IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

RAYMOND E. BUTLER, II,	)	
	)	
	)	
Plaintiff,	)	Case No. 1:25-cv-04443
	)	
v.	)	Hon. Georgia N. Alexakis
	)	
ELI JACKFINN EDDI a/k/a ELY EDDI, *et al.*,	)	
	)	
	)	
Defendants.	)	

DEFENDANTS CHAIM RAJCHENBACH AND MENACHEM SHABAT'S OPPOSITION TO PLAINTIFF'S MOTION TO VACATE STAY, VACATE PROTECTIVE ORDER, FREEZE TRUST ASSETS, AND APPOINT FIDUCIARY

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Plaintiff's Motion to Vacate Stay, Vacate Protective Order, Freeze Trust Assets, and Appoint Neutral Fiduciary (the "Motion") is just as baseless as his allegations that this Court has engaged in "lawfare," "government weaponization," and "[j]udicial activism." (Ex. 1, Pet. for En Banc Review, at 6.) There is no good reason to reconsider the multiple prior court orders denying Plaintiff's same requests to lift the stay and protective order—both of which Plaintiff has violated in recent weeks—and allow Plaintiff to harass Defendants and this Court further.

The stay bars the Motion seeking extraordinary injunctive relief that would disrupt businesses employing hundreds who care for thousands of nursing home residents—all based on a conspiracy theory supported by zero evidence. Despite claiming his grandfather created trusts now worth hundreds of millions of dollars, Plaintiff has produced not a single trust document, bank record, or contemporaneous evidence of these supposed trusts' existence, nor has he produced any documentation or evidence showing that Plaintiff's grandfather's trusts owned any of the assets at issue, that Plaintiff is a beneficiary of those trusts, or that any of those assets have been transferred to Defendants from these purported trusts. Instead, he offers only unsubstantiated allegations in a purported "verified motion" that blends factual allegations, law, and speculation.

Plaintiff's conspiracy theory defies both logic and basic business realities. He asks this Court to accept that more than 30 professionals—attorneys, accountants, rabbis, and others—spent decades conspiring across multiple states simply by copying the names of his grandfather's trusts. Even crediting Plaintiff's flights of fancy, common sense dictates that assets do not transfer merely by updating a CMS website. They transfer through documented transactions into separate legal entities with their own tax identification numbers, supported by valid consideration and proper regulatory filings—none of which Plaintiff has identified or shown to exist here.

Plaintiff's manufactured urgency is equally baseless. He claims emergency relief is needed

because ownership of more than 70 nursing homes was transferred in April 2025 to "frustrate Plaintiff's ability to secure equitable relief" in this case. (Mot. at 13.) Yet no such transfers occurred. Nor would the nursing home operators make any such transfers or other decisions based on the unfounded allegations in this case or fear for its outcome. They are concerned only about Plaintiff's relentless harassment, frivolous motions, and threats against their financial institutions and community members.

Plaintiff and his counsel's pattern of abuse demands sanctions. This Court should not only deny the Motion but also award sanctions against Plaintiff and his counsel. They continue to file at a non-stop pace what appear to be AI-generated motions and briefs filled with citations to irrelevant case law, causing substantial costs to the defendants who treat motions, professional obligations, and court orders seriously. Until sanctions are imposed, Plaintiff will continue to abuse the judicial process and harass Defendants and this Court.

BACKGROUND

A. Plaintiff's Unsubstantiated Allegations

Plaintiff has sued over thirty people from various walks of life—including rabbis, accountants, lawyers, and a life insurance salesman—alleging a multi-decade conspiracy to deprive him of wealth supposedly amassed by his grandfather, Jonas Neufeld. (Dkt. 71 ¶¶ 1-4, 97-113.) Plaintiff asserts that, due to family troubles, he was placed with a foster parent named Jack Finn and that his grandfather and Jack Finn set up a trust fund, the Jack Finn Irrevocable Trust, for the benefit of Plaintiff and his siblings. (*Id.*) He alleges he was fraudulently coerced into releasing all claims to the Jack Finn Irrevocable Trust assets in exchange for $30,000. (*Id.* ¶¶ 131-46.)

In his Motion, however, Plaintiff relies on new theories not pled in his Complaint. Plaintiff now claims that these supposed assets were somehow converted when trusts associated with Chaim Rajchenbach and Menachem Shabat copied the names of his grandfather's trusts. In his Motion,

he claims that his grandfather established a GPN Family Trust and a Doros Generation Trust in 1990 (collectively, the "Neufeld Trusts"). (Mot. at 15.)[1] The Jack Finn Irrevocable Trust was allegedly a "limited beneficiary" of the Neufeld Trusts established by Neufeld and thereby received money from the Neufeld Trusts for the benefit of Plaintiff and his sisters. (Mot. at 27-28; *see also* Ex. 2, Mot. to Reconsider, at 2-3.) Those trusts supposedly owned over 70 nursing homes from 2022-2024. (Mot. at 12.)

Plaintiff claims that in 2025, the Defendant Trusts (as defined below) supposedly leveraged the confusion of the similar names to take them all over. (Mot. at 11, 28.) Plaintiff claims that these supposed transfers occurred "mid-litigation" only just this year. (Mot. at 8-9, 12.) Plaintiff asserts that Exhibits 1 and 2 to his Motion show these transfers. (Mot. at 13.)

Plaintiff's Motion notably does not attach any documents demonstrating that the Neufeld Trusts ever existed, let alone documents demonstrating that Butler, Jack Finn or their respective trusts were ever beneficiaries of the Neufeld Trusts, or that the Neufeld Trusts owned any assets, let alone 70 nursing homes worth over half a billion dollars. Rather, the Motion relies strictly on Butler's verification of the Motion. Notably, in the state court case, Butler has admitted under oath that his knowledge of these purported Neufeld Trusts stems from his review of "family records" (none of which are attached to his Motion) and supposed conversations with Jack Finn's ex-wife. (Ex. 3, Opp. to Mot. to Quash Ex. A ¶ 4.). In other words, Butler concedes he has never seen any trust documents evidencing the existence of the Neufeld Trusts and therefore lacks the personal knowledge or factual foundation to attest to any of the claims he advances regarding them.

B. The Public Record and Testimony Provide No Evidence That Plaintiff Has

[1] This claim contradicts Plaintiff's sworn testimony in the state court case. Although his Motion here claims that his grandfather created a GPN Family Trust in 1990, he claimed in one verified state filing that property was transferred for the benefit of the GPN Family Trust already in 1976. (Ex. 2, Mot. to Reconsider at 5).

Any Interest in the Facilities or That Any Transfers Occurred.

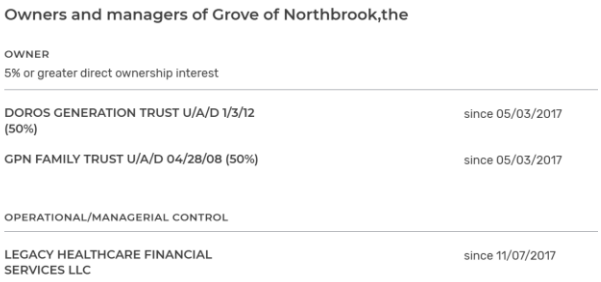
Neither Raymond Butler, Jonas Neufeld, Jack Finn or any of their associated trusts have ever had any ownership or interest in the entities whose assets Plaintiff seeks to freeze: the GPN Family Trust U/A/D 4/28/08, the Doros Generation Trust U/A/D 1/3/12, Cascade Capital Group, LLC, or Legacy Healthcare Financial Services LLC.

The GPN Family Trust U/A/D 4/28/08 (the "GPN Family Trust") was established for the benefit of Chaim Rajchenbach's family. (Ex. 4, Garden Decl. ¶ 10.) Charles Harris, a partner at the law firm Katten Muchin Rosenman LLP who has worked with the Rajchenbach family for over 25 years, drafted the trust under the name Chaim Rajchenbach Descendents Trust, and the trust became effective on April 28, 2008. (Ex. 5, Harris Decl. ¶ 3.) On December 7, 2010, the trust name changed to its present name, the GPN Family Trust U/A/D 4/28/08. Mr. Harris's firm drafted the name change. *Id.* **The Doros Generation Trust U/A/D 1/3/12 (the "Doros Generation Trust"; with the GPN Family Trust, the "Defendant Trusts")** was established for the benefit of Menachem Shabat's family. (Ex. 4, Garden Decl. ¶ 10.) Mr. Harris, who has worked for the Shabat family for over 13 years, drafted the trust under the name Menachem Shabat Descendants Trust, and it became effective on July 3, 2012. (Ex. 5, Harris Decl. ¶ 4.) On January 9, 2015, the trust changed its name to the Menachem and Ahuva Shabat Descendants Trust U/A/D 1/3/12. On October 31, 2017, the trust name changed to its present name, the Doros Generation Trust U/A/D 1/3/12. *Id.* Mr. Harris's firm drafted both name changes. *Id.*

Mr. Harris' testimony is unequivocal: the Defendant Trusts that Plaintiff seeks to freeze were created for the benefit of Mr. Rajchenbach's and Mr. Shabat's families. Neither Trust was created by Plaintiff's grandfather, Jonas Neufeld, or any of his family members. (Ex. 5, Harris Decl. ¶ 5.) Neither Trust was created for benefit of Raymond Butler or any of his family members.

Id. ¶ 6. Butler has never been the beneficiary of the Defendant Trusts. (*Id.*¶ 7.) Neither Jack Finn nor any of his trusts has ever been a trustee or beneficiary of the Defendant Trusts. (*Id.* ¶ 8.)

Via various LLCs identified in Exhibits 1 and 2 to the Motion, entities associated with the Defendant Trusts and/or other affiliated entities (including Cascade Capital Group, LLC ("Cascade")), purchased the operations of certain skilled nursing facilities listed in Exhibits 1 and 2 (the "Facilities") and set up those LLCs to operate the Facilities. (Ex. 4, Garden Decl. ¶¶ 7, 10, 13-14.) This portfolio is managed by Legacy Healthcare Financial Services, LLC ("Legacy Healthcare") which was founded by Rajchenbach and Shabat in 2008. *Id.* ¶¶ 4-5, 7, 10. As explained by its general counsel Daniel Garden, Legacy Healthcare created and manages nearly all of the Facilities, and during all relevant times hereto, entities associated with the Defendant Trusts and/or other affiliated entities have owned the Facilities. *Id.* ¶ 13. These facts are easily verified through a cursory review of CMS records. For example, the CMS website clearly shows that the operations of the Grove of Northbrook have been owned by entities associated with the Defendant Trusts and/or other affiliated entities since 2017 (*Id.* ¶ 26):



Owners and managers of Grove of Northbrook,the

OWNER 5% or greater direct ownership interest	
DOROS GENERATION TRUST U/A/D 1/3/12 (50%)	since 05/03/2017
GPN FAMILY TRUST U/A/D 04/28/08 (50%)	since 05/03/2017
OPERATIONAL/MANAGERIAL CONTROL	
LEGACY HEALTHCARE FINANCIAL SERVICES LLC	since 11/07/2017

By contrast, during the relevant periods there was no other "GPN Family Trust" or "Doros Generation Trust" that was an owner in any of the subject Facilities. (*Id.* ¶¶ 17-20.)

The sole connection identified by the parties between Jack Finn and the Defendants was in 2011, when an entity associated with Chaim Rajchenbach and Menachem Shabat acquired the operations of a single nursing home, the Grove at the Lake, from, *inter alia*, the Jack Finn

Revocable Trust (as opposed to the Jack Finn Irrevocable Trust). *Id.* ¶ 21. Pursuant to a seller's note, payments were later made by the Defendant Trusts to the Jack Finn Revocable Trust. *Id.* ¶ 22. Other than that transaction, neither Butler, Neufeld, nor Finn have ever had any ownership interest in Legacy Healthcare, Cascade, or any of the Facilities. *Id.* ¶¶16-20.

C. Procedural Background

i. State Court Case

In January 2022, Plaintiff filed the state case. In that case, he seeks an accounting of the Jack Finn Irrevocable Trust and findings that he is a beneficiary and did not release any claims to trust funds. (Ex. 6, Compl. ¶¶ 42-52.) On July 14, 2025, ***Plaintiff*** moved to extend the discovery schedule and continue the November 3 trial date. (Ex. 7, Mot. for Extension at 3.) The request to extend the discovery schedule has been granted, but the request to continue the trial date has been denied. In addition to the extension motion, Plaintiff has filed at least eight motions in the past several weeks: two motions for contempt, three motions to compel, a motion to disqualify defendants' counsel (based on Plaintiff making him a defendant in this federal case), a motion to reconsider, and a motion for injunctive relief similar to the Motion at issue here but directed to the Jack Finn Irrevocable Trust. The motion for injunctive relief regarding the Jack Finn Irrevocable Trust was not set on an expedited briefing schedule. Defendants were given until September 4 to respond, and Plaintiff was given until September 25 to reply; the motion will be heard on October 1. (Ex. 8, Aug. 1 Sched. Order.) Much of that motion practice has been directed to seeking the bank records of the Defendant Trusts, who are non-parties to the state case, even after the state court ruled that the non-parties had no connection to Plaintiff or the Jack Finn Irrevocable Trust and after the bank, CIBC, explained that no responsive documents exist. (Dkt. 179, PageID.388.) The state court denied Plaintiff's motion for reconsideration of that ruling on July 3. (Ex. 13.)

ii. Federal Court Case

While a motion for summary judgment was pending in the state court case, Plaintiff filed this case in August 2024, asserting new claims and theories not previously raised in the state court case—including and especially his claims concerning the Defendant Trusts. District Judge Maloney in the U.S. District Court for the Western District of Michigan ordered this case stayed in light of the state court case. (Dkt. 79.) He and Magistrate Judge Maarten Vermaat enforced and upheld the stay three times, (Dkt. 84, 101, 113), emphasizing that a party may move to lift the Court's stay only "upon the conclusion of Plaintiff's Illinois action." (Dkt. 84.) This Court likewise upheld the stay at a status conference on June 9 over Plaintiff's objection. (Dkt. 163.) This is now the fifth time Plaintiff has sought to overturn the stay, including the second time before this Court.

After Plaintiff harassed and threatened certain Defendants and their families, as well as non-party bank employees, the federal court in Michigan issued a protective order barring Plaintiff from communicating with Defendant Chaim Rajchenbach, Defendant Menachem Shabat, and any witness in this case, except through his attorney, Racine Miller. (ECF No. 101.) Among other conduct, Plaintiff had threatened to "kick in a door" and "dismantle an empire of death" and warned of "collateral damage" in communications with CIBC and threatened Mr. Shabat's family members. (Dkt. 90; Dkt. 112 at 28:15-29:15.) The court upheld the protective order after a hearing during which Plaintiff testified. (Dkt. 113 at 2-5, 8.) In open court, Butler admitted to his threatening communications and accused Defendants of using strategy "meant to delay and deny and in this case depose," echoing the "deny, defend, depose" words written on the bullets used in the killing of UnitedHealthcare CEO Brian Thompson. (Dkt. 112 at 28:15-29:3, 43:19-46:24.) The court found that "Plaintiff's testimony cemented the reality that a protective order is not only appropriate, but necessary," (Dkt. 113 at 3), and that Plaintiff's "assertions that he was neither threatening nor harassing are not credible." (*Id.* at 8.)

This Court upheld the protective order with the modification of adding Ms. London as one of Plaintiff's attorneys. (Dkt. 163.) This Motion is the third time Plaintiff has sought to overturn the protective order, including the second time before this Court and second time after an evidentiary hearing on the protective order.

On July 30, 2025, Plaintiff filed the Motion. (Dkt. 167.) That same day, the Court set an "expedited briefing schedule" in light of Plaintiff's "request for emergency relief." (Dkt. 169.) That schedule set Defendants' response deadline for August 7. (*Id.*) Later the same day, Plaintiff appealed the order to the Seventh Circuit. (Dkt. 170.) On August 1, Plaintiff filed an emergency petition requesting the same injunctive relief pending the outcome of his appeal. (Ex. 9, Emergency Pet. at 4-6.) Plaintiff contended that the scheduling order denied his Motion, despite the Court's order containing no denial of relief. (*Id.*) The Seventh Circuit denied his request the same day. (Ex. 10, Order re Emergency Pet.) On August 4, the Seventh Circuit ordered Plaintiff to file a brief establishing jurisdiction. (Ex. 11.) Plaintiff instead filed a motion for reconsideration en banc accusing this Court of, *inter alia*, engaging in "lawfare" against Plaintiff. (Ex. 1.) The Seventh Circuit dismissed for lack of jurisdiction (Ex. 12).

LEGAL STANDARD

Requests for reconsideration "are viewed disfavorably. . . . The power to reconsider a prior decision is to be exercised only in the rarest of circumstances and where there is a compelling reason—for example, a change in, or clarification of, law that makes clear that the earlier ruling was erroneous, or where the court has misunderstood a party's position or made a significant mistake." *Moore v. Pipefitters Assoc. Local Union597, U.A.*, 306 F.R.D. 187, 195 (N.D. Ill. 2014).

"A plaintiff seeking a preliminary injunction must establish [1] that he is likely to succeed on the merits, [2] that he is likely to suffer irreparable harm in the absence of preliminary relief,

[3] that the balance of equities tips in his favor, and [4] that an injunction is in the public interest." *Halczenko v. Ascension Health, Inc.*, 37 F.4th 1321, 1324 (7th Cir. 2022) (quoting *Winger v. Nat. Res. Def. Council, Inc.* 555 U.S. 7, 20 (2008)). "[A] preliminary injunction is an extraordinary and drastic remedy, one that should not be granted unless the movant, by a clear showing, carries the burden of persuasion." *Cassell v. Snyders*, 458 F. Supp. 3d 981, 990 (N.D. Ill. 2020) (quotation omitted). A preliminary injunction must be denied where a plaintiff fails to provide any evidence and instead speculates about possible harms. *Mazurek v. Armstrong*, 520 U.S. 968, 971-74 (1997).

ARGUMENT

I. The stay should remain in place.

A. There is no basis to reconsider the prior rulings

Plaintiffs do not identify any change in the law or significant mistake warranting this request for reconsideration. The stay should remain in effect on this basis.

B. The state court will decide a threshold issue, and the abstention factors favor a stay.

The case was originally stayed because the state court will decide a threshold issue, namely whether Plaintiff is a beneficiary of the Jack Finn Irrevocable Trust and whether he waived any claims to the trust assets. This original justification for the stay remains just as true now as it was the last four times Plaintiff tried to overturn it; Plaintiff has established no grounds to reconsider.

To determine whether a stay is appropriate, the Court "must first determine whether the state and federal actions are parallel" and then weigh whether abstention is proper, considering the following factors:

> (1) whether the state has assumed jurisdiction over property; (2) the inconvenience of the federal forum; (3) the desirability of avoiding piecemeal litigation; (4) the order in which jurisdiction was obtained by the concurrent forums; (5) the source of governing law, state or federal; (6) the adequacy of state-court action to protect the federal plaintiff's rights; (7) the relative progress of state and federal proceedings; (8) the presence or absence of concurrent jurisdiction; (9) the availability of removal; and (10)

the vexatious or contrived nature of the federal claim.

Freed v. J.P. Morgan Chase Bank, N.A., 756 F.3d 1013, 1018 (7th Cir. 2014).

First, Plaintiff's state and federal actions are in fact parallel. As District Judge Maloney in the Western District of Michigan found, this case concerns the same trust, the Jack Finn Irrevocable Trust, at issue in the state court case. (Dkt. 79 at 1, 7.) In the Illinois state court case, Plaintiff sued two of the defendants in this case (Illana Eddi and Ely Eddi), seeks an accounting of the Jack Finn Irrevocable Trust, and requests findings that he is a beneficiary and did not release claims. (*Id.* at 1-2.) When staying the federal case, Judge Maloney reasoned that "[i]f the Illinois court determines that Plaintiff is not a trust beneficiary or waived his rights to the trust at issue, his claims are likely to fail in this federal case" and thus "Defendants' collateral estoppel argument favors a stay." (*Id.* at 7-8.) If the federal case were to proceed in parallel, the court "runs the risk of issuing a ruling which would be adverse to a state court judgment. Principles of comity and federalism caution against such friction." (*Id.* at 9.)

Nothing has changed. Plaintiff asserts as his basis for lifting the stay: "It has become obvious that no accounting of the Jack Finn Irrevocable Trust can be completed until the complete GPN FAMILY TRUST documents are obtained because the Jack Finn Irrevocable Trust is a limited beneficiary of the GPN FAMILY TRUST. . . ." (Mot. at 27-28.) However, if the state court determines that Plaintiff is not a beneficiary of the Jack Finn Irrevocable Trust or waived his rights to the trust assets, his claims in this case fall apart, as the supposed scheme concerns assets in that trust transferred there for his supposed maintenance. (*Id.*; Ex. 2, Mot. to Reconsider, at 2-3.) The threshold issue of whether or not Plaintiff is even a beneficiary of the Jack Finn Irrevocable Trust still needs to be decided first, as three separate judges have recognized in this matter and case law supports. *See Freed*, 756 F.3d at 1019 (cases parallel where, "while the various defendants are not

identical in the two cases, their *interests* are nearly identical" because both cases turned on whether scheme excluded party from partnership assets or party had dissociated and forfeited entitlement).[2]

Second, nearly every abstention factor strongly favors the stay. Whether or not Plaintiff is a beneficiary of the Jack Finn Irrevocable Trust and potential waiver of claims is governed by state law, which the state court will determine at a scheduled trial by conducting an accounting of trust property (factor 1, state court jurisdiction over property; factor 5, source of law), and will likely dispose of Plaintiffs' claims here (factor 3, desirability of avoiding piecemeal litigation). *Supra* at 6. Discovery has already proceeded in the state case, which was filed two years before this federal case in a forum chosen by Plaintiff (factor 7, relative progress of proceedings; factor 4, order in which jurisdiction obtained; factor 6, adequacy of state-court action). *Id*. Moreover, Plaintiff has engaged in vexatious and serial filings in both this case and the state court matter, including adding counsel for defendants in the state case as a defendant in this case and seeking his disqualification in the state case on that basis, filing subpoenas and motions in the state case that violated an order on a motion to quash, violating the protective order in this matter, and violating this Court's explicit order not to file any motions regarding default (factor 10, vexatious or contrived nature of federal claim). *Id.* The Seventh Circuit has upheld a stay in similar circumstances. *See Freed*, 756 F.3d at 1024 (upholding stay where most factors favored stay, including fact that plaintiff had sought to "evade" orders and engaged in "abuse of process . . . and a manipulation of the system").

C. The state court schedule does not justify lifting the stay.

Plaintiff cannot use the state court schedule to justify supposedly new urgency in this case and a need to lift the stay, as Plaintiff himself has delayed the state proceedings. (Ex. 7, Mot. for

[2] The Court cited this case at the June status, (Dkt. 164 at 15), and Plaintiff does not address it in his brief. He should therefore be considered to have waived any argument regarding this case or application of the abstention factors.

Extension, at 3.) Plaintiff is on his fifth attorney in that case, which is his same counsel in this case. Plaintiff unsuccessfully sought to delay the November 3 based in large part of his own serial motion practice. *Id.* Similar to his conduct here of filing serial frivolous motions, he has filed eight other motions in the state case in the last few weeks that delayed proceedings: two motions for contempt, three motions to compel, a motion to disqualify defendants' counsel, a motion to reconsider, and a motion for injunctive relief similar to the Motion at issue here but directed to the Jack Finn Irrevocable Trust. Moreover, the motion for injunction in that case is not proceeding on any expedited basis. *Id.* Plaintiff clearly does not wish to go to trial in that case and receive confirmation that he is not a beneficiary of the Jack Finn Irrevocable Trust.

D. The supposed transfers are not intervening facts to lift the stay.

Plaintiff asserts that "mid-litigation" transfers of the Facilities supposedly held by the Neufeld Trusts have occurred just this year that warrant lifting the stay. (Mot. at 28.) But Plaintiff already raised the issue of asset transfers as far back as March in the state court case, yet waited until the end of July to file this motion. (Ex. 3, Opp. to Mot. to Quash Ex. A ¶¶ 5, 9.) In any event, these records do not show that Jonas Neufeld, Jack Finn, or any associated entity or trust ever owned the properties at issue (other than the Grove at the Lake, the operations of which were sold to an entity associated with Mr. Rajchenbach and Mr. Shabat in 2011 as described above), nor do they show any transfers ***at all***, let alone any transfers that would justify lifting the stay for the purposes of entering an injunction. *Infra* at 16-17. Accordingly, the stay should remain in place.

II. The request for a restraining order and preliminary injunction regarding trust assets must be denied.

A. Plaintiff's filing violated the stay order.

This case is properly stayed, and the stay has been upheld four times. *Supra* at 7. Plaintiff's Motion defies those prior four orders of the Court without establishing any basis for lifting the

stay, and this Motion should be struck like his prior filings that violated the stay. (Dkt. 84.)

B. Plaintiff has not sued the parties necessary for the Court to have jurisdiction to grant the requested relief.

As Plaintiff himself alleges, Rivka Rajchenbach and Ahuva Shabat are the trustees of the trusts whose assets he seeks to freeze. (Dkt. 71 ¶¶ 27, 30.) However, he has named them in the operative complaint only as individuals, not in their capacity as trustees, and he has not served them in any capacity.[3] Plainitff also seeks injunctive relief over a list of other non-parties: Legacy Healthcare, Cascade, trusts associated with family members, and family foundations set up for philanthropy, none of whom have been served. (Mot. at 34.) The Court cannot enter a preliminary injunction without notice to the adverse party. *See* Fed. R. Civ. P. 65(a)(1).

More fundamentally, without service of process, "a court ordinarily may not exercise power over a party the complaint names as a defendant." *Murphy Bros., Inc. v. Michetti Pipe Stringing, Inc.* 526 U.S. 344, 350 (1999); *Neville v. True*, 900 F. Supp. 972, 978 (N.D. Ill. 1995) (court lacks personal jurisdiction over defendant that plaintiff has not served). Nor should Plaintiff be permitted to correct this error: the case remains stayed, and his baseless motion fails on numerous other grounds, including his complete inability to demonstrate any likelihood of success on the merits. *Infra* at 14-16.

C. Plaintiff has no standing to pursue injunctive relief.

Plaintiff provides no documents showing the existence of the Neufeld Trusts, that he is a beneficiary of them, or that the Neufeld Trusts had any connection to the Facilities he seeks to seize. Yet even taking Plaintiff's baseless claims at face value, Plaintiff still does not have standing to seek relief even if he were a beneficiary of the Neufeld Trusts. Plaintiff does not seek to sue the trustees of a trust he is supposedly a beneficiary of, as in the case he cites to support standing.

[3] The undersigned agree to accept service on their behalf if and when the stay is lifted.

(Mot. at 21) (citing *Giagnorio v. Emmett C. Torkelson Trust*, 292 Ill. App. 3d 318, 324 (2d Dist. 1997)) (which also had nothing to do with an injunction). Instead, Plaintiff tries to sue for supposed ***wrongs to the Neufeld Trusts and by extension the Jack Finn Irrevocable Trust***—which only the trustees of the Neufeld Trusts or the Jack Finn trusts have standing to do. *See In re Estate of Brantman*, 2011 WL 10457455, at *8 (Ill. App. 2011) ("[T]rustees, not beneficiaries, have standing to sue third parties on behalf of a trust."). Nowhere does Plaintiff explain who those trustees even supposedly are, let alone raise any facts or law that would allow him to bring a claim on behalf of the trust in the trustee's absence. Consequently, Plaintiff lacks the requisite standing necessary to even assert his claims to begin with.

D. Plaintiff has no likelihood to succeed on the merits.

i. Plaintiff has not plausibly alleged or provided any evidence of the Defendant Trusts' involvement in any scheme regarding the Neufeld Trusts.

As an initial matter, it would be difficult (indeed, impossible) to execute a scheme to steal assets from trusts that do not exist. If there is no evidence that the Neufeld Trusts ever existed, much less that Plaintiff is a beneficiary of those trusts or that those trusts owned or had any interest in any of the Facilities at issue—then none of Plaintiff's claims can succeed *Supra* at 10.

Even setting aside that fatal flaw, Plaintiff has not pled, much less provided evidence of, how the ***Defendant Trusts*** supposedly converted assets from the Neufeld Trusts or any Jack Finn-related trust. Absent such allegations, Plaintiff's claim would not even survive a motion to dismiss.

The operative complaint is somehow even more incomprehensible. Plaintiff's operative complaint refers throughout to a "Trust Fund," which at times, seems to refer to the Defendants Trusts and at times, refer to the Jack Finn Irrevocable Trust. (Dkt. 71 ¶¶ 1, 113.) It is therefore unclear each time Plaintiff mentions the Trust Fund what Defendants are being accused of, what trusts are at issue, and/or what assets are at issue. It is simply impossible to read the operative

complaint and leave with an understanding of what Plaintiff is alleged to have occurred.

The operative complaint and Plaintiff's Motion similarly provide no meaningful explanation as to how the Facilities are supposed to have been transferred between the Neufeld Trusts (to the extent those even exist) and the Defendant Trusts. Plaintiff only asserts that the names of the Defendant Trusts were changed to mimic the Neufeld Trusts. (Mot. at 11-12.) Plaintiff provides absolutely no detail on how a mere name change to the Defendant Trusts could have led to the transfer of dozens of nursing homes from the Neufeld Trusts to the Defendant Trusts. This certainly does not meet the particularized pleading required for Plaintiff's fraud-based claims, which include his RICO claim premised on fraud. *See Calavan v. First Love Int'l Ministries*, 590 F. Supp. 3d 1131, 1139-40 (N.D. Ill. 2022). Plaintiff has therefore neither pleaded, nor provided evidence of, any wrongdoing or harm caused by Defendants.

ii. Plaintiff's RICO claim fails for the additional reasons that Plaintiff does not allege an association-in-fact involving the Defendant Trusts.

Plaintiff focuses his Motion on the RICO count and asserts that it allows for equitable relief, but, in addition to the reasons stated *supra* at 14-15, this claim fails to allege the requisite enterprise. Plaintiff asserts that a RICO enterprise is established by Defendants acting through "their association-in-fact" (Dkt. 71 ¶ 151) but does not adequately plead one. Plaintiff must allege "three structural features: a purpose, relationships among those associated with the enterprise, and longevity sufficient to permit these associates to pursue the enterprise's purpose." *Boyle v. United States*, 556 U.S. 938, 946 (2009).

Here, Plaintiff alleges that a collection of dozens of individuals comprised of businesspeople, attorneys, accountants, insurance brokers, rabbis in the community—basically anyone who Plaintiff believes had any professional interaction with the Jack Finn Irrevocable Trust—is part of the association in fact enterprise. This is contrary to the law. As the Seventh

Circuit affirmed in *Stachon v. United Consumers Club, Inc.*, for example, the "mere fact that [company], for nearly 21 years, had business dealings with a wide assortment of [] manufacturers, wholesalers, and members in no way establishes that they function with [company] as a continuing unit or as an ongoing structured organization." 229 F.3d 673, 676 (7th Cir. 2000). Such "vague allegations of a RICO enterprise made up of a string of participants, known and unknown, lacking any distinct existence and structure" are just what Plaintiff puts forward here, and they do not suffice to establish enterprise. *Id.*

E. Plaintiff will not suffer irreparable harm if the injunction is not granted.

i. An adequate remedy at law exists.

An adequate remedy at law exists because the Facilities are physical assets that cannot be spirited away—indeed, their ownership is publicly reported—and Plaintiff identifies harms that all feed into calculable damages, namely "streams of income" and the value of ownership stakes (Mot. at 23). With an adequate remedy at law, there can be no irreparable harm in not granting the injunction. *DM Trans, LLC v. Scott*, 38 F.4th 608, 619-20 (7th Cir. 2022) (no irreparable harm where injuries "would ultimately translate into lost profits").

ii. Plaintiff has not shown that any transfers have taken place.

"[A] future threat of irreparable harm must exist to warrant injunctive relief." *DM Trans, LLC*, 38 F.4th at 621. Here, no transfers of the Facilities have occurred, and no threat of future harm exists, because the Neufeld Trusts never owned the assets at issue. As Mr. Garden attests at all relevant times hereto, entities associated with the Defendant Trusts and/or other affiliated entities have owned the operations of the Facilities. (Ex. 4, Garden Decl. ¶ 16.) Neither the Neufeld Trusts, Jonas Neufeld, Jack Finn, Raymond Butler, nor any entities or trusts associated with them have ever owned any interest in the Facilities. (*Id.* ¶¶ 17-20.) Other than a single instance where an entity associated with Mr. Rajchenbach and Mr. Shabat purchased the assets of one nursing

home partially owned by the Jack Finn Revocable Trust, neither Mr. Rajchenbach, Mr. Shabat, the Defendant Trusts, nor any affiliated entity has engaged in any transaction with Jonas Neufeld, Jack Finn, Raymond Butler, or any entities or trusts associated with them. (*Id.* ¶¶ 21-23.)

The Court need look no further than Plaintiff's own brief to know this is true. The last column in Exhibit 1 "ASSOCIATION DATE – OWNER" shows the date when the listed owner became the owner. (*Id.* ¶ 29.) Those dates show that entities associated with the Defendant Trusts and/or other affiliated entities, have held ownership in the Facilities years before the supposed 2025 "asset transfers" alleged by Plaintiff. Plaintiff even concedes as much, admitting that "CMS ownership filings remained consistent through early 2025." (Mot. at 12.) Plaintiff's own brief demonstrates that there is no conceivable risk of harm because the purported transfers never happened to begin with. *See Travelers Cas. & Sur. Co. v. Wells Fargo Bank, NA*, 2009 WL 4881079, at *4 (N.D. Ind. Dec. 9, 2009) (denying preliminary injunction where no evidence showed misuse of funds would cause insolvency or that defendants were dissipating funds). For this reason alone, Plaintiff's Motion must fail as a matter of law.

iii. Plaintiff unduly delayed seeking relief.

Plaintiff has believed since at least March of this year that transfers occurred or may occur and did not nothing. *Supra* at 12. It is well settled that delay in seeking relief precludes a finding of irreparable harm. *Redbox Automated Retail, LLC v. Xpress Retail LLC*, 310 F. Supp. 3d 949, 953 (N.D. Ill. 2018) (collecting cases where months-long delay precluded relief). Rather than seeking to remedy any actual harm, therefore, what Plaintiff appears to be doing here is retaliate for the denial of his non-party discovery in the state court case. This Motion was filed just a few weeks after the state court denied his motion for reconsideration of the Court's order quashing discovery regarding the Defendant Trusts on July 3. *Supra* at 6.

F. The balance of the equities and the public interest favor denying the injunction.

If anyone were to be irreparably harmed, it is Defendants (and non-parties) if the injunction is granted. The Court must "weigh[] the degree of harm the nonmoving party would suffer if the injunction is granted against the degree of harm to the moving party if the injunction is denied" and consider as part of this factor "the public interest," *i.e.*, "'the consequences of granting or denying the injunction to non-parties.'" *Troogstad v. City of Chicago*, 576 F. Supp. 3d 578, 590 (N.D. Ill. 2021) (quoting *Cassell v. Snyders*, 990 F.3d 539, 545-46 (7th Cir. 2021)) (balance of equities and public interest weighed against preliminary injunction to halt COVID-19 vaccination policy because of significant risk to public health).

Plaintiff seeks to paralyze businesses caring for thousands of vulnerable nursing home residents based on a conspiracy theory supported by zero evidence. As Legacy Healthcare's general counsel has attested, granting an injunction would completely disrupt the nursing home businesses that serve thousands of residents and employs hundreds of employees. (Ex. 4, Garden Decl. ¶¶ 31-32.) The order would effectively paralyze the businesses operating the Facilities, preventing them from making the regular and necessary decisions required to manage and protect the nursing home assets, including and especially those related to patient safety. What's more, such a transfer could trigger clauses change of ownership requirements under CMS and private payer guidelines, as well as potentially re-licensing and issuance of new provider numbers. (*Id.*)

Given the magnitude of value of the assets and the business, disruption to even a subset of the portfolio could easily cause more than $100 million in damages through diminution of value. (*Id.*) Requests for preliminary injunctions that would cause wide-ranging harm affecting non-parties should be denied. *See Ervin Equipment Inc. v. Wabash Nat'l Corp.*, 187 F. Supp. 3d 968, 980 (N.D. Ind. 2016) (denying preliminary injunction that would "severely undermine" network of vehicle dealer agreements). Moreover, Plaintiff's wide-ranging injunctive relief request to

freeze assets against all entities associated with the Rajchenbachs and the Shabats includes the family foundations associated with each. A court order freezing assets to preclude donations, philanthropy, and maintenance for family members is not in the public interest.

III. The Court should require a bond of $100 million for any injunction.

If this Court were to somehow consider Plaintiff's baseless request—which it should not—it must, at a minimum, require him to put up a bond of at least $100 million dollars. "The court may issue a preliminary injunction or a temporary restraining order only if the movant gives security in an amount that the court considers proper to pay the costs and damages sustained by any party found to have been wrongfully enjoined or restrained." Fed. R. Civ. P. 65(c). The Seventh Circuit has made clear that courts must "err on the high side" to ensure "the scope of the injunction is directly related to the amount of the security required." *Auto Driveway Franchise Sys., LLC v. Auto Driveway Richmond, LLC*, 928 F.3d 670, 679 (7th Cir. 2019).

Plaintiff wants to interfere with and restrain a business he describes as operating more than $500 million in nursing home assets and that Legacy Healthcare's general counsel has explained would easily cause more than $100 million in damages due to the severe disruption to operations. (Mot. at 5; Ex. 4, Garden ¶¶ 31-32.) Plaintiff already seeks over $2.4 billion in default judgments against certain defendants based on the value of the assets and businesses at issue. (Dkts. 189, 193-94). Where significant exposure is alleged and a defendant shows significant operational harm, a substantial bond is warranted. *See Mead Johnson & Co. v. Abbott Labs.*, 201 F.3d 883, 888 (7th Cir. 2000) ("[B]onds must reflect full costs" to "[s]hift back to the plaintiff the complete injury" that would be occasioned by erroneous preliminary injunction); *Fed. Trade Com'n v. Crescent Pub. Grp.*, 2001 WL 128461 (S.D.N.Y. Feb. 16, 2001) (setting bond at $10 million in light of $196.4 million alleged exposure). Given the scale of operations, magnitude of harm, and baseless nature of Plaintiff's claims, any bond below nine figures would fail to satisfy Rule 65(c)'s mandate

and would expose Defendants to irreparable injury from an unwarranted injunction.

IV. The protective order should remain in place.

Plaintiff does not identify any change in the law or significant mistake warranting this request for reconsideration. The protective order should remain in effect on this basis.

Even setting aside this threshold defect, the Court has the long-recognized inherent power to "manage [its] own affairs so as to achieve the orderly and expeditious disposition of cases." *Dietz v. Bouldin*, 579 U.S. 40, 45 (2016) (quotation omitted). "The exercise of an inherent power by a district court must be a reasonable response to the problems and needs confronting the court's fair administration of justice" and "cannot contradict any express rule or statute." *Id.* at 46. A court may properly use that power to set guidelines for a party's communications where a party has engaged in coercive or abusive communications. *See Piekarski v. Amedisys Ill., LLC*, 4 F. Supp. 3d 952, 955 (N.D. Ill. 2013) (collecting cases). Plaintiff has established no grounds to reconsider the protective order. It was properly entered, Plaintiff does not seek to lift it for any proper purpose, and Plaintiff will engage in further harassment if it is lifted.

First, the Court properly exercised this power by issuing a protective order on a substantial record of harassment and then upholding it after an evidentiary hearing during which Plaintiff testified and made threatening statements, including invoking a phrase similar to that written on the bullets used in the killing of UnitedHealthcare CEO Brian Thompson. *Supra* at 7. The court found that "Plaintiff's testimony cemented the reality that a protective order is not only appropriate, but necessary," (ECF No. 113 at 3), and that Plaintiff's "assertions that he was neither threatening nor harassing are not credible." (ECF No. 113 at 8.)

Plaintiff tries to minimize his prior conduct and justification for the protective order by selectively citing only two interactions with CIBC and characterizing them as peaceful. (Mot. at 15.) This ignores all of the other communications that make up his pattern of harassment, the fact

that he admitted to such conduct, and the fact that a judge found after an evidentiary hearing that he had in fact been threatening. *Supra* at 7.

Second, Plaintiff does not seek to lift the protective order for any proper purpose. By his own admission, "Plaintiff merely seeks to vacate the protective order to permit fact-gathering and analysis related to this case." (Mot. at 30.) The protective order was carefully crafted to allow him to do so through counsel, and he provides no explanation why this does not suffice. This is a reasonable restriction in light of Plaintiff's well-documented harassing and threatening conduct.

Third, Plaintiff will engage in further harassment if the protective order is lifted. This is not a hypothetical—Plaintiff violated the protective order on July 21 by texting CIBC's general counsel. (Dkt. 179, PageID.399.) Also problematic is that Plaintiff's counsel threatened to sue CIBC in federal court unless the bank provided trust and bank records relating to the Defendant Trusts. (*Id.*, PageID.390.) Plaintiff knows this is highly improper. Especially since the state court had already granted a motion to quash subpoenas for those bank records and then denied Plaintiff's motion to reconsider. This is further evidence that until sanctions are issued by a Court against Plaintiff, the more egregious his litigation behavior will become.

CONCLUSION

Plaintiff seeks extraordinary relief based on extraordinary claims supported by no evidence. His unsubstantiated conspiracy theory cannot justify interfering with various businesses and disrupting essential healthcare services. The Court should therefore deny all requested relief, uphold the stay and protective order, and impose a substantial bond should any temporary relief be considered. Defendants will also seek sanctions for the reasons set forth in a to-be-filed motion.[4]

[4] In addition, "[o]n its own, the court may order an attorney, law firm, or party to show cause why conduct specifically described in the order has not violated" Rule 11. Fed. R. Civ. P. 11(c)(3).

Dated: August 14, 2025

Respectfully submitted,

/s/ Nicholas H. Callahan

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CERTIFICATE OF SERVICE

I hereby certify that on August 14, 2025, I caused a true and correct copy of the foregoing to be filed and served electronically via the Court's CM/ECF system. Notice of this filing will be sent to all counsel of record by operation of the Court's electronic filing system.

/s/ Nicholas H. Callahan