrawn and stricken in the Assignment Proceeding.

4. Alternative Resolution. In the event that the Sale and Settlement Motion is not approved, then Assignee shall file a motion in the Assignment Proceeding seeking to authorize and approve the settlement and compromise of Martin Memorial's claim to the Net Sheriff Funds by the payment of the Net Sheriff Funds to Martin Memorial in exchange for the withdraw and striking of the Martin Memorial Claim in the Assignment Proceeding.

5. Acknowledgement of Terms. The Parties acknowledge and agree that they have been represented by legal counsel and: (i) they have completely read and fully understand this Agreement and have voluntarily accepted the terms contained herein for the purposes of making a full and final compromise, adjustment and settlement; and (ii) they have determined that this settlement is fair and reasonable under all the circumstances and that this determination is based solely upon their independent judgment after an opportunity to consult with counsel of their choice and, that in making this determination, they have had an adequate opportunity to discuss and assess the merits of all claims or potential claims.

6. Mutual Release. Subject to the entry of an approval order as described in paragraphs 3 and 4 above, and without releasing the obligations set forth in this Agreement, each Party fully and forever remises, releases, acquits, waives, disclaims, surrenders, satisfies, and discharges the other Parties of and from any and all manner of liability whatsoever, including but not limited to debts, equity or ownership interests, rights, dues, sums of money, accountings, bonds, warranties, representations, covenants, promises, contracts, controversies, agreements, liabilities, obligations, reckonings, expenses, damages, judgments, executions, objections, defenses, setoffs, actions, liens, suits, proceedings, claims, counterclaims, losses, costs, expenses, attorneys' fees, demands, and causes of action of any kind or nature whatsoever, whether contingent, whether disputed or undisputed, whether or not well-founded in fact or law, whether in law, equity or otherwise, whether known or unknown, and whether now accrued or hereafter maturing, arising out of, from, pertaining to or in any way in connection with the Martin Memorial Claim and the Sheriff's Receivable Litigation.

7. Counterparts and Copies. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. A facsimile, .pdf or electronic copy of this Agreement and any signature hereon shall be considered for all purposes as originals and delivery of an executed counterpart.

8. Merger Clause. This Agreement constitutes the entire agreement of the Parties. All prior oral and written agreements for all Parties are only those that are set forth herein and none of the Parties is relying on any promise or representation not set forth in this Agreement. This Agreement can be amended only in writing, signed by all Parties, and none of the terms, conditions or provisions of the Agreement can be waived, changed, altered or modified except by an instrument in writing signed by all the Parties against whom enforcement of such change is sought.



9. Attorneys' Fees and Costs. The Parties agree to each bear its own attorneys' fees and costs incurred in connection with negotiating the terms of this Agreement, drafting revising and finalizing this Agreement, and taking all actions contemplated by this Agreement. In any enforcement action relating to this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party its actual and necessary attorneys' fees and costs.

10. Choice of Law and Jurisdiction. The Parties agree that the Agreement is governed by Florida law. The Parties consent to and agree that, except for paragraph 2(a), the Court presiding over the Assignment Proceeding shall have exclusive jurisdiction to interpret and enforce the terms of this Agreement and the judgments to be issued or entered hereunder. As to paragraph 2(a), the Parties consent to and agree that the 19th Judicial Circuit, in and for Martin County, shall have exclusive jurisdiction to interpret and enforce the terms of paragraph 2(a) of Agreement and the judgments to be issued or entered pursuant thereto.

11. Opportunity to Review. Each Party acknowledges that he, she or it has read all of the terms of this Agreement, has had an opportunity to consult with counsel of their own choosing, or has voluntarily waived such right and enters into this Agreement voluntarily and without duress.

12. Notices. Notices to be sent pursuant to this Agreement shall be served by first class mail postage prepaid or electronic mail as follows:

If to Martin Memorial:

Drew Dillworth, Esq.
Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.
150 West Flagler Street, Suite 2200
Miami, Florida 33130
ddillworth@stearnsweaver.com

If to Purchaser:

Benjamin Brodsky, Esq.
Brodsky Fotiu-Wojtowicz
200 S.E. 1st Street, Suite 400
Miami, FL 33131
bbrodsky@bfwlegal.com

If to Assignee:

Allison R. Day, Esq.
Venable LLP
100 SE 2nd Street, Suite 4400
Miami, Florida 33131
arday@venable.com

If to Martin County Board of County Commissioners:

Martin County Attorney
Sarah Woods, Esq.
2401 SE Monterey Rd.
Stuart, Florida 34996
legalesvc@martin.fl.us
MPietrzyk@martin.fl.us

If to Martin County Sheriff's Office
Attn: General Counsel
Martin County Sheriff's Office
800 SE Monterey Road
Stuart, Florida 34994

With copy to:
Adam Fetterman
Fetterman Law PLLC
1231 SW Sunset Trail
Palm City, Florida 34990
adam@lawteam.com

13. Joint Drafting. This Agreement shall be deemed to have been jointly drafted by the Parties, and in construing and interpreting this Agreement, no provisions shall be construed and interpreted for or against any of the Parties because such provisions or any other provision of the Agreement as a whole is purportedly prepared or requested by such Party.

14. Captions. Captions in this Agreement are included for identification and shall not be used to interpret the Agreement.

15. Assignability. This Agreement may not be assigned by any Party to any other individual or entity without the prior written consent of each of the other Parties.

[signatures follow]



IN WITNESS WHEREOF, and intending to be legally bound, each of the Parties hereto has caused this Settlement Agreement to be executed as of the date(s) set forth above.

**MARTIN MEMORIAL MEDICAL CENTER, MARTIN COUNTY SHERIFF'S OFFICE
INC.**

By: _____
Print Name: _____
Its: _____

By: _____
Print Name: _____
Its: _____

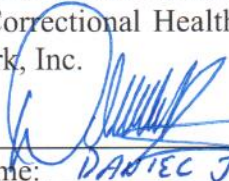
**MARTIN COUNTY BOARD OF COUNTY
COMMISSIONERS**

By: _____
Print Name: _____
Its: _____

ENHANCED MANAGEMENT SERVICES, LLC

DANIEL J. STERMER, not individually but solely in his capacity as the Assignee for the Benefit of Creditors of Armor Health Management, LLC and Armor Correctional Health & Medical Services of New York, Inc.

By: _____
Print Name: _____
Its: _____

By:  _____
Print Name: DANIEL J. STERMER
Its: ASSIGNEE

