

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.

**PLAINTIFF'S RESPONSE JOINING THE RECEIVER'S OPPOSITION
TO NON-PARTY'S OBJECTIONS AND MOTION TO QUASH
SUBPOENA ON SUNTRUST BANK, INC. (DOC. 416)**

Plaintiff Securities and Exchange Commission joins the Receiver's Opposition to Non-Party Donald H. Rowe's Motion to Quash Subpoena (DE 420). The Court has already authorized the Receiver to conduct the investigation and discovery he is dutifully pursuing through the subpoena on SunTrust Bank. See Order Granting Motion to Appoint Receiver and Order Reappointing Receiver (DE 8 and 316). The Receiver quite properly is using all legal means to track down funds from the fraud underlying this case for the benefit of the Receivership Entities and their investors. As the Receiver has done many times in the instant action, he is

gathering information necessary to seek relief from the Court resulting in the return of money fraudulently drained from the Receivership Entities. Mr. Rowe presents no solid legal basis for attempting to quash the subpoena, as the Magistrate Judge in the Clawback Case has already ruled, and may not prevent the Receiver from shining a light on what may be a significant trail of funds from Arthur Nadel's fraud to Mr. Rowe's (or anyone else's) pockets.

Besides the legal authority already granted by the Court, the Receiver more than establishes a basis to conduct this discovery. In light of the substantial evidence now presented by the Receiver, it seems likely Mr. Rowe's goal is to slow the Receiver's attempts to recover Receivership Entity funds that Mr. Rowe received because of fraud. The Receiver is applying routine discovery tools and exceptional diligence to develop the evidence necessary to protect and recover investors' money. As he explains in his response, the Receiver ultimately will use this evidence to ask the Court for equitable relief that Mr. Rowe may then oppose as he sees fit.

WHEREFORE the Commission joins the Receiver in opposing Mr. Rowe's motion to quash the Receiver's subpoena, and requests the Court allow the Receiver to continue fulfilling his assigned duties.

June 23, 2010

Respectfully submitted,

By: s/ Scott A. Masel
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COMMISSION**
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CERTIFICATE OF SERVICE

I hereby certify that on June 23, 2010, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system. I further certify that on the same date I mailed the foregoing document and the notice of electronic filing by U.S. Mail or as indicated below to the following non-CM/ECF participant:

Arthur G. Nadel
Register No. 50690-018
MCC New York
Metropolitan Correctional Center
150 Park Row
New York, NY 10007
Via U.S. Mail

s/ Scott A. Masel
Scott A. Masel, Esq.