## EXHIBIT

## SETTLEMENT AGREEMENT

WHEREAS, by orders dated January 21, 2009, June 3, 2009, January 19, 2010, September 23, 2010, October 29, 2012, and March 7, 2013 the Court in Securities & Exch. Comm'n v. Arthur Nadel, et al., Case No. 8:09-cv-87-T-26TBM (M.D. Fla.) (the "SEC Receivership Action"), appointed Burton W. Wiand as Receiver (the "Receiver") for Scoop Capital, LLC; Scoop Management, Inc.; Scoop Real Estate, L.P.; Valhalla Investment Partners, L.P.; Valhalla Management, Inc.; Victory IRA Fund, LTD; Victory Fund, LTD; Viking IRA Fund, LLC; Viking Fund, LLC: Management, LLC; Venice Jet Center, LLC; Tradewind, LLC; Laurel Mountain Preserve, LLC; Laurel Preserve, LLC; Laurel Mountain Preserve Homeowners Association, Inc.; Marguerite J. Nadel Revocable Trust UAD 8/2/07; Guy-Nadel Foundation, Inc.; Lime Avenue Enterprises, LLC; A Victorian Garden Florist, LLC; Viking Oil & Gas, LLC; Home Front Homes, LLC; Traders Investment Club; Summer Place Development Corp.; and Respiro, Inc. (collectively, the "Receivership Entities"); and

WHEREAS, the Receiver sued Ellen Schwab (the "Defendant") in an action styled <u>Burton W. Wiand</u>, as <u>Receiver v. Ellen Schwab</u>, Case No. 8:10-cv-130-T-17MAP (M.D. Fla) (the "Schwab Action") seeking the return of certain funds received from or at the direction of one or more of the Receivership Entities in excess of the Defendant's investment in one or more of the Receivership Entities, which investment(s) were made in the name of Ellen Schwab (the "Settled Claims"). Pursuant to a court order, the claims asserted in the Schwab Action were compelled to arbitration, and the Schwab Action was stayed pending completion of arbitration; and

WHEREAS, the Receiver and Defendant wish to resolve these matters amicably; and

WHEREAS, the Defendant does not admit any liability; and

WHEREAS, the Defendant and the Receiver agree and acknowledge that this settlement agreement does not relate to, and specifically excludes, any and all claims relating to investments by The Carrswold Partnership in one or more of the Receivership Entities and any monies Defendant may have received from The Carrswold Partnership as a result of such investments.; and

WHEREAS, any resolution of the Schwab Action by agreement of the Receiver and the Defendant is subject to approval by the Court presiding over the SEC Receivership Action (the "SEC Receivership Court");

NOW, THEREFORE, and subject to the approval of the SEC Receivership Court, Defendant has agreed to pay and the Receiver has agreed to accept a total of \$125,000 to be paid as follows: (1) a first payment of \$18,750 to be paid within 14 days after approval of this settlement by the SEC Receivership Court; and (2) a second and final payment of \$106,250 to be paid within 180 days after approval of this settlement by the SEC Receivership Court.

Upon receipt and clearing of this full settlement payment, the Receiver, on behalf of the Receivership Entities and their employees, agents, representatives, beneficiaries, and assigns, shall be deemed to have released and forever discharged the Defendant of and from the any and all claims asserted, or which could have been asserted in the Schwab Action, as well as any and all other claims, demands, rights, promises, and obligations arising from or related in any way to the Defendant's investment in any

product, fund, entity, or venture established, operated, or controlled by Arthur Nadel and Receivership Entities. Notwithstanding the foregoing, this release does not include any claims that were raised or may be raised against The Carrswold Partnership or Defendant's receipt of monies from The Carrswold Partnership, if any, including but not limited to, in the action styled <u>Burton W. Wiand, as Receiver v. The Carrswold Partnership</u>, Case No. 8:10-cv-212-T-17MAP (M.D. Fla).

In further consideration of the release of claims described above, the Defendant warrants that \$193,333.58 is the total amount of money or value the Defendant received from Receivership Entities in excess of the Defendant's investment made in the name of Ellen Schwab, and the Defendant agrees to waive and does hereby waive any claim that she has, had, or hereafter may have against the Receiver and/or the Receivership Entities.

The Receiver and the Defendant understand and agree that, subject to the approval of the SEC Receivership Court, the payment of the aforesaid total sum and waivers of claims are in full accord and satisfaction of and in compromise of disputed claims, and the payment and waivers are not an admission of liability, which is expressly denied, but are made for the purpose of terminating a dispute and avoiding litigation.

After execution of this Settlement Agreement by all parties, the Receiver will promptly move the SEC Receivership Court for approval of this settlement. If the SEC Receivership Court approves the settlement, following receipt and clearing of the payment called for above, the Receiver will promptly move the Court to dismiss the Schwab Action with prejudice. To the extent necessary, the Defendant agrees to assist the Receiver in seeking the SEC Receivership Court's approval of this settlement and following any such approval, in securing the dismissal of the Schwab Action. The

W&G SCHWAB

Defendant understands and agrees that each party shall bear their own individual costs

and attorney fees incurred in the resolution of this matter.

In the event Defendant fails to make any payment hereunder as provided by this

Settlement Agreement, Defendant hereby consents to the immediate entry of a Judgment,

upon the filing of an affidavit from the Receiver certifying failure of payment. Defendant

further agrees and consents to the Receiver seeking such judgment by motion filed in the

Schwab Action. Defendant acknowledges and agrees that such Judgment will be for

\$193,333.58, less any payments, plus interest at the legal rate from the date of this

agreement.

The Receiver and the Defendant agree this Settlement Agreement shall be

governed by and be enforceable under Florida law in the United States District Court for

the Middle District of Florida, Tampa Division, and the Defendant specifically waives

any right she may have to arbitrate any matter relating to or covered by this Settlement

Agreement.

Counsel for the Receiver is expressly authorized to sign this agreement on behalf

The Receiver and the Defendant also agree that electronically of the Receiver.

transmitted copies of signature pages will have the full force and affect of original signed

pages.

In witness whereof the parties have set their hands as of the dates indicated.

By: <u>Illen</u> Schwab

Date: <u>6/3//3</u>

Burton W. Wiand, as Receiver

of the Receivership Entities