

**IN THE CIRCUIT COURT FOR THE SEVENTEENTH JUDICIAL DISTRICT  
IN AND FOR BROWARD COUNTY, FLORIDA**

DANIEL S. NEWMAN, as RECEIVER for  
FOUNDING PARTNERS STABLE VALUE  
FUND, LP; FOUNDING PARTNERS  
STABLE VALUE FUND II, LP; FOUNDING  
PARTNERS GLOBAL FUND, LTD.; and  
FOUNDING PARTNERS HYBRID-VALUE  
FUND, LP,

Plaintiff,

v.

ERNST & YOUNG LLP, a Delaware Limited  
Liability Partnership; and MAYER BROWN  
LLP, an Illinois Limited Liability Partnership,

Defendants.

Case No. 10-49061(19)

Honorable John J. Murphy, III

**SECOND JOINT ARBITRATION STATUS REPORT**

Pursuant to Paragraph 13 of the Court's Order dated February 17, 2018, Plaintiff Daniel S. Newman (the "Receiver") and Defendant Ernst & Young LLP ("EY") hereby provide the following joint status report concerning the Receiver's claims against EY that were compelled to arbitration by and through the Court's Order dated May 20, 2016, as affirmed in part by the Fourth District Court of Appeal of the State of Florida in its October 11, 2017 opinion.<sup>1</sup>

As set forth in the August 24, 2018 Joint Status Report, on August 22, 2018, the Receiver filed a form "Commercial Arbitration Rules Demand for Arbitration" against EY, together with a separate Complaint for Damages and Demand for Arbitration, with the Miami Regional Office of

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<sup>1</sup> The claims against EY ordered to arbitration are Count I (professional malpractice), Count II (negligent misrepresentation on behalf of the Funds), Count III (fraud on behalf of the Funds), Count IV (breach of fiduciary duty), Count V (aiding and abetting fraud), and Count VI (aiding and abetting breach of fiduciary duty).

the American Arbitration Association (“AAA”). Since the parties’ initial Joint Status Report, AAA has convened an arbitration panel and scheduled a telephonic preliminary hearing for February 25, 2019. A date for the arbitration merits hearing has not been set.

Per the Court’s February 17, 2018 Order, the Receiver and EY will submit another joint status report on August 30, 2019.

Respectfully submitted,

Dated: February 20, 2019

/s/ Katherine M. Turner

Katherine M. Turner, Esq.  
Steven M. Farina, Esq.  
Adrienne E. Van Winkle, Esq.  
Jena R. Neuscheler, Esq.  
(Admitted Pro Hac Vice)

**WILLIAMS & CONNOLLY LLP**

725 12<sup>th</sup> Street NW  
Washington, DC 20005  
Telephone: (202) 434-5000  
Facsimile: (202) 434-5029  
kturner@wc.com  
sfarina@wc.com  
avanwinkle@wc.com  
jneuscheler@wc.com

/s/ Edward A. Marod

Edward A. Marod, Esq.  
Florida Bar No. 238961  
emarod@gunster.com  
Aaron J. Horowitz, Esq.  
Florida Bar No. 0046149  
ahorowitz@gunster.com

**GUNSTER YOAKLEY & STEWART,  
P.A.**

777 S. Flagler Drive, Suite 500 East  
West Palm Beach, FL 33401  
Telephone: (561) 650-0660  
Facsimile: (561) 671-2519

**Counsel for Ernst & Young LLP**

/s/ Leo R. Beus

Leo R. Beus, Esq.  
Scot C. Stirling, Esq.  
(Admitted Pro Hac Vice)

**BEUS GILBERT PLLC**

701 North 44th Street  
Phoenix, AZ 85008  
Telephone: (480) 429-3000  
Facsimile: (480) 429-3100  
lbeus@beusgilbert.com  
sstirling@beusgilbert.com

**Counsel for Plaintiff**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct digital copy of this paper has been served through Florida's E-filing Portal to counsel of record listed below this 20th day of February, 2019.

/s/ Aaron J. Horowitz  
Aaron J. Horowitz, Esq.

**SERVICE LIST**

Leo R. Beus, Esq.  
[lbeus@beusgilbert.com](mailto:lbeus@beusgilbert.com)  
Scot C. Stirling, Esq.  
[ssirling@beusgilbert.com](mailto:ssirling@beusgilbert.com)  
Beus Gilbert PLLC  
701 North 44th Street  
Phoenix, AZ 85008  
***Counsel for Plaintiff***

Jonathan Etra, Esq.  
[jonathan.etra@nelsonmullins.com](mailto:jonathan.etra@nelsonmullins.com)  
Christopher Cavallo, Esq.  
[christopher.cavallo@nelsonmullins.com](mailto:christopher.cavallo@nelsonmullins.com)  
Nelson Mullins Broad and Cassel  
One Biscayne Tower, 21<sup>st</sup> Floor  
2 South Biscayne Boulevard  
Miami, FL 33131  
***Counsel for Plaintiff***

Stuart Z. Grossman, Esq.  
[szg@grossmanroth.com](mailto:szg@grossmanroth.com)  
Rachel Wagner Furst, Esq.  
[rwf@grossmanroth.com](mailto:rwf@grossmanroth.com)  
Grossman Roth Yaffa Cohen, P.A.  
2525 Ponce de Leon Blvd., Suite 1150  
Coral Gables, FL 33134  
***Counsel for Plaintiff***

David J. Bradford, Esq.  
[dbradford@jenner.com](mailto:dbradford@jenner.com)  
Reid J. Schar, Esq.  
[rschar@jenner.com](mailto:rschar@jenner.com)  
April A. Otterberg, Esq.  
[aotterberg@jenner.com](mailto:aotterberg@jenner.com)  
Jason M. Bradford, Esq.  
[jbradford@jenner.com](mailto:jbradford@jenner.com)  
Jenner & Block LLP  
353 North Clark St.  
Chicago, IL 60654  
***Counsel for Mayer Brown LLP***

Eugene K. Pettis, Esq.  
[epettis@hpslegal.com](mailto:epettis@hpslegal.com)  
Debra K. Klauber, Esq.  
[dklauber@hpslegal.com](mailto:dklauber@hpslegal.com)  
Haliczer, Pettis & Schwamm, P.A.  
100 SE Third Ave, 7<sup>th</sup> Floor  
Fort Lauderdale, FL 33394  
***Counsel for Mayer Brown LLP***

Edward A. Marod, Esq.  
[emarod@gunster.com](mailto:emarod@gunster.com)  
Aaron J. Horowitz, Esq.  
[ahorowitz@gunster.com](mailto:ahorowitz@gunster.com)  
Gunster, Yoakley & Stewart, PA  
777 S. Flagler Drive  
Suite #500 East  
West Palm Beach, FL 33401  
***Counsel for Ernst & Young LLP***