

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

Case No. 8:09-cv-87-T-26TBM

ARTHUR NADEL,
SCOOP CAPITAL, LLC,
SCOOP MANAGEMENT, INC.

Defendants,

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, AND
VIKING MANAGEMENT,

Relief Defendants.

RECEIVER'S MOTION TO APPROVE SETTLEMENT

Burton W. Wiand, as Receiver, moves the Court for an order approving a settlement relating to payment of the judgment obtained by the Receiver *Burton W. Wiand, as Receiver v. Brian L. Meeker, as trustee of the Brian L. Meeker Trust*, Case No. 8:10-cv-166-T-17MAP (M.D. Fla.) (the “**Meeker Action**”) on the basis of the Agreement attached hereto as Exhibit A.

MEMORANDUM IN SUPPORT

The Securities and Exchange Commission (the “**Commission**” or “**SEC**”) instituted this action to “halt [an] ongoing fraud, maintain the status quo, and preserve investor assets” (Dkt. 1, Compl., ¶ 7.) Burton W. Wiand was appointed by this Court as the Receiver for Defendants other than Arthur Nadel and for Relief Defendants. (*See* Order Reappointing Receiver (Dkt. 140).) Additionally, the Receivership was expanded to include Venice Jet Center, LLC and Tradewind, LLC (Dkt. 17); Laurel Mountain Preserve, LLC, Laurel Preserve, LLC, the Marguerite J. Nadel Revocable Trust UAD 8/2/07, and the Laurel Mountain Preserve Homeowners Association, Inc. (Dkt. 44); The Guy-Nadel Foundation, Inc. (Dkt. 68); Lime Avenue Enterprises, LLC, and A Victorian Garden Florist, LLC (Dkt. 81); Viking Oil & Gas, LLC (Dkt. 153); Home Front Homes, LLC (Dkt. 172); Traders Investment Club (Dkt. 454); Summer Place Development Corp. (Dkt. 911); Respiro, Inc. (Dkt. 916); and Quest Energy Management Group, Inc. (Dkt. 1024). All of the entities in receivership are collectively identified herein as the Receivership Entities.

Pursuant to the Order Reappointing Receiver (Dkt. 984), the Receiver has the duty and authority to:

2. Investigate the manner in which the affairs of the Receivership Entities were conducted and institute such actions and legal proceedings, for the benefit and on behalf of the Receivership Entities and their investors and other creditors as the Receiver deems necessary . . . against any transfers of money or other proceeds directly or indirectly traceable from investors in the Receivership Entities; provided such actions may include, but not be limited to, seeking imposition of constructive trusts, disgorgement or profits, recovery and/or avoidance of fraudulent transfers under Florida Statute § 726.101, *et. seq.* or otherwise, rescission and restitution, the collection of debts, and such orders from this Court as may be necessary to enforce this Order.

Further, the Order Reappointing Receiver (at paragraph 6) authorizes the Receiver to “[d]efend, compromise or settle legal actions . . . in which the Receivership Entities or the Receiver is a party . . . with authorization of this Court”

By a Complaint filed January 19, 2010, the Receiver sued Brian L. Meeker, as trustee of the Brian L. Meeker Trust (the “**Defendant**”) to recover sums received from the Receivership Entities with a view to marshaling assets for an eventual distribution to investors with verifiable claims in an equitable and appropriate manner. The Receiver obtained a Judgment against Defendant on March 7, 2013 in the amount of **\$645,641.67**. The Eleventh Circuit affirmed the Judgment on July 15, 2014.¹

As shown by the attached Agreement, the Receiver and the Defendant, subject to the approval of this Court, have agreed to Defendant paying a total of **\$25,000.00**, which will be paid in accordance with a set payment schedule, to satisfy the Judgment and all pending issues. In reaching this agreement, the Receiver’s primary consideration involved the financial circumstances of the Defendant. The Receiver’s discovery has revealed that the Defendant has few, if any, assets with which to satisfy the Judgment. The Receiver believes that the settlement provides a practical solution which results in the maximum benefit to the Receivership. Further, the settlement reflected by the Agreement is in the best interests of the Receivership, the investors in the Receivership Entities, and Defendant, because

¹ The District Court denied the Receiver prejudgment interest, concluding that Meeker had “suffered enough.” The Receiver cross-appealed, and the Eleventh Circuit concluded that the Court’s denial of an award of prejudgment interest based on Meeker’s purported suffering was an abuse of discretion. *See Wiand v. Meeker*, 572 Fed. Appx. 689, 692 (11th Cir. 2014) (citing *Wiand v. Lee*, 753 F.3d 1194 (11th Cir. 2014)). The Eleventh Circuit remanded and directed the Court “to apply the factors in [*Blasland, Bouck & Lee, Inc. v. City of N. Miami*, 283 F.3d 1286, 1297 (11th Cir. 2002)] to determine whether equitable considerations justify denying or reducing a prejudgment interest award in this case.” *Id.* The District Court has not yet reached a decision on this issue.

resolution of the Judgment avoids continued efforts to try to collect on a judgment against a Defendant with few, if any, assets, and conserves Receivership assets and judicial resources.

WHEREFORE, the Receiver moves the Court to approve the settlement reflected by the attached Agreement.

LOCAL RULE 3.01(g) CERTIFICATE OF COUNSEL

The undersigned counsel for the Receiver is authorized to represent to the Court that the SEC has no objection to the Court's granting this motion.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on June 12, 2015, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system.

s/Michael S. Lamont

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