

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

BURTON W. WIAND, as Receiver for
VALHALLA INVESTMENT PARTNERS,
L.P.; VIKING FUND, LLC; VIKING IRA
FUND, LLC; VICTORY FUND, LTD.;
VICTORY IRA FUND, LTD.; SCOOP REAL
ESTATE, L.P.; LAUREL MOUNTAIN
PRESERVE, LLC; LAUREL PRESERVE,
LLC; and GUY-NADEL FOUNDATION,
INC.,

Plaintiff,

Case No.: 8:09-cv-2443-T-27TBM

v.

CAROLINA MOUNTAIN LAND
CONSERVANCY, a North Carolina Nonprofit
Corporation,

Defendant.

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is dated as of the Effective Date (as defined below), between BURTON W. WIAND (the "Receiver"), AS RECEIVER FOR VALHALLA INVESTMENT PARTNERS, L.P., VIKING FUND, LLC, VIKING IRA FUND, LLC, VICTORY FUND, LTD., VICTORY IRA FUND, LTD., SCOOP REAL ESTATE, L.P., LAUREL MOUNTAIN PRESERVE, LLC, LAUREL PRESERVE, LLC, AND GUY-NADEL FOUNDATION, INC. (collectively, the "Plaintiff Receivership Entities"), and CAROLINA MOUNTAIN LAND CONSERVANCY ("Defendant" or "CMLC") (collectively, the "Settling Parties").

BACKGROUND

1. Laurel Mountain Preserve, LLC (“Laurel Mountain”) was created in 2003, and Nadel was its sole manager and member. Shortly after its creation, Laurel Mountain purchased approximately 426 acres of land (the “Property”) in Buncombe and McDowell Counties, North Carolina.
2. On or about December 1, 2005, Laurel Mountain granted to CMLC, a local nonprofit environmental conservation group and land steward, a conservation easement on 169 acres of the Property (the “Conservation Easement”). The Conservation Easement is recorded in the public records of Buncombe County at Official Records Book 4151 and Page 1686 and in the public records of McDowell County at Official Records Book 849 and Page 808, re-recorded at Book 857 and Page 485. In connection with the Conservation Easement, Guy-Nadel Foundation, Inc. made customary stewardship donations totalling \$30,429 to CMLC for the monitoring and defense of the Conservation Easement. Of the original \$30,429 stewardship donations, CMLC has expended \$20,314 of the stewardship donations for their intended purpose and retains only \$10,115 of the original stewardship donations.
3. CMLC received the Conservation Easement and stewardship donations in trust for the community and had the goal of protecting the 169 acre preserve. CMLC represents that this was an arms-length transaction, and the Receiver has not seen any evidence that contradicts that representation. In accepting the Conservation Easement, CMLC took on the obligation to monitor the environmental health of the preserve and defend it in perpetuity, as well as the other responsibilities attendant to a land steward as set forth in the terms of the Conservation Easement.

4. Since the grant of the Conservation Easement, CMLC has conducted annual visits to monitor and document the condition of the land and areas of concern, such as erosion, as well as activities taking place on the Conservation Easement, including plant growth and the construction of trails. This monitoring process ensures the integrity of the land and flags future problems that may be prevented and is required by the terms of the Conservation Easement.

5. In January of 2009, the Securities and Exchange Commission (the "SEC") filed an action (the "SEC Action") alleging that Arthur Nadel and entities associated with him had defrauded investors of hedge funds managed by him ("Nadel's Scheme").

6. The Receiver was appointed to, among other things, take control of various entities and to gather and protect assets tied to Nadel's Scheme, and to the proceeds thereof, for the benefit of defrauded investors. The Receivership was ultimately expanded to include Laurel Mountain and the Guy-Nadel Foundation based on Nadel's role in those entities and their receipt of proceeds of Nadel's Scheme and/or other assets funded with such proceeds.

7. In November 2009, the Receiver filed in the SEC Action a Motion for an Order to Show Cause as to Why Conservation Easement Should not be Extinguished pursuant to North Carolina's Uniform Fraudulent Transfer Act ("NCUFTA"). This Motion sought, by means of a summary proceeding, to extinguish the Conservation Easement. On November 24, 2009, the Court in the SEC Action entered an Order to show cause.

8. On December 18, 2009, CMLC filed a response to the Receiver's Motion and the Court's Order, together with multiple exhibits and an affidavit of CMLC's Executive Director. CMLC's response argued, *inter alia*, that (i) the Receiver had failed to serve CMLC with the copy of the Motion, (ii) the relief sought by the Receiver was not appropriate for a summary proceeding, and (iii) issues of material fact remained as to the Receiver's claims.

9. On December 23, 2009, Judge Lazzara entered in the SEC Action an Order discharging the Order to Show Cause. In the Order, Judge Lazzara found that the “summary procedure” proposed by the Receiver was “legally and substantively inappropriate” in order to adjudicate the “core issue of whether Laurel Mountain’s transfer of the easement to [CMLC] constitutes a fraudulent transfer” due to the complexity of the issue.

10. On December 1, 2009, the Receiver filed this action alleging eight counts of fraudulent transfer, four against the Conservation Easement under NCUFTA and four against the donations under Florida’s Uniform Fraudulent Transfer Act (“FUFTA”).

11. In February 2010, Arthur Nadel pled guilty in the related criminal case to fifteen federal fraud counts, admitting the Ponzi scheme that had been alleged, in *United States v. Nadel*, Case No. 1:09-cr-00433-JGK, in the Southern District of New York. Specifically, Arthur Nadel admitted the allegation in the indictment in *United States v. Nadel*, Case No. 1:09-cr-00433-JGK, in the Southern District of New York that his interest in Laurel Mountain Preserve, LLC was “derived from proceeds traceable to the commission of the fraud offenses.”

12. On May 21, 2010, the Receiver filed an Amended Complaint in this action seeking to (i) avoid the transfer of the Conservation Easement pursuant to NCUFTA or, alternatively, to recover the greater of the value of the property subject to the Conservation Easement or the diminution in value to the Property, (ii) avoid the donation transfers pursuant to FUFTA, or, in the alternative under equitable claims of unjust enrichment to (iii) extinguish the conservation easement or, alternatively, to (iv) disgorge the greater of the value of the Property subject to the conservation easement or the diminution in value to the property and disgorge the donations.

13. CMLC filed its Answer and Defenses to Plaintiff's Amended Complaint and Demand for Jury Trial on June 10, 2010 ("Answer"). In its Answer, CMLC asserted several defenses including that it took the Conservation Easement in good faith as part of an arm's length transaction, and that Laurel Mountain received reasonably equivalent value in exchange for the grant of the Conservation Easement.

14. CMLC is committed to protecting the Conservation Easement, and also to furthering its long-term goal of preserving land and water resources in North Carolina. After expending significant resources defending the Receiver's action, and weighing all of the facts, circumstances and the risks of trial, however, it deems this settlement to be in the best interests of CMLC and its conservation mission.

15. Notwithstanding the parties' claims, defenses, and other assertions, the Settling Parties agree to resolve their disputes in this action as set forth in further detail below. In full settlement of this action and in consideration for the parties forbearing further litigating this action, the Settling Parties accept and agree to the terms of this Agreement.

THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Settling Parties agree as follows:

1. **Recitals.** The Receiver and CMLC represent that each of the Recitals set forth above is true and accurate to the best of each of their knowledge and belief and is incorporated by reference and made a part of this Agreement as if fully set forth herein.

2. **Court Approval of Agreement.** Upon execution of this Agreement, the Settling Parties will also execute the Joint Motion for Entry of Orders Dismissing the Case With Prejudice and Vacating Easement attached as **Exhibit 1** (the "Joint Motion"), which motion will seek entry of the Proposed Orders attached as Exhibit B to the Joint Motion (the "Proposed

Orders”), vacating the Conservation Easement and dismissing the case with prejudice, with each party to bear its respective fees (this Agreement, the Joint Motion, and the Proposed Orders are referred to collectively as the “Settlement Papers”). Promptly after execution of this Agreement by the Settling Parties, the Receiver will submit in the SEC Action the Settlement Papers attached to a motion seeking approval of this Agreement and asking the Court to retain jurisdiction to enforce the terms of this Agreement.

3. **Additional Filings.** Promptly after execution of the Settlement Papers by the Settling Parties, the Receiver will file a Notice of Settlement in this action. Further, following approval of this Agreement and payment by the CMLC to the Receiver of the Settlement Amount in accordance with the terms set forth in paragraph 4 below, and clearing of such payment in the Receiver’s account, the Receiver will promptly file in this case the Joint Motion.

4. **Remaining Stewardship Donations.** Within thirty (30) days of the Effective Date of this Agreement, CMLC shall pay to the Receiver \$10,115, the amount of the stewardship donations received by CMLC in connection with the Conservation Easement which is currently retained by CMLC and has not been expended for its original purpose (the “Settlement Amount”).

5. **Releases and Waiver.** In consideration of this settlement, including, without limitation, the payment of \$10,115 in remaining stewardship donations, upon receipt by the Receiver and clearing of the Settlement Amount in accordance with paragraph 4 above and entry by the Court in this action of the Proposed Orders, the Receiver will release and will be deemed to have released: (1) all claims he may have to the balance of \$20,314 in stewardship donations made by Arthur Nadel, his wife, the Guy Nadel Foundation, or any other Nadel-controlled entity to CMLC and which has been expended for its originally designated purposes; and (2) CMLC

from any and all rights, claims, demands, damages, actions, and causes of action of any nature whatsoever, including, without limitation, any claims for attorney's fees or costs, whether arising at law or in equity, and whether unknown, known, or hereafter discovered or ascertainable, that the Receiver may have had or may now have against CMLC arising in, from, under or in connection with this action (Case No. 8:09-cv-2443-T-27TBM). Further, in consideration of this settlement, upon receipt by the Receiver and clearing of the Settlement Amount in accordance with paragraph 4 above and entry by the Court in this action of the Proposed Orders, CMLC will waive and will be deemed to have waived any and all claims that it had, has, or hereafter may have against the Receiver, against any of the Plaintiff Receivership Entities or any other entity that has been placed in receivership in the SEC Action, and/or the Receivership Estate created in the SEC Action.

6. **Cooperation in Further Documentation.** The Settling Parties agree that, at the reasonable request of any other Settling Party or its attorney, they will execute any further documents as may be reasonably necessary in order to carry out the purpose and intent of this Agreement.

7. **Counterpart Signature by E-mail or Facsimile.** This Agreement may be executed in counterparts with the same force and effect as though all signatures were set forth on a single instrument, and signatures sent by facsimile or electronic mail may be used in place of, and will be deemed to be, originals.

8. **Headings.** The headings of the paragraphs and sections of this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any of its provisions.

9. **Governing Law**. The laws of the State of Florida (without regard to choice of law doctrines) govern all matters arising out of this Agreement.

10. **Venue**. The Settling Parties agree that Venue for any action arising under or relating to this Agreement will be in the United States District Court for the Middle District of Florida, Tampa Division.

11. **Binding Effect**. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the Settling Parties.

12. **No Other Beneficiaries**. There are no third party beneficiaries of this Agreement.

13. **Authority**. Kieran Roe represents that he has complete and full authority to enter into and sign this Agreement on behalf of CMLC and thereby bind CMLC to this Agreement. The Receiver represents that he has complete and full authority to enter into and sign this Agreement on behalf of the Plaintiff entities and thereby bind them to this Agreement subject to approval of the Court presiding over the SEC Action.

14. **Entire Agreement; Amendments**. This Agreement constitutes the entire agreement between the Settling Parties pertaining to its subject matter and supersedes any and all prior agreements, representations and understandings of the parties, written or oral. The terms of this Agreement may not be modified or amended except by subsequent written agreement signed by the Settling Parties and for the Receiver, subject to approval of the Court presiding over the SEC Action.

15. **Construction**. Unless the context requires otherwise, singular nouns and pronouns used herein shall be deemed to include the plural, and pronouns of one gender shall be

deemed to include the equivalent pronoun of the other gender. The Agreement will be construed as if the Settling Parties drafted it jointly.

16. **Waiver**. No waiver by any Settling Party of another Settling Party's breach of any term, covenant or condition contained in this Agreement shall be deemed to be a waiver of any other or subsequent breach of the same or any other term, covenant or condition of this Agreement.

17. **Effective Date**. The Effective Date of this Agreement shall be the date that it is last signed by a Settling Party. This Agreement shall not be binding on any Settling Party until it is signed by all of the Settling Parties and approved by the Court presiding over the SEC Action.

18. **Attorneys' Fees**. Each party is to pay its own attorneys' fees and costs related to this Lawsuit.

Each Settling Party is signing this Agreement on the date stated below the Settling Party's signature.

[SIGNATURES ON FOLLOWING PAGE]

Dated: March 31, 2011

Carolina Mountain Land Conservancy

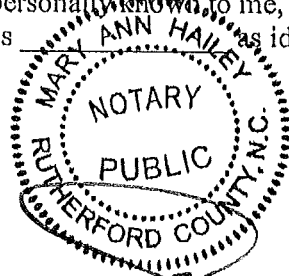
By: Kieran Roe

Kieran Roe, Executive Director
847 Case Street
Hendersonville, NC 28792

STATE OF NC

COUNTY OF RUTHERFORD

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared **Kieran Roe**, on behalf of Carolina Mountain Land Conservancy, who swore and subscribed to me the foregoing Affidavit this 31st day of MARCH, 2011. He is [please check as applicable] / / personally known to me, or has produced / / his (state) driver's license, or / / his as identification.



Mary Ann Hailey
(Signature)
MARY ANN HAILEY
(Printed name)

By: Burton Wiand

Printed Name: Burton Wiand, as Receiver

STATE OF Florida
COUNTY OF Hillsborough

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared **Burton Wiand**, as Receiver for Valhalla Investment Partners, L.P., Viking Fund, LLC, Viking IRA Fund, LLC, Victory Fund, Ltd., Victory IRA Fund, Ltd., Scoop Real Estate, L.P., Laurel Mountain Preserve, LLC, Laurel Preserve, LLC, and Guy-Nadel Foundation, Inc., who swore and subscribed to me the foregoing Affidavit this 1st day of April, 2011. He is [please check as applicable] / / personally known to me, or has produced / / his (state) driver's license, or / / his as identification.



Diane Burnette
(Signature)
Diane Burnette
(Printed name)

EXHIBIT 1

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

BURTON W. WIAND, as Receiver for
VALHALLA INVESTMENT PARTNERS,
L.P.; VIKING FUND, LLC; VIKING IRA
FUND, LLC; VICTORY FUND, LTD.;
VICTORY IRA FUND, LTD.; SCOOP REAL
ESTATE, L.P.; LAUREL MOUNTAIN
PRESERVE, LLC; LAUREL PRESERVE,
LLC; and GUY-NADEL FOUNDATION,
INC.,

Plaintiff,

Case No.: 8:09-cv-2443-T-27TBM

v.

CAROLINA MOUNTAIN LAND
CONSERVANCY, a North Carolina Nonprofit
Corporation,

Defendant.

**JOINT MOTION FOR ENTRY OF ORDERS DISMISSING
THE CASE WITH PREJUDICE AND VACATING EASEMENT**

Plaintiff Burton Wiand, as Receiver for Valhalla Investment Partners, L.P., Viking Fund, LLC, Viking IRA Fund, LLC, Victory Fund, Ltd., Victory IRA Fund, Ltd., Scoop Real Estate, L.P., Laurel Mountain Preserve, LLC, Laurel Preserve, LLC, and Guy-Nadel Foundation, Inc. (“Plaintiff”), and Defendant Carolina Mountain Land Conservancy (“Defendant”) have settled the above-captioned case pursuant to the terms of a Settlement Agreement between the parties attached hereto as **Exhibit A** (“Settlement Agreement”). The Settlement Agreement has been approved by this Court in *SEC v. A. Nadel et al.*, Case No.

8:10-cv-87-T-26TBM (M.D. Fla.) (the “SEC Action”), in accordance with orders entered in that case appointing the Plaintiff as Receiver. Pursuant to the terms of the Settlement Agreement and Fed. R. Civ. P. 41(a)(2), Plaintiff and Defendant hereby jointly move the Court to enter the orders attached hereto as **Composite Exhibit B**, without further notice or hearing, vacating the easement at issue in this case, and dismissing the case with prejudice. Specifically, the Plaintiff and Defendant request that the Court (1) first enter the Findings of Fact and Conclusions of Law and Order Vacating Easement and (2) then enter the Order Dismissing the Case with Prejudice, both of which are attached as Composite Exhibit B. The Findings of Fact and Conclusions of Law are based on the sworn statements made in the Settlement Agreement, the record in this case, and documents of which the Court may take judicial notice.

Also attached to this Motion, as **Composite Exhibit C**, are (1) the Indictment entered against Arthur Nadel (“Nadel”) in *United States v. A. Nadel*, Case No. 09-cr-433, in the United States District Court for the Southern District of New York; (2) Nadel’s plea agreement in that case, which reflects his agreement to plead guilty to all counts in that indictment; and (3) the portion of the docket from that criminal case evidencing Nadel’s guilty plea.

WHEREFORE, Plaintiff and Defendant hereby jointly move the Court to enter the orders attached hereto as **Composite Exhibit B**, without further notice or hearing, vacating the easement referred to in the Settlement Agreement, and dismissing the case with prejudice, and to grant such other relief as the Court deems necessary.

Date: _____, 2011

Respectfully submitted,

Gianluca Morello (Trial Counsel)
Florida Bar No. 034997
gmorello@wiandlaw.com
Michael S. Lamont
Florida Bar No. 527122
mlamont@wiandlaw.com
WIAND GUERRA KING P.L.
3000 Bayport Drive, Suite 600
Tampa, FL 33607
Tel. 813.347.5100
Fax 813.347.5155
Attorneys for Plaintiff

Christopher W. Smart (Trial Counsel)
Florida Bar No. 572829
csmart@carltonfields.com
Marty J. Solomon
Florida Bar No. 523151
msolomon@carltonfields.com
CARLTON FIELDS P.A.
4221 W. Boy Scout Blvd., Suite 1000
Tampa, FL 33607
Tel. 813.229.4238
Fax 813.229.4133
Attorneys for Defendant

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on _____, 2011, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system.

Gianluca Morello

EXHIBIT A

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

BURTON W. WIAND, as Receiver for
VALHALLA INVESTMENT PARTNERS,
L.P.; VIKING FUND, LLC; VIKING IRA
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VICTORY IRA FUND, LTD.; SCOOP REAL
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PRESERVE, LLC; LAUREL PRESERVE,
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Plaintiff,

Case No.: 8:09-cv-2443-T-27TBM

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CAROLINA MOUNTAIN LAND
CONSERVANCY, a North Carolina Nonprofit
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SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is dated as of the Effective Date (as defined below), between **BURTON W. WIAND** (the "Receiver"), **AS RECEIVER FOR VALHALLA INVESTMENT PARTNERS, L.P., VIKING FUND, LLC, VIKING IRA FUND, LLC, VICTORY FUND, LTD., VICTORY IRA FUND, LTD., SCOOP REAL ESTATE, L.P., LAUREL MOUNTAIN PRESERVE, LLC, LAUREL PRESERVE, LLC, AND GUY-NADEL FOUNDATION, INC.** (collectively, the "Plaintiff Receivership Entities"), and **CAROLINA MOUNTAIN LAND CONSERVANCY** ("Defendant" or "CMLC") (collectively, the "Settling Parties").

BACKGROUND

1. Laurel Mountain Preserve, LLC (“Laurel Mountain”) was created in 2003, and Nadel was its sole manager and member. Shortly after its creation, Laurel Mountain purchased approximately 426 acres of land (the “Property”) in Buncombe and McDowell Counties, North Carolina.

2. On or about December 1, 2005, Laurel Mountain granted to CMLC, a local nonprofit environmental conservation group and land steward, a conservation easement on 169 acres of the Property (the “Conservation Easement”). The Conservation Easement is recorded in the public records of Buncombe County at Official Records Book 4151 and Page 1686 and in the public records of McDowell County at Official Records Book 849 and Page 808, re-recorded at Book 857 and Page 485. In connection with the Conservation Easement, Guy-Nadel Foundation, Inc. made customary stewardship donations totalling \$30,429 to CMLC for the monitoring and defense of the Conservation Easement. Of the original \$30,429 stewardship donations, CMLC has expended \$20,314 of the stewardship donations for their intended purpose and retains only \$10,115 of the original stewardship donations.

3. CMLC received the Conservation Easement and stewardship donations in trust for the community and had the goal of protecting the 169 acre preserve. CMLC represents that this was an arms-length transaction, and the Receiver has not seen any evidence that contradicts that representation. In accepting the Conservation Easement, CMLC took on the obligation to monitor the environmental health of the preserve and defend it in perpetuity, as well as the other responsibilities attendant to a land steward as set forth in the terms of the Conservation Easement.

4. Since the grant of the Conservation Easement, CMLC has conducted annual visits to monitor and document the condition of the land and areas of concern, such as erosion, as well as activities taking place on the Conservation Easement, including plant growth and the construction of trails. This monitoring process ensures the integrity of the land and flags future problems that may be prevented and is required by the terms of the Conservation Easement.

5. In January of 2009, the Securities and Exchange Commission (the "SEC") filed an action (the "SEC Action") alleging that Arthur Nadel and entities associated with him had defrauded investors of hedge funds managed by him ("Nadel's Scheme").

6. The Receiver was appointed to, among other things, take control of various entities and to gather and protect assets tied to Nadel's Scheme, and to the proceeds thereof, for the benefit of defrauded investors. The Receivership was ultimately expanded to include Laurel Mountain and the Guy-Nadel Foundation based on Nadel's role in those entities and their receipt of proceeds of Nadel's Scheme and/or other assets funded with such proceeds.

7. In November 2009, the Receiver filed in the SEC Action a Motion for an Order to Show Cause as to Why Conservation Easement Should not be Extinguished pursuant to North Carolina's Uniform Fraudulent Transfer Act ("NCUFTA"). This Motion sought, by means of a summary proceeding, to extinguish the Conservation Easement. On November 24, 2009, the Court in the SEC Action entered an Order to show cause.

8. On December 18, 2009, CMLC filed a response to the Receiver's Motion and the Court's Order, together with multiple exhibits and an affidavit of CMLC's Executive Director. CMLC's response argued, inter alia, that (i) the Receiver had failed to serve CMLC with the copy of the Motion, (ii) the relief sought by the Receiver was not appropriate for a summary proceeding, and (iii) issues of material fact remained as to the Receiver's claims.

9. On December 23, 2009, Judge Lazzara entered in the SEC Action an Order discharging the Order to Show Cause. In the Order, Judge Lazzara found that the “summary procedure” proposed by the Receiver was “legally and substantively inappropriate” in order to adjudicate the “core issue of whether Laurel Mountain’s transfer of the easement to [CMLC] constitutes a fraudulent transfer” due to the complexity of the issue.

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12. On May 21, 2010, the Receiver filed an Amended Complaint in this action seeking to (i) avoid the transfer of the Conservation Easement pursuant to NCUFTA or, alternatively, to recover the greater of the value of the property subject to the Conservation Easement or the diminution in value to the Property, (ii) avoid the donation transfers pursuant to FUFTA, or, in the alternative under equitable claims of unjust enrichment to (iii) extinguish the conservation easement or, alternatively, to (iv) disgorge the greater of the value of the Property subject to the conservation easement or the diminution in value to the property and disgorge the donations.

13. CMLC filed its Answer and Defenses to Plaintiff's Amended Complaint and Demand for Jury Trial on June 10, 2010 ("Answer"). In its Answer, CMLC asserted several defenses including that it took the Conservation Easement in good faith as part of an arm's length transaction, and that Laurel Mountain received reasonably equivalent value in exchange for the grant of the Conservation Easement.

14. CMLC is committed to protecting the Conservation Easement, and also to furthering its long-term goal of preserving land and water resources in North Carolina. After expending significant resources defending the Receiver's action, and weighing all of the facts, circumstances and the risks of trial, however, it deems this settlement to be in the best interests of CMLC and its conservation mission.

15. Notwithstanding the parties' claims, defenses, and other assertions, the Settling Parties agree to resolve their disputes in this action as set forth in further detail below. In full settlement of this action and in consideration for the parties forbearing further litigating this action, the Settling Parties accept and agree to the terms of this Agreement.

THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Settling Parties agree as follows:

1. **Recitals.** The Receiver and CMLC represent that each of the Recitals set forth above is true and accurate to the best of each of their knowledge and belief and is incorporated by reference and made a part of this Agreement as if fully set forth herein.

2. **Court Approval of Agreement.** Upon execution of this Agreement, the Settling Parties will also execute the Joint Motion for Entry of Orders Dismissing the Case With Prejudice and Vacating Easement attached as **Exhibit 1** (the "Joint Motion"), which motion will seek entry of the Proposed Orders attached as Exhibit B to the Joint Motion (the "Proposed

Orders”), vacating the Conservation Easement and dismissing the case with prejudice, with each party to bear its respective fees (this Agreement, the Joint Motion, and the Proposed Orders are referred to collectively as the “Settlement Papers”). Promptly after execution of this Agreement by the Settling Parties, the Receiver will submit in the SEC Action the Settlement Papers attached to a motion seeking approval of this Agreement and asking the Court to retain jurisdiction to enforce the terms of this Agreement.

3. **Additional Filings.** Promptly after execution of the Settlement Papers by the Settling Parties, the Receiver will file a Notice of Settlement in this action. Further, following approval of this Agreement and payment by the CMLC to the Receiver of the Settlement Amount in accordance with the terms set forth in paragraph 4 below, and clearing of such payment in the Receiver’s account, the Receiver will promptly file in this case the Joint Motion.

4. **Remaining Stewardship Donations.** Within thirty (30) days of the Effective Date of this Agreement, CMLC shall pay to the Receiver \$10,115, the amount of the stewardship donations received by CMLC in connection with the Conservation Easement which is currently retained by CMLC and has not been expended for its original purpose (the “Settlement Amount”).

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from any and all rights, claims, demands, damages, actions, and causes of action of any nature whatsoever, including, without limitation, any claims for attorney's fees or costs, whether arising at law or in equity, and whether unknown, known, or hereafter discovered or ascertainable, that the Receiver may have had or may now have against CMLC arising in, from, under or in connection with this action (Case No. 8:09-cv-2443-T-27TBM). Further, in consideration of this settlement, upon receipt by the Receiver and clearing of the Settlement Amount in accordance with paragraph 4 above and entry by the Court in this action of the Proposed Orders, CMLC will waive and will be deemed to have waived any and all claims that it had, has, or hereafter may have against the Receiver, against any of the Plaintiff Receivership Entities or any other entity that has been placed in receivership in the SEC Action, and/or the Receivership Estate created in the SEC Action.

6. **Cooperation in Further Documentation.** The Settling Parties agree that, at the reasonable request of any other Settling Party or its attorney, they will execute any further documents as may be reasonably necessary in order to carry out the purpose and intent of this Agreement.

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10. **Venue.** The Settling Parties agree that Venue for any action arising under or relating to this Agreement will be in the United States District Court for the Middle District of Florida, Tampa Division.

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12. **No Other Beneficiaries.** There are no third party beneficiaries of this Agreement.

13. **Authority.** Kieran Roe represents that he has complete and full authority to enter into and sign this Agreement on behalf of CMLC and thereby bind CMLC to this Agreement. The Receiver represents that he has complete and full authority to enter into and sign this Agreement on behalf of the Plaintiff entities and thereby bind them to this Agreement subject to approval of the Court presiding over the SEC Action.

14. **Entire Agreement; Amendments.** This Agreement constitutes the entire agreement between the Settling Parties pertaining to its subject matter and supersedes any and all prior agreements, representations and understandings of the parties, written or oral. The terms of this Agreement may not be modified or amended except by subsequent written agreement signed by the Settling Parties and for the Receiver, subject to approval of the Court presiding over the SEC Action.

15. **Construction.** Unless the context requires otherwise, singular nouns and pronouns used herein shall be deemed to include the plural, and pronouns of one gender shall be

deemed to include the equivalent pronoun of the other gender. The Agreement will be construed as if the Settling Parties drafted it jointly.

16. **Waiver**. No waiver by any Settling Party of another Settling Party's breach of any term, covenant or condition contained in this Agreement shall be deemed to be a waiver of any other or subsequent breach of the same or any other term, covenant or condition of this Agreement.

17. **Effective Date**. The Effective Date of this Agreement shall be the date that it is last signed by a Settling Party. This Agreement shall not be binding on any Settling Party until it is signed by all of the Settling Parties and approved by the Court presiding over the SEC Action.

18. **Attorneys' Fees**. Each party is to pay its own attorneys' fees and costs related to this Lawsuit.

Each Settling Party is signing this Agreement on the date stated below the Settling Party's signature.

[SIGNATURES ON FOLLOWING PAGE]

Dated: March 31, 2011

Carolina Mountain Land Conservancy

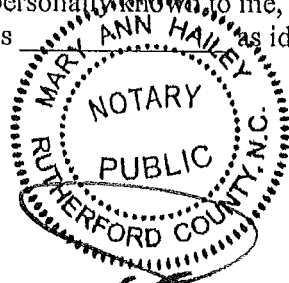
By: Kieran Roe

Kieran Roe, Executive Director
847 Case Street
Hendersonville, NC 28792

STATE OF NC

COUNTY OF RUTHERFORD

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared **Kieran Roe**, on behalf of Carolina Mountain Land Conservancy, who swore and subscribed to me the foregoing Affidavit this 31st day of MARCH, 2011. He is [please check as applicable] / / personally known to me, or has produced / / his (state) driver's license, or / / his as identification.



Mary Ann Hailey
(Signature)

MARY ANN HAILEY
(Printed name)

By: Burton Wiand

Printed Name: Burton Wiand, as Receiver

STATE OF Florida
COUNTY OF Hillsborough

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared **Burton Wiand**, as Receiver for Valhalla Investment Partners, L.P., Viking Fund, LLC, Viking IRA Fund, LLC, Victory Fund, Ltd., Victory IRA Fund, Ltd., Scoop Real Estate, L.P., Laurel Mountain Preserve, LLC, Laurel Preserve, LLC, and Guy-Nadel Foundation, Inc., who swore and subscribed to me the foregoing Affidavit this 1st day of April, 2011. He is [please check as applicable] / / personally known to me, or has produced / / his (state) driver's license, or / / his as identification.



Diane Burnette
(Signature)

Diane Burnette
(Printed name)

**COMPOSITE
EXHIBIT B**

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

BURTON W. WIAND, as Receiver for
VALHALLA INVESTMENT PARTNERS,
L.P.; VIKING FUND, LLC; VIKING IRA
FUND, LLC; VICTORY FUND, LTD.;
VICTORY IRA FUND, LTD.; SCOOP REAL
ESTATE, L.P.; LAUREL MOUNTAIN
PRESERVE, LLC; LAUREL PRESERVE,
LLC; and GUY-NADEL FOUNDATION,
INC.,

Plaintiff,

Case No.: 8:09-cv-2443-T-27TBM

v.

CAROLINA MOUNTAIN LAND
CONSERVANCY, a North Carolina Nonprofit
Corporation,

Defendant.

_____ /

**FINDINGS OF FACT AND CONCLUSIONS OF LAW
AND ORDER VACATING EASEMENT**

THIS CAUSE came before the Court on the parties' Joint Motion for Entry of Orders Dismissing the Case with Prejudice and Vacating Easement (D.E. __) ("Motion"), and the Court, having considered the Motion and being advised of the settlement between the parties, hereby finds and orders as follows:

1. In January of 2009, the Securities and Exchange Commission (the "SEC") filed an action against Arthur Nadel and entities associated with him in the United States District Court for the Middle District of Florida, Tampa Division, styled *SEC v. Arthur*

Nadel, et al, Case No. 8:09-cv-87-T-26TBM (the “SEC Action”). In that action, the SEC alleged that Arthur Nadel (“Nadel”) and entities associated with him had defrauded investors in hedge funds managed by him (“Nadel’s Scheme”).

2. The Court in the SEC Action appointed Burton Wiand the Receiver over various entities tied to Nadel’s Scheme for, among other reasons, gathering and protecting the assets of those entities for the benefit of defrauded investors. The Receivership was later expanded to include additional entities, including Laurel Mountain Preserve, LLC, based on Nadel’s control of that entity, his role as its manager and member, and its receipt of proceeds of Nadel’s Scheme.

3. In 2003, Nadel, through Laurel Mountain Preserve, LLC, purchased approximately 426 acres of land in North Carolina (the “Property”), with funds derived from Nadel’s Scheme. In 2005, Nadel, through Laurel Mountain Preserve, LLC, granted a conservation easement over 169 acres of the Property to Carolina Mountain Land Conservancy, Defendant in this action. The conservation easement is recorded in the public records of Buncombe County at Official Records Book 4151 and Page 1686 and in the public records of McDowell County at Official Records Book 849 and Page 808, as re-recorded at Book 857 and Page 485 (the “Conservation Easement”).

4. The Receiver brought this action in December 2009, pursuant to North Carolina General Statutes § 39.23.1-.12 (“NCUFITA”) and Florida Statutes § 726.101 *et seq.* (“FUFITA”), those states’ respective version of the Uniform Fraudulent Transfer Act.

5. In February of 2010, Arthur Nadel pled guilty to all counts in the indictment in the related criminal case, *United States v. Nadel*, Case No. 1:09-cr-00433-JGK (S.D.N.Y.),

which consisted of fifteen federal fraud counts, and admitted perpetrating the scheme to defraud his investors from 1999 through January 2009 (Indictment ¶8).. The Court may take judicial notice of Nadel's guilty plea and indictment. *See Scholes v. Lehmann*, 56 F.3d 750, 762 (7th Cir. 1995) (District court properly took judicial notice of Ponzi scheme principal's plea agreement in fraudulent conveyance action against recipients of funds).

6. In pleading guilty, Nadel admitted all of the allegations in the indictment, including allegations establishing the following: Nadel misappropriated investor funds and converted them for his, his family's, and his businesses' personal use (Indictment ¶ 10); Nadel fraudulently received tens of millions of dollars of "fees" based on his false representations of the performance and net asset values of the pertinent hedge funds (*id.* ¶ 15); Nadel transferred and caused to be transferred millions of dollars of investor money to accounts and entities that he owned and/or controlled (*id.* ¶ 16); and the Property and all of Nadel's right, title, and interest in Laurel Mountain Preserve, LLC, are derived from proceeds traceable from Nadel's Scheme (*id.* ¶ 22.i).

7. On the basis of Arthur Nadel's guilty plea and the sworn statements in the Settlement Agreement, the Court finds: (1) Nadel made the transfers of assets to the Carolina Mountain Land Conservancy through Laurel Mountain Preserve, LLC, with "intent to hinder, delay, or defraud" creditors under N.C. Gen. Stat. § 39-23.4(a)(1); and (2) Nadel's grant of the Conservation Easement to Carolina Mountain Land Conservancy, through Laurel Mountain Preserve, LLC, constitutes a voidable fraudulent transfer under N.C. Gen. Stat. § 39-23.4(a)(1) and § 39-23.7. *See In re Slatkin*, 310 B.R. 740, 745 (C.D. Cal. 2004) (guilty plea to mail and wire fraud conclusively established intent to defraud investors), *aff'd*, 525

F.3d 805 815 (9th Cir. 2008) (“[g]uilty plea and plea agreement conclusively establish that [debtor] operated a Ponzi scheme . . . with intent to defraud his creditors; and the transfers to the [Defendants] . . . are therefore deemed fraudulent as a matter of law.”); *In re McCarn’s Allstate Finance, Inc.*, 326 B.R. 843 851-52 (M.D. Fla. 2005) (guilty plea to securities fraud and mail fraud had preclusive effect in case brought pursuant to FUFTA); N.C. Gen. Stat. § 39-23.1(12) (“transfer” under NCUFTA includes “creation of a lien or other encumbrance”).

8. On the basis of the Parties’ stipulations in the Motion, the Court hereby finds that, while the grant of the Conservation Easement was an arm’s length transaction, and the Carolina Mountain Land Conservancy had no knowledge of Arthur Nadel’s illegal activities or of the insolvency of Laurel Mountain Preserve, LLC, the grant of the Conservation Easement to Carolina Mountain Land Conservancy is subject to being set aside pursuant to N.C. Gen. Stat. § 39-23.7.

Upon consideration of the Motion, and the foregoing findings of fact and conclusions of law, it is hereby

ORDERED, ADJUDGED, and DECREED:

(a) The Motion is **GRANTED** to the extent it seeks entry of an order vacating the Conservation Easement; and

(b) The Conservation Easement granted by **LAUREL MOUNTAIN PRESERVE, LLC** to **CAROLINA MOUNTAIN LAND CONSERVANCY** dated December 1, 2005, and recorded in the public records of Buncombe County at Official Records Book 4151 and Page 1686 and in the public records of McDowell County at Official

Records Book 849 and Page 808, as re-recorded at Book 857 and Page 485 is hereby
VACATED pursuant to N.C. Gen. Stat. § 39-23.7.

DONE AND ORDERED in Tampa, Florida, this ____ day of _____,
2011.

JAMES D. WHITTEMORE
UNITED STATES DISTRICT JUDGE

Copies furnished to:
All Counsel of record

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

BURTON W. WIAND, as Receiver for
VALHALLA INVESTMENT PARTNERS,
L.P.; VIKING FUND, LLC; VIKING IRA
FUND, LLC; VICTORY FUND, LTD.;
VICTORY IRA FUND, LTD.; SCOOP REAL
ESTATE, L.P.; LAUREL MOUNTAIN
PRESERVE, LLC; LAUREL PRESERVE,
LLC; and GUY-NADEL FOUNDATION,
INC.,

Plaintiff,

Case No.: 8:09-cv-2443-T-27TBM

v.

CAROLINA MOUNTAIN LAND
CONSERVANCY, a North Carolina Nonprofit
Corporation,

Defendant.

ORDER DISMISSING THE CASE WITH PREJUDICE

THIS CAUSE came before the Court on the parties' Joint Motion for Entry of Orders Dismissing the Case with Prejudice and Vacating Easement (D.E. __) ("Motion"), which states that the parties have settled the above-captioned case pursuant to the terms of a Settlement Agreement attached to that Motion and requesting, among other things, that the Court enter an order dismissing the case with prejudice.

Upon consideration of the Motion, and review of the Settlement Agreement signed by the parties and approved by this Court in *SEC v. A. Nadel*, Case No. 8:09-cv-87-T-26TBM (M.D. Fla.), in accordance with Orders Appointing Receiver entered in that case, it is

ORDERED, ADJUDGED AND DECREED as follows:

- (a) The Motion is **GRANTED** to the extent it seeks dismissal of the case with prejudice, and the case is **DISMISSED WITH PREJUDICE**;
- (b) The Clerk is directed to close the case; and
- (c) To the extent not otherwise disposed of herein, all pending motions are hereby **DENIED** as moot.

DONE AND ORDERED in Tampa, Florida, this ____ day of _____,

2011.

JAMES D. WHITTEMORE
UNITED STATES DISTRICT JUDGE

Copies furnished to:
All Counsel of record

**COMPOSITE
EXHIBIT C**

JUDGE KOELTL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

09 CRIM 433

----- x
UNITED STATES OF AMERICA :
 :
 -v.- :
 :
 ARTHUR G. NADEL, :
 :
 Defendant. :
 :
----- x

INDICTMENT

09 Cr. _____

USDC SDNY
DOCUMENT
ELECTRONICALLY FILED
DOC #:
DATE FILED: APR 28 2009

COUNTS ONE THROUGH SIX
(Securities Fraud)

The Grand Jury charges:

Relevant Entities and Individuals

1. At certain times relevant to this Indictment, Scoop Management, Inc., was a general partnership with its principal place of business in Sarasota, Florida.

2. At certain times relevant to this Indictment, Scoop Capital LLC was a general partnership with its principal place of business in Sarasota, Florida.

3. At certain times relevant to this Indictment, Scoop Capital LLC was the general partner of Victory IRA Fund Ltd., Scoop Real Estate LP, and Victory Fund Ltd. Victory IRA Fund Ltd. was a limited partnership with its principal place of business in Sarasota, Florida. Scoop Real Estate LP was a limited partnership with its principal place of business in Sarasota, Florida.

Victory Fund Ltd. was a limited partnership with its principal place of business in Sarasota, Florida.

4. At certain times relevant to this Indictment, Valhalla Management, Inc., was a general partnership with its principal place of business in Sarasota, Florida. Valhalla Management, Inc., was the general partner of Valhalla Investment Partners, which was a limited partnership, with its principal place of business in Sarasota, Florida.

5. At certain times relevant to this Indictment, Viking Management LLC was a limited liability company with its principal place of business in Sarasota, Florida. Viking Management LLC was the general partner of Viking Fund, LLC, and Viking IRA Fund, LLC, which were limited partnerships formed on or about March 15, 2001, with their principal places of business in Sarasota, Florida.

6. At all times relevant to this Indictment, ARTHUR G. NADEL, the defendant, was responsible for the purchases and sales of securities in the following investment funds: (a) Victory IRA Fund Ltd.; (b) Scoop Real Estate LP; (c) Victory Fund Ltd.; (d) Valhalla Investment Partners; (e) Viking Fund, LLC; and (f) Viking IRA Fund, LLC (collectively the "Funds"). NADEL also controlled, operated, and managed Scoop Management, Inc., and Scoop Capital LLC.

7. From at least in or about 1999 through in or about January 2009, ARTHUR G. NADEL, the defendant, purchased and sold securities in the Funds through the New York, New York, office of a brokerage firm ("Brokerage Firm"). At all times relevant to this Indictment, NADEL executed trades based on an exchange traded fund listed on the National Association of Securities Dealers Automated Quotations ("NASDAQ") that was intended to track the NASDAQ index.

The Scheme to Defraud

8. From at least in or about 1999 through in or about January 2009, ARTHUR G. NADEL, the defendant, perpetrated a scheme to defraud the investors of the Funds by soliciting hundreds of millions of dollars of funds under false pretenses, failing to invest the money as promised, falsely claiming that his purchases and sales of securities resulted in high rates of returns, and misappropriating and converting investor funds for his own benefit and the benefit of others without the knowledge and authorization of investors.

9. To execute the scheme, ARTHUR G. NADEL, the defendant, solicited and caused others to solicit prospective clients to invest their money in the Funds based upon, among other things, his false statements that: (a) the investor funds would be used to purchase and sell securities; (b) the performance of each of the Funds was consistently positive; and (c) the net asset

value of each of the Funds was tens of millions of dollars. Based, in part, on these misrepresentations from in or about 1999 through in or about January 2009, clients invested at least approximately \$360 million into the Funds.

10. In truth and in fact, as ARTHUR G. NADEL, the defendant, well knew, these representations were false. Notwithstanding NADEL's statements to the contrary, and notwithstanding false representations that NADEL made and caused to be made on investor account statements and other documents sent through the United States Postal Service (the "Postal Service") to investors in the Funds throughout the operation of this scheme, NADEL misappropriated investor funds and converted them for personal use for NADEL, NADEL's family, and NADEL's businesses. Moreover, notwithstanding NADEL's statements to investors and others that each of the Funds had consistently positive rates of return of between approximately 18 percent and 48 percent each year, the performance of the Funds was not consistently positive and the rates of return were substantially and materially less.

11. From at least in or about 1999 through in or about January 2009, ARTHUR G. NADEL, the defendant, also falsely represented to investors that his purchases and sales of securities in the Funds had generated cumulatively more than \$271 million in gains. In truth and in fact, as NADEL well knew, during this period of time, NADEL's trading resulted in an overall

net loss in the Funds. For example, in or about September 2008, NADEL caused documents to be sent to clients that stated that there was approximately \$70,500,000 in total assets in the Valhalla Investment Partners LP, approximately \$75,200,000 in total assets in Victory Fund Ltd., and approximately \$65,300,000 in total assets in Viking Fund LLC. In truth and in fact, in or about September 2008, Valhalla Investment Partners LP, Victory Fund Ltd., and Viking Fund LLC held only a small fraction of that money on behalf of its clients.

12. ARTHUR G. NADEL, the defendant, accepted hundreds of millions of dollars of investor money, cumulatively, from individual investors, charitable organizations, trusts, and hedge funds that invested in the Funds. From at least in or about 1999 through in or about January 2009, the Funds had over 350 investors. From the outset of the scheme, and continuing throughout its operation, NADEL obtained investor funds through interstate wire transfers from financial institutions located in the Southern District of New York and elsewhere and through mailings delivered by the Postal Service.

13. In connection with this scheme, ARTHUR G. NADEL, the defendant, created and caused to be created false and fraudulent documents including, but not limited to, client account statements that reflected fictitious positive returns consistent with the returns that had been promised to investors in the Funds.

14. To execute the scheme, ARTHUR G. NADEL, the defendant, represented and caused others to represent to investors that each of the Funds was operated and managed separately. In truth and in fact, as NADEL well knew, NADEL managed, purchased and sold securities within, and treated the Funds as, a single account regardless of the Fund in which clients had invested.

15. ARTHUR G. NADEL, the defendant, received a management fee of one percent of the net asset value of each of the Funds and a performance incentive fee of 12.5 percent of all of the profits, after subtraction of fees and expenses, earned from the investments in the Funds. From at least in or about 1999 up through and including at least in or about 2008, as a result of NADEL's false representations regarding the performance of each of the Funds and the net asset value in each of the Funds, NADEL fraudulently received tens of millions of dollars in management fees and performance incentive fees that did not reflect the actual performance, or the net asset values of, the Funds.

16. In addition to receiving a management fee and a performance incentive fee, ARTHUR G. NADEL, the defendant, transferred and caused to be transferred millions of dollars of investor money in the Funds to accounts and entities owned and/or controlled by NADEL. The investors in the Funds did not authorize NADEL to make these transfers, and NADEL failed to disclose the

transfer of these funds to accounts and entities that he owned and/or controlled to investors.

Statutory Allegation

17. On or about the dates set forth below, in the Southern District of New York and elsewhere, ARTHUR G. NADEL, the defendant, unlawfully, willfully, and knowingly, directly and indirectly, by the use of means and instrumentalities of interstate commerce, and of the mails, and of facilities of national securities exchanges, in connection with the purchase and sale of securities, did use and employ manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaging in transactions, acts, practices, and courses of business which operated and would operate as a fraud and deceit upon persons, to wit, NADEL made false and misleading statements that induced investors to invest their money in the Funds listed below:

COUNT	APPROXIMATE DATES	FUND
ONE	From at least in or about 2003 through in or about January 2009	Victory IRA Fund Ltd.
TWO	From at least in or about 2004 through in or about January 2009	Scoop Real Estate LP

THREE	From at least in or about 2001 through in or about January 2009	Victory Fund Ltd.
FOUR	From at least in or about 1999 through in or about January 2009	Valhalla Investment Partners
FIVE	From at least in or about 2001 through in or about January 2009	Viking Fund, LLC
SIX	From at least in or about 2001 through in or about January 2009	Viking IRA Fund, LLC

(Title 15, United States Code, Sections 78j(b) and 78ff;
Title 17, Code of Federal Regulations, Section 240.10b-5;
Title 18, United States Code, Section 2.)

COUNT SEVEN
(Mail Fraud)

The Grand Jury further charges:

18. The allegations contained in paragraphs 1 through 16, above, are hereby repeated, realleged, and incorporated by reference as if fully set forth herein.

19. From in or about 2002 through in or about December 2008, in the Southern District of New York and elsewhere, ARTHUR G. NADEL, the defendant, unlawfully, willfully, and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice and attempting to do so, did place in post offices and authorized depositories for mail matter, matters and things to be sent and delivered by the Postal Service, and did deposit and cause to be deposited matters and

things to be sent and delivered by private and commercial interstate carriers, and did take and receive therefrom such matters and things, and did knowingly cause to be delivered, by mail and such carriers according to the directions thereon, and at the places at which they were directed to be delivered by the persons to whom they were addressed, such matters and things, to wit, as part of a scheme to defraud the investors in the Funds, NADEL sent and caused to be sent and delivered via the Postal Service false and fraudulent account statements from the Funds to investors, some of whom were located in New York, New York.

(Title 18, United States Code, Sections 1341 and 2.)

COUNTS EIGHT THROUGH FIFTEEN
(Wire Fraud)

The Grand Jury further charges:

20. The allegations contained in paragraphs 1 through 16, above, are hereby repeated, realleged, and incorporated by reference as if fully set forth herein.

21. On or about the dates set forth below, in the Southern District of New York and elsewhere, ARTHUR G. NADEL, the defendant, unlawfully, willfully, and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, did transmit and cause to be transmitted by means of wire, radio, and television

communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, to wit, NADEL caused money to be transferred by wire from New York, New York, to bank accounts located outside New York for the purpose of executing the scheme to defraud the investors in the Funds, as set forth below:

COUNT	APPROXIMATE DATES	DESCRIPTION OF TRANSFER
EIGHT	03/25/08	Wire transfer of approximately \$200,000 from New York, New York, to a bank account in Florida
NINE	04/02/08	Wire transfer of approximately \$100,000 from New York, New York, to a bank account in Florida
TEN	06/24/08	Wire transfer of approximately \$400,000 from New York, New York, to a bank account in Florida
ELEVEN	07/02/08	Wire transfer of approximately \$50,000 from New York, New York, to a bank account in Florida
TWELVE	08/22/08	Wire transfer of approximately \$900,000 from New York, New York, to a bank account in Florida
THIRTEEN	11/06/08	Wire transfer of approximately \$75,000 from New York, New York, to a bank account in Florida
FOURTEEN	12/02/08	Wire transfer of approximately \$350,000 from New York, New York, to a bank account in Florida
FIFTEEN	01/05/09	Wire transfer of approximately \$179,000 from New York, New York, to a bank account in Florida

(Title 18, United States Code, Sections 1343 and 2.)

FORFEITURE ALLEGATION

22. As a result of committing one or more of the foregoing securities fraud offenses, in violation of Title 15, United States Code, Sections 78j(b) and 78ff, Title 18, United States Code, Section 371, and Title 17, Code of Federal Regulations, Section 240.10b-5, as alleged in Counts One through Six of this Indictment, and the mail fraud offense, in violation of Title 18, United States Code, Section 1341, as alleged in Count Seven of this Indictment, and the wire fraud offenses, in violation of Title 18, United States Code, Section 1343, as alleged in Counts Eight through Fifteen of this Indictment, ARTHUR G. NADEL, the defendant, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the fraud offenses, including, but not limited to, the following:

a. At least approximately \$360 million in United States currency, in that such sum in aggregate is property representing the amount of proceeds obtained as a result of the charged securities fraud, mail fraud, and wire fraud offenses;

b. Any and all funds on deposit in Account No. 2840109316 held in the name of Marguerite J. Nadel Revocable Trust at Northern Trust, N.A.;

c. The real property and appurtenances known and described as 3966 Country View Drive, Sarasota, Florida;

d. The real property and appurtenances known and described as 15576 Fruitville Road, Sarasota, Florida;

e. The real property and appurtenances known and described 131 Garren Creek Road, Fairview, North Carolina;

f. The real property and appurtenances known and described as approximately acres and forty-five lots in the name of Scoop Capital, LLC, in Thomasville, Georgia;

g. The real property and appurtenances known and described as approximately thirty-seven acres in the name of Scoop Capital, LLC, in Grady County, Georgia;

h. All right, title, and interest in the entity known and described as the Venice Jet Center located in Venice, Florida;

i. All right, title, and interest in the entities known and described as Laurel Mountain Preserve, LLC, Laurel Preserve, LLC, and Laurel Mountain Preserve Homeowners Association, Inc., including, but not limited to, 420 acres in Buncombe County and McDowell County, North Carolina;

j. All right, title, and interest in the entity known and described as Tradewind, LLC, including, but not limited to, five airplanes, one helicopter, and thirty-one airport hangars, located in Newnan-Coweta County Airport, Georgia; and

k. All right, title, and interest in the entity known and described as the Guy-Nadel Foundation, Inc.

Substitute Assets Provision

23. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

c. has been placed beyond the jurisdiction of the court;

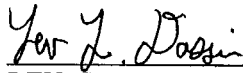
d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

(Title 15, United States Code, Sections 78j(b) and 78ff;
Title 17, Code of Federal Regulations,
Section 240.10b-5; Title 18, United States Code,
Sections 981(a)(1)(C), 1341, and 1343;
Title 21, United States Code, Section 853(p); and
Title 28, United States Code, Section 2461.)


FOREPERSON


LEV L. DASSIN
Acting United States Attorney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

ARTHUR G. NADEL,

Defendant.

INDICTMENT

09 Cr. ____

(Title 15, United States Code,
Sections 78j(b) and 78ff;
Title 17, Code of Federal Regulations,
Sections 240.10b-5; and
Title 18, United States Code, Sections 2,
371, 1341, and 1343.)

LEV L. DASSIN

Acting United States Attorney.

A TRUE BILL

Arthur G. Nadel
Foreperson.

*4/15/59 Filed
L. L. Dassin*

*Indictment. Case assigned to Judge
S/Ref. Judge [unclear]*



U.S. Department of Justice

United States Attorney
Southern District of New York

*The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007*

February 11, 2010

Mark B. Gombiner, Esq.
Colleen P. Cassidy, Esq.
Federal Defenders of New York
52 Duane Street, 10th floor
New York, NY 10007

Re: *United States v. Arthur Nadel*, 09 Cr. 433 (JGK)

Dear Mr. Gombiner and Ms. Cassidy:

On the understandings specified below, the Office of the United States Attorney for the Southern District of New York ("this Office") will accept a guilty plea from Arthur Nadel ("the defendant") to Counts One through Fifteen of the above-referenced Indictment (the "Indictment").

Counts One through Six charge the defendant with securities fraud, in violation of Title 15, United States Code, Sections 78j(b) & 78ff, Title 17, Code of Federal Regulations, Section 240.10b-5, and Title 18, United States Code, Section 2. Counts One through Six each carry a maximum sentence of twenty years' imprisonment; a maximum fine, pursuant to Title 18, United States Code, Section 3571 and Title 15, United States Code, Section 78ff of the greatest of \$5,000,000, twice the gross pecuniary gain derived from the offense, or twice the gross pecuniary loss to persons other than the defendant resulting from the offense; a mandatory \$100 special assessment and a maximum period of supervised release of three years.

Count Seven charges the defendant with mail fraud, in violation of Title 18, United States Code, Sections 1341 and 2, and carries a maximum sentence of twenty years' imprisonment; a maximum fine, pursuant to Title 18, United States Code, Section 3571 of the greatest of \$250,000, twice the gross pecuniary gain derived from the offense, or twice the gross pecuniary loss to persons other than the defendant resulting from the offense; a mandatory \$100 special assessment and a maximum period of supervised release of three years.

Counts Eight through Fifteen charge the defendant with wire fraud, in violation of Title 18, United States Code, Sections 1343 and 2. Counts Eight through Fifteen each carry a maximum sentence of twenty years' imprisonment; a maximum fine, pursuant to Title 18, United States Code, Section 3571 of the greatest of \$250,000, twice the gross pecuniary gain derived from the offense, or twice the gross pecuniary loss to persons other than the defendant resulting from the offense; a mandatory \$100 special assessment and a maximum period of supervised release of three years.

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The total maximum sentence of imprisonment is three hundred years. In addition to the foregoing, the Court must order restitution in accordance with Sections 3663, 3663A and 3664 of Title 18, United States Code.

In consideration of the defendant's plea to the above offenses, the defendant will not be further prosecuted criminally by this Office (except for criminal tax violations as to which this Office cannot, and does not, make any agreement) for the conduct described in the Indictment. In addition, at the time of sentencing, the Government will move to dismiss any open Count(s) against the defendant. The defendant agrees that with respect to any and all dismissed charges he is not a "prevailing party" within the meaning of the "Hyde Amendment," Section 617, P.L. 105-119 (Nov. 26, 1997), and will not file any claim under that law.

The defendant hereby admits the forfeiture allegations with respect to paragraphs 22(a)-(b), paragraphs 22(d)-(k) and paragraph 23 of the Indictment and agrees to forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461, and Title 31, United States Code, Section 5317: (i) a sum of money equal to \$162,000,000 in United States currency, representing the amount of proceeds obtained as a result of the fraud offenses alleged in Counts One through Fifteen of the Indictment (the "Money Judgment"); and (ii) all right, title and interest in the following specific property:

- a. Any and all funds on deposit in Account No. 2840109316 held in the name of Marguerite J. Nadel Revocable Trust at Northern Trust, N.A.;
- b. The real property and appurtenances known and described as 15576 Fruitville Road, Sarasota, Florida;
- c. The real property and appurtenances known and described 131 Garren Creek Road, Fairview, North Carolina;
- d. The real property and appurtenances known and described as approximately acres and forty-five lots in the name of Scoop Capital, LLC, in Thomasville, Georgia;
- e. The real property and appurtenances known and described as approximately thirty-seven acres in the name of Scoop Capital, LLC, in Grady County, Georgia;
- f. All right, title, and interest in the entity known and described as the Venice Jet Center located in Venice, Florida;

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- g. All right, title, and interest in the entities known and described as Laurel Mountain Preserve, LLC, Laurel Preserve, LLC, and Laurel Mountain Preserve Homeowners Association, Inc., including, but not limited to, 420 acres in Buncombe County and McDowell County, North Carolina;
- h. All right, title, and interest in the entity known and described as Tradewind, LLC, including, but not limited to, five airplanes, one helicopter, and thirty-one airport hangars, located in Newnan-Coweta County Airport, Georgia; and
- i. All right, title, and interest in the entity known and described as the Guy-Nadel Foundation, Inc.

(collectively, the "Specific Property"). The defendant agrees that he will not file a claim or a petition for remission or mitigation in any forfeiture proceeding involving the Specific Property and will not cause or assist anyone else in doing so. The defendant also agrees to take all necessary steps to pass clear title to the Specific Property to the United States, including, but not limited to, the execution of all necessary documentation. It is further understood that any forfeiture of the defendant's assets shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty the Court may impose upon him in addition to forfeiture. In consideration of the defendant's admission of the above forfeiture allegations, at the time of sentencing, the Government agrees not to seek to forfeit the real property and appurtenances known and described as 3966 Country View Drive, which is listed in paragraph 22(c) of the Indictment.

In consideration of the foregoing and pursuant to Sentencing Guidelines Section 6B1.4, the parties hereby stipulate to the following:

A. Offense Level

- 1. The Guidelines provisions in effect as of November 1, 2009 apply in this case.
- 2. Pursuant to U.S.S.G. § 3D1.2(d), because the offense level is determined largely on the basis of the total amount of harm or loss, the Counts are grouped together.
- 3. The Guidelines provision applicable to the offenses charged in Counts One through Fifteen of the Indictment is U.S.S.G. § 2B1.1. Pursuant to U.S.S.G. § 2B1.1(a)(1), the base offense level is 7.

4. The base offense level should be increased by 26 levels because a reasonable estimate of the loss is that it is greater than \$100,000,000 but not more than \$200,000,000. U.S.S.G. § 2B1.1(b)(1)(N).
5. Pursuant to U.S.S.G. § 2B1.1(b)(2)(B), because the offense involved 50 or more victims, the offense level is further increased by 4 levels.
6. Assuming the defendant clearly demonstrates acceptance of responsibility, to the satisfaction of the Government, through his allocution and subsequent conduct prior to the imposition of sentence, a 2-level reduction will be warranted, pursuant to § 3E1.1(a), U.S.S.G. Furthermore, assuming the defendant has accepted responsibility as described in the previous sentence, an additional 1-level reduction is warranted, pursuant to § 3E1.1(b), U.S.S.G, because the defendant gave timely notice of his intention to enter a plea of guilty, thereby permitting the Government to avoid preparing for trial and permitting the Court to allocate its resources efficiently.

The Government contends that the defendant's total offense level is 38, based on A(1) through A(6) above, and as calculated in the following manner:

- G1. The base offense level should be increased by 4 levels, pursuant to U.S.S.G. § 2B1.1(b)(17)(A), because the offense involved a violation of the securities law, and the defendant was an investment adviser at the time of the offense.

The defendant, by contrast, contends that his total offense level is 34, based on A(1) through A(6) above, because he contests being an investment adviser at the time of the offense.

B. Criminal History Category

Based upon the information now available to this Office (including representations by the defense), the defendant has no criminal history points. Accordingly, the defendant's Criminal History Category is I.

C. Sentencing Range

Based upon the calculations set forth above, the Government submits that the defendant's Sentencing Guidelines range is 235 to 293 months' imprisonment (the "Government's Proposed Guidelines Range"). Based upon the calculations set forth above, the defendant submits that the defendant's Sentencing Guidelines range is 151 to 188 months' imprisonment (the "Defendant's Proposed Guidelines Range"). The "Proposed Guidelines Ranges" shall refer herein to the

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collective range of 151 to 293 months' imprisonment. In addition, after determining the defendant's ability to pay, the Court may impose a fine pursuant to §5E1.2. At Guidelines level 38, the applicable fine range is \$25,000 to \$5,000,000. At Guidelines level 34, the applicable fine range is \$17,500 to \$5,000,000.

The parties agree that neither a downward nor an upward departure from the Guidelines range determined by the Court is warranted. Accordingly, neither party will seek such a departure or seek any adjustment not set forth herein. Nor will either party suggest that the Probation Department consider such a departure or adjustment, or suggest that the Court *sua sponte* consider such a departure or adjustment.

The parties further agree that a sentence within the Proposed Guidelines Ranges would constitute a reasonable sentence in light of all of the factors set forth in Title 18, United States Code, Section 3553(a). However, the parties agree that either party may seek a sentence outside of the Proposed Guidelines Ranges, suggest that the Probation Department consider a sentence outside of the Proposed Guidelines Ranges, and suggest that the Court *sua sponte* consider a sentence outside of the Proposed Guidelines Ranges, based upon the factors to be considered in imposing a sentence pursuant to Title 18, United States Code, Section 3553(a).

Except as provided in any written Proffer Agreement(s) that may have been entered into between this Office and the defendant, nothing in this agreement limits the right of the parties (i) to present to the Probation Department or the Court any facts relevant to sentencing; (ii) to make any arguments regarding where within the Proposed Guidelines Ranges (or such other range as the Court may determine) the defendant should be sentenced and regarding the factors to be considered in imposing a sentence pursuant to Title 18, United States Code, Section 3553(a); and (iii) to seek an appropriately adjusted sentencing range if it is determined based upon new information that the defendant's criminal history category is different from that set forth above. Nothing in this agreement limits the right of the Government to seek denial of the adjustment for acceptance of responsibility, *see* U.S.S.G. §3E1.1, and/or imposition of an adjustment for obstruction of justice, *see* U.S.S.G. §3C1.1, regardless of any stipulation set forth above, should the defendant move to withdraw his guilty plea once it is entered, or should it be determined that the defendant has either (i) engaged in conduct, unknown to the Government at the time of the signing of this Agreement, that constitutes obstruction of justice or (ii) committed another crime after signing this agreement.

It is understood that pursuant to Sentencing Guidelines §6B1.4(d), neither the Probation Department nor the Court is bound by the above Guidelines stipulation, either as to questions of fact or as to the determination of the proper Guidelines to apply to the facts. In the event that the Probation Department or the Court contemplates any Guidelines adjustments, departures, or calculations different from those stipulated to above, or contemplates any sentence different from

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the Proposed Guidelines Ranges, the parties reserve the right to answer any inquiries and to make all appropriate arguments concerning the same.

It is understood that the sentence to be imposed upon the defendant is determined solely by the Court. It is understood that the Sentencing Guidelines are not binding on the Court. The defendant acknowledges that his entry of a guilty plea to the charged offenses authorizes the sentencing court to impose any sentence, up to and including the statutory maximum sentence. This Office cannot, and does not, make any promise or representation as to what sentence the defendant will receive. Moreover, it is understood that the defendant will have no right to withdraw his plea of guilty should the sentence imposed by the Court be outside the Government's Proposed Guidelines Range or outside the Defendant's Proposed Guidelines Range set forth above.

It is agreed (i) that the defendant will not file a direct appeal, nor litigate under Title 28, United States Code, Section 2255 and/or Section 2241, any sentence within or below the Proposed Guidelines Ranges of 151 to 293 months' imprisonment; and (ii) that the Government will not appeal any sentence within or above the Proposed Guidelines Ranges of 151 to 293 months' imprisonment. This provision is binding on the parties even if the Court employs a Guidelines analysis different from that stipulated to herein. Furthermore, it is agreed that any appeal as to the defendant's sentence that is not foreclosed by this provision will be limited to that portion of the sentencing calculation that is inconsistent with (or not addressed by) the above stipulation.

The defendant hereby acknowledges that he has accepted this Agreement and decided to plead guilty because he is in fact guilty. By entering this plea of guilty, the defendant waives any and all right to withdraw his plea or to attack his conviction, either on direct appeal or collaterally, on the ground that the Government has failed to produce any discovery material, *Jencks* Act material, exculpatory material pursuant to *Brady v. Maryland*, 373 U.S. 83 (1963), other than information establishing the factual innocence of the defendant, and impeachment material pursuant to *Giglio v. United States*, 405 U.S. 150 (1972), that has not already been produced as of the date of the signing of this Agreement.

By entering this plea of guilty, the defendant also waives any and all right the defendant may have, pursuant to 18 U.S.C. §3600, to require DNA testing of any physical evidence in the possession of the Government. The defendant fully understands that, as a result of this waiver, any physical evidence in this case will not be preserved by the Government and will therefore not be available for DNA testing in the future.

The defendant understands that he is bound by his guilty plea regardless of the immigration consequences of the plea and regardless of any advice the defendant has received from his counsel or others regarding those consequences. Accordingly, the defendant waives any and all challenges to his guilty plea and to his sentence based on those consequences, and agrees not to seek to

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withdraw his guilty plea, or to file a direct appeal or any kind of collateral attack challenging his guilty plea, conviction or sentence, based on the immigration consequences of his guilty plea, conviction and sentence.

It is further agreed that should the conviction following defendant's plea of guilty pursuant to this Agreement be vacated for any reason, then any prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this agreement (including any counts that the Government has agreed to dismiss at sentencing pursuant to this Agreement) may be commenced or reinstated against the defendant, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement or reinstatement of such prosecution. It is the intent of this Agreement to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed.

It is further understood that this Agreement does not bind any federal, state, or local prosecuting authority other than this Office.


Apart from any written Proffer Agreement(s) that may have been entered into between this Office and the defendant, this Agreement supersedes any prior understandings, promises, or conditions between this Office and the defendant. No additional understandings, promises, or conditions have been entered into other than those set forth in this Agreement, and none will be entered into unless in writing and signed by all parties.

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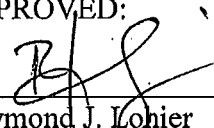
The parties understand that this Agreement reflects the special facts of this case and is not intended as precedent for other cases.

Very truly yours,

PREET BHARARA
United States Attorney

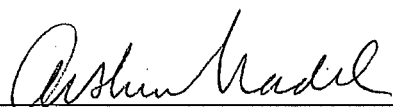
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Assistant United States Attorneys
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APPROVED:


Raymond J. Lohier
Chief, Securities & Commodities Fraud Task
Force


AGREED AND CONSENTED TO:



Arthur Nadel

2/24/10

DATE

APPROVED:


Mark B. Gombiner, Esq.
Colleen P. Cassidy, Esq.
Attorneys for Arthur Nadel

2/24/10

DATE

CLOSED, ECF, PRIOR

**U.S. District Court
Southern District of New York (Foley Square)
CRIMINAL DOCKET FOR CASE #: 1:09-cr-00433-JGK-1**

Case title: USA v. Nadel
Magistrate judge case number: 1:09-mj-00169-UA

Date Filed: 04/28/2009
Date Terminated: 12/06/2010

Assigned to: Judge John G. Koeltl

Defendant (1)

Arthur G. Nadel
TERMINATED: 12/06/2010

represented by **Barry A. Cohen**
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Pending Counts

15:78J.F MANIPULATIVE AND
DECEPTIVE DEVICES (SECURITIES)

Disposition

Imprisonment: 168 months, to run
concurrently on counts 1 through 15.

RAUD)
(1-6)

18:1341.F FRAUDS AND SWINDLES
(MAIL FRAUD)
(7)

18:1343.F FRAUD BY WIRE, RADIO,
OR TELEVISION
(8-15)

Supervised Release: 3 years to run
concurrently on counts 1 through 15.

Imprisonment: 168 months, to run
concurrently on counts 1 through 15.
Supervised Release: 3 years to run
concurrently on counts 1 through 15.

Imprisonment: 168 months, to run
concurrently on counts 1 through 15.
Supervised Release: 3 years to run
concurrently on counts 1 through 15.

Highest Offense Level (Opening)

Felony

Terminated Counts

None

Highest Offense Level (Terminated)

None

Complaints

15 U.S.C. 78j(b), 78ff; 17 C.F.R. 240.10b-5; 18 U.S.C. 1343, 2 (MANIPULATIVE AND DECEPTIVE DEVICES) (REGISTRATION OF NATIONAL SECURITIES EXCHANGE) (FRAUD BY WIRE, RADIO, OR TELEVISION)

Disposition

Disposition

Plaintiff

USA

represented by **Jeffrey Ehrlich Alberts**
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Date Filed	#	Docket Text
01/21/2009	1	COMPLAINT as to Arthur G. Nadel (1). In Violation of 15 U.S.C. 78j(b), 78ff; 17 C.F.R. 240.10b-5; 18 U.S.C. 1343, 2.(Signed by Magistrate Judge Henry B. Pitman) (aba) [1:09-mj-00169-UA] (Entered: 01/27/2009)
01/27/2009	3	ENDORSED LETTER as to Arthur G. Nadel addressed to The Honorable Kevin N. Fox from Reed M. Brodsky dated 1/27/09 re: In connection with the Complaint filed and sealed in the above-captioned case on January 21, 2009, the Government respectfully requests that the Court unseal the Complaint. The Federal Bureau of Investigation arrested the defendant Arthur G. Nadel this morning. APPLICATION GRANTED. THE COMPLAINT SHALL BE UNSEALED IMMEDIATELY. SO ORDERED. (Signed by Magistrate Judge Kevin Nathaniel Fox on 1/27/09)(aba) [1:09-mj-00169-UA] (Entered: 01/27/2009)
01/27/2009		Arrest of Arthur G. Nadel in Middle District of Florida. (aba) [1:09-mj-00169-UA] (Entered: 02/10/2009)
02/10/2009	4	Rule 5(c)(3) Documents Received as to Arthur G. Nadel from the U.S.D.C. Middle District of Florida. (aba) [1:09-mj-00169-UA] (Entered: 02/10/2009)
02/10/2009	11	NOTICE OF ATTORNEY APPEARANCE: Barry A. Cohen appearing for Arthur G. Nadel. (aba) [1:09-mj-00169-UA] (Entered: 03/02/2009)
02/11/2009	9	MOTION for Barry A. Cohen, Todd Foster, and Michael L. Rubinstein to Appear Pro Hac Vice. Document filed by Arthur G. Nadel. (aba) [1:09-mj-00169-UA] (Entered: 03/02/2009)
02/12/2009	<u>5</u>	MOTION to Remand <i>Arthur G. Nadel</i> . Document filed by USA as to Arthur G. Nadel. (Attachments: # <u>1</u> Exhibit A, # <u>2</u> Exhibit B, # <u>3</u> Exhibit C, # <u>4</u> Exhibit D, # <u>5</u> Exhibit E, # <u>6</u> Exhibit F, # <u>7</u> Exhibit G, # <u>8</u> Exhibit H, # <u>9</u> Exhibit I, # <u>10</u> Exhibit J, # <u>11</u> Exhibit K, # <u>12</u> Exhibit L, # <u>13</u> Exhibit M)(Douvas, Maria) [1:09-mj-00169-UA] (Entered: 02/12/2009)
02/17/2009		Minute Entry for proceedings held before Judge Denise L. Cote:Detention Hearing as to Arthur G. Nadel held on 2/17/2009. At the request of both the Government, by Assistant U.S. Attorney Reed Brodsky, and Todd Foster, counsel for the defendant, the continuation of the detention hearing previously scheduled for February 19, 2009 is adjourned to February 25, 2009 at 10 a.m. (aba) Modified on 3/2/2009 (aba). [1:09-mj-00169-UA] (Entered: 03/02/2009)

01/26/2010	54	TRANSCRIPT of Proceedings as to Arthur G. Nadel held on December 11, 2009 at 10:15 am before Judge John G. Koeltl. (eef) (Entered: 01/29/2010)
01/26/2010	55	TRANSCRIPT of Proceedings as to Arthur G. Nadel held on December 11, 2009 at 10:15 am before Judge John G. Koeltl. (eef) (Entered: 02/01/2010)
02/04/2010	<u>56</u>	ENDORSED LETTER as to Arthur G. Nadel addressed to Judge Koeltl from Attorney Mark B. Gombiner dated February 2, 2010 re: The parties jointly request that the motions schedule for this matter be continued sine die. ENDORSEMENT: The current motion schedule is adjourned. The parties should advise the Court of the status of this case by 2/16/10. So Ordered. (Signed by Judge John G. Koeltl on 2/3/2010)(bw) (Entered: 02/04/2010)
02/24/2010		Minute Entry for proceedings held before Judge John G. Koeltl: Change of Plea Hearing as to Arthur G. Nadel held on 2/24/2010. Defendant present w/atty Mark Gombiner. AUSA Reed Brodsky. Reporter present. Defendant changes plea of not guilty and pleads guilty to all 15 counts of indictment. Sentence date 6/11/2010 at 10:00am. PSI ordered. Defendant continued detained. (bw) (Entered: 04/23/2010)
02/24/2010		Change of Not Guilty Plea to Guilty Plea as to Arthur G. Nadel (1) Count 1-6,7,8-15. (bw) (Entered: 04/23/2010)
02/24/2010		Minute Entry for proceedings held before Judge John G. Koeltl: Plea entered by Arthur G. Nadel (1) Guilty as to Count 1-6,7,8-15. (bw) (Entered: 04/23/2010)
02/24/2010		Order of Referral to Probation for Presentence Investigation and Report as to Arthur G. Nadel. (bw) (Entered: 04/23/2010)
02/24/2010		ORAL ORDER as to Arthur G. Nadel. Sentencing set for 6/11/2010 at 10:00 AM before Judge John G. Koeltl. (bw) (Entered: 04/23/2010)
02/25/2010	<u>57</u>	ORDER: As to Arthur G. Nadel, As stated on the record at today's hearing, sentencing is scheduled for June 11, 2010 at 10:00 a.m. For the reasons stated on the record, the defendant's bail is revoked and the defendant is ordered to be detained pending sentencing. The Court recommends that the defendant remain at the Metropolitan Correctional Center. SO ORDERED. (Signed by Judge John G. Koeltl on 2/24/2010) (dnd) (Entered: 02/25/2010)
03/01/2010	58	TRANSCRIPT of Proceedings as to Arthur G. Nadel held on February 24, 2010 before Judge John G. Koeltl. (dj) (Entered: 03/05/2010)
05/25/2010	<u>59</u>	ORDER: As to Arthur G. Nadel. The defendant shall make any sentencing submissions by September 3, 2010. The Government shall file any responses by September 9, 2010. Sentencing is adjourned to Friday, September 17, 2010 at 3:30pm. SO ORDERED. (Signed by Judge John G. Koeltl on 5/25/2010)(dnd) (Entered: 05/25/2010)
05/25/2010		***DELETED DOCUMENT. Deleted document number 60 Speedy Trial Order, as to Arthur G. Nadel. The document was incorrectly filed in this case. (dnd) (Entered: 05/26/2010)
06/08/2010	60	SEALED DOCUMENT placed in vault. (nm) (Entered: 06/08/2010)
06/14/2010	61	SEALED DOCUMENT placed in vault. (nm) (Entered: 06/14/2010)
07/22/2010	<u>62</u>	SENTENCING MEMORANDUM by USA as to Arthur G. Nadel. (Attachments: # <u>1</u> Exhibit 11 to 22, # <u>2</u> Exhibit 23 to 29, # <u>3</u> Exhibit 30 to 32, # <u>4</u> Exhibit 33 to 44, # <u>5</u>