

MATTHEW J. PLATKIN  
ATTORNEY GENERAL OF NEW JERSEY  
Richard J. Hughes Justice Complex  
25 Market Street P.O. Box 117  
Trenton, New Jersey 08625  
Attorney for Plaintiff-Intervenor

By: Jessica Lugo, NJ Attorney ID: 029532006  
Deputy Attorney General  
(609) 376-2965  
[Jessica.Lugo@law.njocag.gov](mailto:Jessica.Lugo@law.njocag.gov)

ALLSTATE NEW JERSEY INSURANCE  
COMPANY; et al,

Plaintiffs,

v.

SAMUEL S. DAVIT (a/k/a Merabi  
Davitiashvili), et al.

Defendants,

v.

JUSTIN ZIMMERMAN, ACTING  
COMMISSIONER OF THE NEW JERSEY  
DEPARTMENT OF BANKING &  
INSURANCE<sup>1</sup>,

Plaintiff-Intervenor

v.

SAMUEL S. DAVIT (a/k/a Merabi  
Davitiashvili; et al.

Defendants.

SUPERIOR COURT OF NEW JERSEY  
LAW DIVISION - UNION COUNTY  
DOCKET NO. UNN-L-000217-18

CIVIL ACTION

STIPULATION OF  
SETTLEMENT WITH  
SAMUEL S. DAVIT  
(A/K/A MERABI  
DAVITIASHVILI);  
MICHAEL DAVIT; ESTHER  
LALI DAVIT; SOFI  
DAVIT; GABRIELLA S.  
DAVIT; CLIFFSIDE PARK  
IMAGING & DIAGNOSTIC  
CENTER, LLC;  
IRONBOUND MRI, LLC;  
MEDCHEK BILLING &  
MANAGEMENT, INC.; and  
MEDICAL EQUITY  
FINANCIALS, LLC, ONLY

<sup>1</sup>Pursuant to R. 4:34-4, the caption has been revised to reflect the current  
Acting Commissioner of the Department.

WHEREAS Plaintiff Justin Zimmerman, Acting Commissioner of the New Jersey Department of Banking and Insurance ("Plaintiff"), and Defendants Samuel S. Davit (a/k/a Merabi Davitiashvili), Michael Davit, Esther Lali Davit, Sofi Davit, Gabriella S. Davit, Cliffside Park Imaging & Diagnostic Center, LLC, Ironbound MRI, LLC, Medchek Billing & Management, Inc., and Medical Equity Financials, LLC, (collectively, "Defendants"), (collectively, "Plaintiff" and "Defendants" are referred to herein as the "Parties") have reached an amicable agreement resolving the issues in controversy, and consented to the entry of the within Stipulation of Settlement ("Stipulation"); and

WHEREAS, the Parties have determined and hereby agree that settlement is in each of their best interests, and for good cause shown; and

WHEREAS, in determining to enter into this Stipulation, Defendants deny the allegations in the Complaint and do not admit to any wrongdoing; and

WHEREAS, the Parties consent to the entry of the within Stipulation pursuant to the terms and conditions below.

NOW THEREFORE, the Parties agree fully and finally to settle this matter pursuant to the terms and conditions below:

1. Defendants shall pay a total Settlement Amount of \$340,000.00 to Plaintiff ("Settlement Amount"). This Settlement Amount consists of \$300,000.00 in civil penalties pursuant to

N.J.S.A. 17:33A-5b, assessed jointly and severally against all Defendants; \$25,000.00 in attorneys' fees pursuant to N.J.S.A. 17:33A-5(b), assessed jointly and severally against all Defendants; and \$15,000.00 in statutory surcharge pursuant to N.J.S.A. 17:33A-5.1, assessed jointly and severally against all Defendants.

2. Defendants shall pay the Settlement Amount upon the following terms and conditions:

a. Immediately upon execution of this Stipulation by Defendants, Defendants shall remit to the attorney for the Commissioner payment in the amount of \$40,000.00 by certified check, official bank check, or money order made payable to the "Commissioner, New Jersey Department of Banking and Insurance" and sent to:

Jessica Lugo, Deputy Attorney General  
Banking and Insurance Section  
R.J. Hughes Justice Complex  
25 Market Street  
P.O. Box 117  
Trenton, New Jersey 08625-0117

3. Defendants shall remit the remaining balance of \$300,000.00 as follows: twelve (12) monthly installment payments of \$25,000.00 to be paid on or by the fifteenth (15) day of each month, beginning on May 15, 2024. All payments shall be made by certified check, official bank check, or money order made payable

to the "Commissioner, New Jersey Department of Banking and Insurance" and sent to:

Department of Banking & Insurance  
Collections Department  
20 West State Street, 10th Floor  
P.O. Box 325  
Trenton, New Jersey 08625-0325

4. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Stipulation has been made to or relied upon by the Defendants in agreeing to this Stipulation. Defendants represent that this Stipulation is freely and voluntarily entered into without any degree of duress or compulsion.

5. In conjunction with the execution of this Stipulation, the Parties shall also enter into an Order of Entry of Judgment by Consent ("Judgment by Consent") in the amount of \$500,000.00, less payments made by Defendants pursuant hereto, which shall be held in escrow by counsel for Plaintiff, subject to the provisions of Paragraph 6.

6. In the event of the failure by Defendants to pay any Settlement Amount installment payment when due, written notice by the Commissioner shall be given to Defendants at the addresses designated in Paragraph 10 by: (a) delivery in person; (b) a nationally recognized next-day courier service; or (c) first class regular or certified mail. Notice so given shall be effective upon: (a) receipt; or (b) on the fifth (5th) day following mailing,

whichever occurs first. Defendants shall have the opportunity to pay the unpaid Settlement Amount installment within fifteen (15) calendar days from the date of notice. If Defendants fail to pay the unpaid Settlement Amount installment within fifteen (15) calendar days from the date of notice of non-payment, then Defendants shall be in default, the entire balance of the Settlement Amount shall be immediately due and payable, and the Commissioner may file the Judgment by Consent with the Court and collect the amount of same minus any payments made by Defendants pursuant to this Stipulation

Upon full payment of the Settlement Amount, Plaintiff's counsel shall return the Judgment by Consent to Defendants' counsel Steven Pontell, Esq. within thirty (30) days.

7. The Parties agree that no additional attorneys' fees or costs shall be due other than the amounts explicitly described above in Paragraph 1, except Defendants agree to pay all reasonable costs of collection and enforcement of this Stipulation, including reasonable attorneys' fees and expenses.

8. For purposes of construction, this Stipulation shall be deemed drafted by all Parties to this Stipulation and therefore shall not be construed against any Party for that reason in any subsequent dispute.

9. The undersigned counsel and any other signatories represent and warrant that they are fully authorized to execute this Stipulation on behalf of the persons indicated below.

10. All communications from any Party concerning the subject matter of this Stipulation shall be addressed as follows:

If to Plaintiff:

Jessica Lugo, DAG  
Banking and Insurance Section  
R.J. Hughes Justice Complex  
25 Market Street  
P.O. Box 117  
Trenton, New Jersey 08625-0117

If to Defendants:

Steven Pontell, Esq.  
Verde, Steinberg & Pontell, LLC  
19 Main Street, Court Plaza East  
Hackensack, New Jersey 07601  
Attorneys for Michael Davit, Esther Lali Davit,  
Cliffside Park Imaging & Diagnostic Center, LLC,  
and Ironbound MRI, LLC

Alan Zegas, Esq.  
Law Offices of Alan L. Zegas  
60 Morris Turnpike  
Third Floor West  
Summit, New Jersey 07901  
Attorneys for Samuel S. Davit (a/k/a Merabi  
Davitashvili)

Michael J. Cohen, Esq.  
Winne, Banta, Basralian & Kahn, P.C.  
Court Plaza South, East Wing  
Suite 101, 21 Main Street  
Hackensack, New Jersey 07601  
Attorneys for Defendants,  
Sofi Davit, Gabriella S. Davit,  
Medical Equity Financials, LLC, and Medchek  
Billing & Management, Inc.

11. This Stipulation may be executed in counterparts, each of which constitutes an original and all of which constitutes one and the same agreement.

12. This Stipulation shall be filed with the Court only in the event Defendants default on their payment obligations as outlined in Paragraph 6.

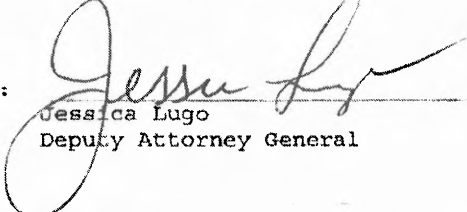
13. The penalties of this Stipulation are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and protection of the public health, safety, and welfare, and are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding.

CONSENTED AS TO FORM, CONTENT, AND ENTRY:

MATTHEW J. PLATKIN  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Commissioner


Dated:

By:

  
Jessica Lugo  
Deputy Attorney General

Dated:

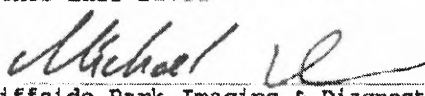
By:


  
Steven Pontell, Esq.  
Verde, Steinberg & Pontell, LLC  
19 Main Street, Court Plaza East  
Hackensack, New Jersey 07601  
Attorneys for Michael Davit, Esther  
Lali Davit, Cliffside Park Imaging  
& Diagnostic Center, LLC, and

Ironbound MRI, LLC


Dated: By:   
Michael Davit


Dated: By:   
Esther Lali Davit

Dated: By:   
Cliffside Park Imaging & Diagnostic  
Center, LLC  
By: Michael Davit  
Title: CEO

Dated: By:   
Ironbound MRI, LLC  
By: Michael Davit  
Title: CEO

Dated: By: \_\_\_\_\_  
Alan Zegas, Esq.  
Law Offices of Alan L. Zegas  
60 Morris Turnpike  
Third Floor West  
Summit, New Jersey 07901

Dated: By:   
Samuel S. Davit  
(a/k/a Merabi Davitiashvili)

Dated: 05.13.2024 By:   
Michael J. Cohen, Esq.  
Winne, Banta, Basralian &  
Kahn, P.C.  
Court Plaza South, East Wing  
Suite 101, 21 Main Street  
Hackensack, New Jersey 07601



Attorneys for Defendants,  
Sofi Davit, Gabriella S. Davit,  
Medical Equity Financials, LLC,  
and Medchek Billing & Management  
Inc.

Dated: \_\_\_\_\_  
By: Sofi Davit  
Sofi Davit

Dated: \_\_\_\_\_  
By: Gabriella Davit  
Gabriella S. Davit

Dated: \_\_\_\_\_  
By: Sofi Davit  
Medical Equity Financials, LLC  
By: Sofi Davit  
Title: CEO

Dated: \_\_\_\_\_  
By: Michael V  
Medchek Billing & Management, Inc.  
By: Michael Davit  
Title: CEO