

DISTRICT COURT OF APPEAL OF THE STATE OF FLORIDA
FOURTH DISTRICT

OSHER KHTEEB and **EREZ KHTEEB**,
Appellants,

v.

HELCEM USA, INC., et al.,
Appellees.

No. 4D2025-2135

[September 2, 2026]

Appeal from the Circuit Court for the Seventeenth Judicial Circuit, Broward County; Nickolaus Hunter Davis, Judge; L.T. Case No. 062022CA006926AXXXCE.

Beshoy Rizk of Rizk Law, PLLC, North Miami, and Courtney D. Hutchison of Hutchison Law, P.A., Naples, for appellants.

Tyler A. Mamone, Rachel E. Walker, Yetian Wang, and Amber Fabian of Mamone Walker, PLLC, Miami, for appellee Helcim USA, Inc.

No appearance for appellee AC Wholesale Center, Inc.

SHAW, J.

This appeal follows a default final judgment and award of damages entered against Osher Khteeb and Erez Khteeb (collectively, “Appellants”). Appellants raised multiple issues on appeal. We write only to address the circuit court’s damages award. For the reasons discussed more fully below, we reverse the circuit court’s ruling holding Appellants jointly and severally liable for the entire outstanding judgment. We affirm on all other issues without comment.

I. Background

Helcim USA, Inc. (“Appellee”) sued AC Wholesale Center, Inc. (“AC Wholesale”) for breach of contract, account stated, and unjust enrichment. Helcim later obtained a default final judgment against AC Wholesale for \$163,228.01 in damages and \$12,840.18 in attorney’s fees, plus accrued interest. To date, the final judgment remains unsatisfied.

Appellee discovered AC Wholesale had made multiple transfers to Appellants, who were not officers, employees, or otherwise legally connected to AC Wholesale. These transfers included significant credit card payments and a \$50,000 vehicle purchase. Upon learning this information, Appellee commenced proceedings supplementary against Appellants based on fraudulent transfers under the Florida Uniform Fraudulent Transfer Act (“FUFTA”).

The circuit court issued each appellant a notice to appear, informing them that Appellee had initiated proceedings supplementary against him. Despite Appellants’ apparent attempts to avoid service, the Appellee served its supplemental complaint on Appellants. Appellants failed to serve or file any paper in response. Accordingly, the clerk entered defaults against Appellants.

Upon Appellee’s motion, the circuit court entered default final judgments against Appellants. The judgments held Appellants jointly and severally liable for \$211,098.49, which represented the entire outstanding underlying judgment plus accrued interest. The circuit court did not hold an evidentiary hearing before determining the damages amount. After entry of this default final judgment, Appellants motioned to set aside the default final judgment. The circuit court denied the motion.

II. Discussion

“Whether the trial court applied the correct measure of damages is a question of law reviewed de novo.” *DFG Grp., LLC v. Heritage Manor of Mem’l Park, Inc.*, 237 So. 3d 419, 421 (Fla. 4th DCA 2018). “Whether damages alleged are liquidated or unliquidated is a question of law subject to de novo review.” *Kotlyar v. Metro. Cas. Ins. Co.*, 192 So. 3d 562, 564 (Fla. 4th DCA 2016) (citation omitted).

“It is well settled that when a plaintiff obtains a default in a suit for unliquidated damages, the default only establishes liability. It remains necessary for the plaintiff to prove its damages at a hearing after notice to the defaulting party.” *Sec. Bank, N.A. v. BellSouth Advert. & Publ’g Corp.*, 679 So. 2d 795, 798 (Fla. 3d DCA 1996). “[D]amages are not liquidated if the ascertainment of their exact sum requires the taking of testimony to ascertain facts upon which to base a value judgment.” *Bowman v. Kingsland Dev., Inc.*, 432 So. 2d 660, 663 (Fla. 5th DCA 1983).

For proceedings supplementary, a court:

may entertain claims concerning the judgment debtor's assets brought under chapter 726 and enter any order or judgment, including a *money judgment against any initial or subsequent transferee*, in connection therewith, *irrespective of whether the transferee has retained the property*. Claims under chapter 726 brought under this section shall be initiated by a supplemental complaint and served as provided by the rules of civil procedure, and the claims under the supplemental complaint are subject to chapter 726 and the rules of civil procedure.

§ 56.29(9), Fla. Stat. (2025) (emphasis added).

Section 726.108, Florida Statutes (2025), provides remedies for creditors under FUFTA, while section 726.109, Florida Statutes (2025), imposes limitations on those remedies. *Compare* § 726.108(1), Fla. Stat. (2025), *with* § 726.109, Fla. Stat. (2025). Specifically, section 726.109 limits judgments to the lesser of: the transferred asset's value or the amount necessary to satisfy the creditor's claim. *See* § 726.109(2), Fla. Stat. (2025) (“[T]o the extent a transfer is voidable in an action by a creditor under s. 726.108(1)(a), the creditor may recover judgment for the value of the asset transferred, as adjusted under subsection (3), or the amount necessary to satisfy the creditor's claim, *whichever is less*.”) (emphasis added). “The judgment may be entered against: (a) [t]he first transferee of the asset or the person for whose benefit the transfer was made; or (b) [a]ny subsequent transferee other than a good faith transferee who took for value or from any subsequent transferee.” § 726.109(2)(a)–(b), Fla. Stat. (2025). “If the judgment under subsection (2) is based upon the value of the asset transferred, the judgment must be for *an amount equal to the value of the asset at the time of the transfer*, subject to adjustment as the equities may require.” § 726.109(3), Fla. Stat. (2025) (emphasis added).

Here, Appellee needed to present evidence to determine the exact amount due from Appellants based on the fraudulent transfers which each appellant received. *See Bowman*, 432 So. 2d at 663. Admitting all well-pled factual allegations from the supplemental complaint, the value of the assets transferred to each appellant appears to be less than the amount necessary to satisfy Appellee's claim. *See* § 726.109(2), Fla. Stat. (2025); *Donohue v. Brightman*, 939 So. 2d 1162, 1164 (Fla. 4th DCA 2006) (“A default terminates the defending party's right to further defend, except to contest the amount of unliquidated damages. When a default is entered, the defaulting party admits all well-pled factual allegations of the complaint.”) (citations omitted). Thus, the circuit court erred by failing to hold an evidentiary hearing on the amount of damages attributable to each

appellant. See *Kotlyar*, 192 So. 3d at 565; *Sec. Bank, N.A.*, 679 So. 2d at 798.

Additionally, section 56.29(9) does not contain language imposing joint and several liability against transferees for the entire outstanding judgment. See *Stavrou v. Destination Boat Clubs, Inc.*, 226 So. 3d 293, 295 (Fla. 2d DCA 2017) (affirming decision to hold two impleaded defendants jointly and severally liable only for the amount improperly transferred to their joint bank account). Therefore, the circuit court erred by holding Appellants jointly and severally liable for the entire outstanding \$211,098.49 judgment. See *Pollizzi v. Paulshock*, 52 So. 3d 786, 790 (Fla. 5th DCA 2010) (“The undisputed evidence in this case was that each of the third-party defendants received \$34,000.00 from [the judgment debtor]. Therefore, each third-party defendant could only be held responsible for returning that \$34,000.00 to the judgment creditor.”).

III. Conclusion

Accordingly, we reverse the circuit court’s ruling holding Appellants jointly and severally liable for the entire outstanding judgment, and remand for an evidentiary hearing consistent with this opinion. We affirm on all other issues.

Affirmed in part, reversed in part, and remanded for further proceedings.

GERBER, C.J., and MAY, J., concur.

* * *

Not final until disposition of timely-filed motion for rehearing.