

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, LLC

Relief Defendants.

\_\_\_\_\_ /

**NOTICE OF FILING FINAL JUDGMENTS AGAINST  
PAUL R. DOWNEY, JEFFRY P. DOWNEY, AND JOHN M. LEONARD**

Burton W. Wiand, as Receiver (the “**Receiver**”), by and through his undersigned counsel, hereby notifies the Court of the resolution of a related pending enforcement action brought by the Securities and Exchange Commission (the “**Commission**”) in the United States District Court for the Northern District of Texas styled *Securities and Exchange Commission v. Paul R. Downey, Jeffry P. Downey, and John M. Leonard*, Case No.: 14-cv-185-C (N.D. Tex. September 29, 2016) (the “**Downey Enforcement Action**”). The defendants in that

action are former principals or sales agents of Receivership entity Quest Energy Management Group, Inc. Following entry of summary judgment against the defendants, on September 29, 2016, the Downey Enforcement Action court granted the Commission's Motion for Remedies and entered final judgment as to all defendants, copies of which are attached hereto as **Composite Exhibit A**. In addition to entering the Final Judgments, the Downey Enforcement Action court also made specific findings as to the defendants, including that Jeffrey and Paul Downey (1) "raised \$4.9 million from 17 investors in a fraudulent offering of securities"; (2) "acted with a high level of scienter, knowingly deceiving investors about virtually every aspect of the investment"; (3) concealed the Receiver's appointment from Quest investors; and (4) exhibited "misconduct [which] was extremely egregious." *See Composite Exhibit B*.

#### **CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that on October 19, 2016, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system.

**s/Gianluca Morello**

Gianluca Morello, FBN 034997

Email: [gmorello@wiandlaw.com](mailto:gmorello@wiandlaw.com)

Michael S. Lamont, FBN 0527122

Email: [mlamont@wiandlaw.com](mailto:mlamont@wiandlaw.com)

WIAND GUERRA KING P.A.

5505 West Gray Street

Tampa, FL 33609

Tel: (813) 347-5100

Fax: (813) 347-5198

*Attorneys for the Receiver, Burton W. Wiand*