

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.

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**RECEIVER'S MOTION TO APPROVE SETTLEMENT**

Burton W. Wiand, as Receiver, moves the Court for an order approving settlement of *Burton W. Wiand, as Receiver v. Stanley W. Mason, Jr., individually, Stanley W. Mason, Jr. and Doris A. Mason, as Trustees of the Stanley W. Mason, Jr. and Doris A. Mason Trust Agreement u/a/d September 24, 1998, and the Mason Family Limited Partnership*, Case No.: 8:10-cv-219-T-17MAP (M.D. Fla.) (the "Mason Action") on the basis of the Settlement Agreement attached 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. 493).) 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. 79); Viking Oil & Gas, LLC (Dkt. 153); Home Front Homes, LLC (Dkt. 172); and Traders Investment Club (Dkt. 454). All of the entities in receivership are collectively identified herein as the Receivership Entities.

Pursuant to the Order Reappointing Receiver (Dkt. 493), 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 an Amended Complaint filed November 19, 2010, the Receiver sued Stanley W. Mason, Jr., individually, Stanley W. Mason, Jr. and Doris A. Mason, as Trustees of the Stanley W. Mason, Jr. and Doris A. Mason Trust Agreement u/a/d September 24, 1998, and the Mason Family Limited Partnership (collectively the “Defendants”) to recover sums received from Receivership Entities with a view to marshaling assets for an eventual distribution to investors with verifiable claims in an equitable and appropriate manner. Specifically, the Receiver sought to recovery “false profits” (as defined in the amended complaint) of \$238,125.00 in connection with an investment made in Receivership Entities through an IRA account in the name of Charles Schwab – FBO Stanley Mason, Jr., and of \$15,149.71 in connection with investments made by the Mason Trust and Mason FLLLP.

As shown by the attached Settlement Agreement, the Receiver and the Defendants, subject to the approval of this Court, have agreed to settle all of the Receiver’s claims asserted against in the Mason Action, in exchange for the following consideration: (1) payment of \$185,000 by the Defendants to the Receiver, to be paid within 21 days after approval of this settlement by this Court; and (2) transfer by the Defendants to the Receiver of title to real property located at Lot 68 of the Woodlake Golf Community, also defined as parcel number 119P A 013.00 in Claiborne county Tennessee or 780 Woodlake Blvd, Tazewell, Tennessee 37879 (the “Tennessee Property”) (which property, according to a realtor’s estimate, has a value of approximately \$65,000 - \$70,000).

The settlement reflected by the Settlement Agreement is in the best interests of the Receivership and the investors in Receivership Entities because resolution of the claims as indicated in the Settlement Agreement avoids protracted litigation, conserving Receivership assets and judicial resources, and avoids the cost of litigation to Defendant.

WHEREFORE, the Receiver moves the Court to approve the settlement reflected by the attached Settlement 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 December 10, 2010, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system. I further certify that I mailed the foregoing document and the notice of electronic filing by first-class mail to the following non-CM/ECF participants:

Arthur G. Nadel  
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**s/ Michael S. Lamont**  
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*Attorneys for the Receiver, Burton W. Wiand*