

**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; and SCOOP MANAGEMENT, INC.,

Defendants,

SCOOP REAL ESTATE, L.P.; VALHALLA  
INVESTMENT PARTNERS, L.P.;  
VALHALLA MANAGEMENT, INC.;  
VICTORY IRA FUND, LTD.; VICTORY  
FUND, LTD.; VIKING IRA FUND, LLC;  
VIKING FUND, LLC; and VIKING  
MANAGEMENT, LLC,  
Relief Defendants.

\_\_\_\_\_ /

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,  
and Scoop Real Estate, L.P.,

Plaintiff,

v.

Related Case No. 8:10-cv-092-17MAP

DANCING \$, LLC.,

Defendant.

\_\_\_\_\_ /

**DECLARATION OF PHILIP STILLMAN IN SUPPORT OF CLAIMANT ELENDOW  
LLC'S MOTION TO MODIFY ORDER DISALLOWING CLAIM**

I, Philip H. Stillman, state under oath the following facts:

1. I am counsel for Elendow, LLC and have been defendant Dancing \$, LLC's counsel in the above-captioned related action, a member of the state bars of the Commonwealth of Massachusetts and California in good standing, and admitted *pro hac vice* in the related action. I have personal knowledge of the facts stated herein, and if called as a witness, I could and would testify competently to them.

2. On or about December 10, 2009, Dancing \$ received a letter from the Receiver dated December 4, 2009, stating that Dancing \$ had received \$107,172.11 in "false profits" from the funds and demanded that it be repaid. After providing me with a copy of that letter, I spoke with Michael Lamont, counsel for the Receiver, and among other things, explained that through Elendow, the members of Dancing \$ were "net losers," rather than net winners, and gave Mr. Lamont the specific amounts.

3. In an effort to head off litigation, I offered a tolling agreement to Mr. Lamont and I also agreed to have my client provide detailed spreadsheets for Mr. Lamont, showing the members of Dancing \$, their percentage of the alleged distribution, the dollar amount of the alleged "false profits" that their percentage ownership in Dancing \$ represented, their percentage in Elendow, and the actual dollar amount of each Dancing \$ member's investment. A true and correct copy of my emails to Mr. Lamont on February 9 and February 12, 2010 are attached hereto as Exhibit 1.

4. Those spreadsheets were provided by Dancing \$ to Mr. Lamont in late February 2010. Those spreadsheets were also reproduced to Mr. Lamont in discovery in *Wiand v. Dancing \$, LLC*, Case. No. 10-cv-0092. Copies of the Excel Spreadsheets produced to Mr. Lamont are

attached hereto the as Exhibit 2.

5. After the complaint was filed on January 13, 2010, this court issued an order dated February 10, 2010 directing that no responses be filed at that time pending mediation. Mr. Lamont forwarded a courtesy copy of this Order to me. The next action taken in the case was when the Receiver contacted me via email on July 27, 2010 regarding the need to mediate the case. Thus, as of July 2010, the Receiver clearly believed that I was representing Dancing \$, even though I had not yet filed an appearance in the case. Mr. Lamont also knew, through my communications with him that I represented Elendow, LLC, and knew exactly the relationship between Elendow and Dancing \$ both from my communications with him directly and from the Excel spreadsheets that had been produced to him earlier

6. At some time during the summer of 2010, Mr. Waldman apparently received a notice from the Receiver regarding the need to file a Proof of Claim with the Receiver regarding Elendow prior to September 2, 2010. I did not receive either a copy of this notice nor did I receive any type of informal notice from the Receiver's counsel.

7. Although the Receiver's counsel had contacted me regarding arranging a mediation, I was unable to reach my client to discuss the matter because Mr. Waldman was traveling in Russia. However, on September 27, 2010, I received a panicked telephone call from Mr. Waldman, who is the manager of both Elendow and Dancing \$, LLC, telling me about some sort of notice that Elendow was supposed to have filed some sort of claim on or before September 2, 2010. Mr. Waldman further stated that he had just seen the notice with a huge stack of mail when he had returned to his house. A true and correct copy of Mr. Waldman's September 27, 2010 email to me is attached hereto as Exhibit 3.

8. Mr. Waldman asked me whether I had filed the Elendow claim for it, because he believed that I was receiving all notices from the Receiver dealing with Dancing \$ and Elendow. I explained that I was not receiving any notices regarding Elendow and had no knowledge of either the claims bar date or the notice that he had received. Based on our discussion, Mr. Waldman immediately completed the Claim and sent it overnight mail to the Receiver.

9. On February 2, 2011, I received a January 21, 2011 Motion for Entry of Clerk's Default in *Wiand v. Dancing \$, LLC*. I then obtained local counsel and appeared for Dancing \$ in the action on February 11, 2011. After its Motion to Dismiss was denied, Dancing \$ filed an Answer, asserting as an affirmative defense that Dancing \$ was in reality a "net loser," given that 86% of its members had not only reinvested their distributions back into the Funds though Elendow, but lost substantially more

10. In or about April 2011, I learned from Mr. Waldman that the Receiver requested further information on the Elendow claim, specifically asking why Elendow's claim was filed 27 days late.

11. On or about July 8, 2011, Mr. Stillman spoke with Gianluca Morello, another of the Receiver's attorneys, regarding scheduling issues in *Wiand v. Dancing \$*. During that conversation, I mentioned the letter that Mr. Waldman had received regarding the Elendow claim. Mr. Morello gave me the name and telephone number of the attorney handling the claims issues for the Receiver at that time, Maya Lockwood, and I contacted her soon afterwards regarding the Elendow claim.

12. In that conversation, I explained that I was calling on behalf of Elendow, LLC regarding its late claim. I explained to Ms. Lockwood that Mr. Waldman had been out of the

country and had wrongly thought that I was being noticed on matters pertaining to Elendow and was therefore taking care of any administrative tasks for Elendow. Ms. Lockwood stated that there were no plans yet to make any distribution and there had not yet been a decision by the Receiver regarding the treatment of late claims.

13. I assumed that it was now common knowledge that I was representing Elendow, given my several discussions with Mr. Lamont and then Ms. Lockwood. However, on August 11, 2011, I also wrote a letter to the Receiver's law firm, "Attn: Claims Dept." again setting forth the reason for the late filing, and I mailed it to the firm by U.S. Mail by placing it in the U.S. Post Office box on that date in Cardiff, California. A copy of the letter is attached hereto as Exhibit 4.

14. I received nothing further from the Receiver's counsel regarding Elendow, although the Receiver requested discovery from Dancing \$ concerning Dancing \$'s affirmative defenses regarding Dancing \$'s claim of offset by the Elendow losses, to which Responses and then Supplemental Responses were served on April 10, 2012.

15. On or about October 1, 2012, the parties arranged to hold a mediation on October 19, 2012, pursuant to this Court's order to mediate all cases. As I was discussing settlement of the *Dancing \$* litigation with Mr. Lamont, I casually asked Mr. Lamont about whether there would be distributions from the Receiver, since that would have an effect on Dancing \$'s settlement proposal. For the first time, Mr. Lamont informed me that a distribution had been made, and that Elendow's claim had been *denied*, not allowed. He also told me that it was denied because Elendow had never responded regarding why the claim had been filed late. I told him that there must have been some mistake, because I personally had dealt with that issue over

a year ago.

16. In any event, shortly thereafter, I spoke with Mr. Waldman and told him that the Elendow claim had been denied. I asked him if he had received any communications from the Receiver about Elendow, and I was told that the claim had been allowed. I told him to send me whatever he had received.

17. In response, I received a December 9, 2011 letter that I thought confirmed that the Elendow claim had been allowed. A copy of the December 9, 2011 Letter is attached hereto as Exhibit 5. ”

18. Another letter that Mr. Waldman provided was a January 26, 2012 letter from the Department of Justice, informing him that Elendow was entitled to \$350,000 as restitution in *United States v. Nadel*. Although as a lawyer, I was aware that there was a difference between the restitution order and the allowance of Elendow’s claim, I had to explain to Mr. Waldman that the restitution judgment was separate from Elendow’s claim in the Receivership.

19. A copy of the DOJ Letter is attached to the Stillman Decl. as Exhibit 6.

20. Although the December 9, 2011 Letter referenced a motion that the receiver had filed that was available online, nothing in the letter indicated that the “allowed claim” was actually a “denied claim” on the 22<sup>nd</sup> page of the Motion referenced in the letter. Therefore, from a lay person’s perspective at least, there was nothing contained in the letter that would indicate to Mr. Waldman that he needed to review a “motion.”


21. Shortly before the mediation, and after discovering that Elendow’s claim had been denied, I reviewed the Receiver’s Motion, which listed Elendow’s claim as “allowed” in the amount of “\$0.” In other words, the Receiver’s December 9, 2011 Letter to Elendow was

seriously misleading to a reasonable reader in stating that the claim was an “Allowed” claim, but neglecting to say that the amount of the “allowed claim” was none.

22. In the mediation, Dancing \$ proposed that the alleged “false profits” received by Dancing \$ be offset against the \$700,000 loss by Elendow and the Elendow claim be allowed. After several discussions, that position was rejected. However, the Receiver’s motion for summary judgment was then pending, and Dancing \$ had asserted it’s affirmative defense that one amount should fully offset the other. Ultimately, on November 29, 2012, after the Thanksgiving holiday, the Magistrate issued his Report and Recommendation to this Court, recommending that the Motion for summary judgment be granted. In particular, while appreciating the equities involved, the Magistrate found as a matter of law that Dancing \$ and Elendow had to be treated as separate entities and could not offset the gains and losses.

23. Dancing \$ filed a timely objection to the Report, as did the Receiver. This Court overruled both Objections and entered summary judgment for the Receiver on January 23, 2013. Given the ruling that Dancing \$ and Elendow had to be treated as totally separate entities, and given that one of the grounds presented in support of denying Elendow’s claim was that the members overlapped and the *members* of Elendow had received “false profits” from their Dancing \$ memberships, this motion was prepared.

I declare under the penalty of perjury under the laws of the State of Florida and the United States that the foregoing is true and correct. Signed this 28<sup>th</sup> day of February, 2013 at Miami Beach, Florida.

  
By: \_\_\_\_\_  
Philip H. Stillman

**CERTIFICATE OF SERVICE**

I hereby certify that on March 1, 2013, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record or pro se parties identified on the attached Service List in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

Respectfully submitted, this 1<sup>st</sup> day of March, 2013.

*/s/ Joshua Bleil*

By: \_\_\_\_\_

Joshua Bleil  
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**SERVICE LIST**

**Burton W. Wiand, et al. v. Dancing \$, LLC**  
**Case No.: 8:10-cv-092-17MAP**  
**United States District Court/Middle District of Florida**

Michael S. Lamont, Esquire  
Wiand, Guerra, King, P.L.  
mlamont@wiandlaw.com  
Counsel for Plaintiff/Receiver  
BURTON W. WIAND  
Served via CM/ECF

## **Exhibit 1**

**From:** [Philip H. Stillman, Esq.](mailto:Philip.H.Stillman@wiandlaw.com)  
**To:** ["miamont@wiandlaw.com"](mailto:miamont@wiandlaw.com)  
**Subject:** Wiand v. Dancing\$, LLC  
**Date:** Tuesday, February 09, 2010 6:05:00 PM

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Mike, you and I and spoken several times about this case, culminating my agreement to give you a tolling agreement so that you could see that all of the money received from Dancing \$, LLC. You agreed to send me a tolling agreement via email and I gave you my email address. You never did. I then called you twice to ask for it again and still never received the tolling agreement. Now, I have seen a copy of your complaint filed in the Middle District of Florida on PACER. Since you have all of the records from the various "funds," you can see and verify that Ellendow LLC re-invested **\$92,989.97 of the "false profits"** and never received any distribution making it a total loss. Over 87% of the investors in Dancing \$ are in Ellendow, the difference being \$14,131.14 spread over 83 people. Please dismiss this case against my client, or let me know precisely what information is necessary for a dismissal. Dancing \$, LLC has no assets in any event and clearly had no knowledge of any fraud. Although I don't want to get into it at this point, personal jurisdiction over Dancing \$, LLC is dubious and will be challenged if we have to actually litigate this case.

Philip H. Stillman | **STILLMAN • ASSOCIATES**  
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**From:** [Philip H. Stillman, Esq.](mailto:Philip.H.Stillman@wiandlaw.com)  
**To:** "Michael Lamont"  
**Cc:** "Gianluca Morello"  
**Bcc:** "Eric Narayan Waldman"  
**Subject:** RE: Wiand v. Dancing\$, LLC  
**Date:** Friday, February 12, 2010 10:12:00 PM

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My client intends to execute the waiver of service. My client is also preparing a tie-in spreadsheet showing that all but \$14, 131.14 of the allegedly "false profits" was reinvested by Ellendow by the same people that participated in Dancing \$, LLC. However, we are providing this as an accommodation. If, after receiving this information, you do not dismiss my client, we will litigate this case to resolution. There will *never* be a payment made from Dancing \$ to the receiver under any circumstances, nor are there any funds with which to make such a payment, if Dancing \$, LLC had been so inclined, which it most certainly is not. So if the information that is provided is insufficient, see you in court.

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**From:** Michael Lamont [mailto:MLamont@wiandlaw.com]  
**Sent:** Tuesday, February 09, 2010 4:26 PM  
**To:** Philip H. Stillman, Esq.  
**Cc:** Gianluca Morello  
**Subject:** RE: Wiand v. Dancing\$, LLC

Philp:

Thank you for your email. As we discussed, the Receiver does not have records illustrating that Ellendow LLC "re-invested \$92,989.97 of the "false profits"" from Dancing \$. Rather, the Receiver has documents illustrating that Dancing \$ invested a total of \$675,000 and received \$782,172.11 in distributions. Thus, it has a false profit of \$107,172.11 and the Receiver has a court-imposed duty to recover this amount from Dancing \$. Further, it appears that Ellendow deposited a total of \$700,000 (from December 2007 – August 2008) and did not receive any distributions. Thus, based upon the documents currently in the Receiver's possession, it appears that it had a loss of \$700,000.

I advised you that Dancing \$ and Ellendow are legally separate entities and there is no legal basis

to offset Ellendow's losses against Dancing \$'s gains. You indicated to me, however, that some of the investors that received monies from Dancing \$ reinvested these dollars into Ellendow. Based upon your email below, you contend that this number is 87% and we are only talking about a \$14,131.14 difference in false profits with respect to 83 investors. We previously discussed the idea of your client providing documents to substantiate this claim, but none have been provided to date. You indicated that you would discuss this with your client again.

We have sent your client a copy of the Complaint and Wavier of Service of Process. As we discussed, personal jurisdiction is proper here in the Middle District of Florida pursuant to 28 U.S.C 754 and 1692, and the Receiver does not agree to dismiss the Complaint. Please let me know if you client is going to execute the Waiver.

I look forward to hearing from you.

Sincerely,

Michael

---

**From:** Philip H. Stillman, Esq. [mailto:pstillman@stillmanassociates.com]  
**Sent:** Tuesday, February 09, 2010 6:06 PM  
**To:** Michael Lamont  
**Subject:** Wiand v. Dancing\$, LLC

Mike, you and I and spoken several times about this case, culminating my agreement to give you a tolling agreement so that you could see that all of the money received from Dancing \$, LLC. You agreed to send me a tolling agreement via email and I gave you my email address. You never did. I then called you twice to ask for it again and still never received the tolling agreement. Now, I have seen a copy of your complaint filed in the Middle District of Florida on PACER. Since you have all of the records from the various "funds," you can see and verify that Ellendow LLC re-invested **\$92,989.97 of the "false profits"** and never received any distribution making it a total loss. Over 87% of the investors in Dancing \$ are in Ellendow, the difference being \$14,131.14 spread over 83 people. Please dismiss this case against my client, or let me know precisely what information is necessary for a dismissal. Dancing \$, LLC has no assets in any event and clearly had no knowledge of any fraud. Although I don't want to get into it at this point, personal jurisdiction over Dancing \$, LLC is dubious and will be challenged if we have to actually litigate this case.

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FirstName	LastName	%ofD\$12/31/07	1/24/08Dist\$\$
ONEness Project	Endowment Fund	10.78%	(\$280,399.74)
ONEness Project		8.85%	(\$230,202.61)
Christiane Laakmann/	CHL Revocable Living Trust & Agreement 12/15/99	6.56%	(\$170,484.35)
Beatrice	Waldman	5.97%	(\$155,314.58)
Andrew Laakmann and Wendy Laakmann	Co-Trustees of the Laakmann Living Trust dated August 21, 2002	5.63%	(\$146,441.36)
IRA Services / Fremont Bank, custodian FBO:	Eric Waldman (IRA027169)	5.33%	(\$138,693.59)
Martin	Whitmont	4.43%	(\$115,262.24)
Toder Family	Trust	3.71%	(\$96,596.01)
Kay & Tony	Rasch	3.15%	(\$81,806.37)
Dale W.	Reiger	3.01%	(\$78,375.77)
Jessipup Trust, U/A 05/04/95	Kate Noble Trustee	2.62%	(\$68,203.92)
James K.	Warner	2.16%	(\$56,189.51)
Nancy	Toder Trust	2.06%	(\$53,511.17)
William P. Barnett & Judith A.	Barnett - as Trustees of the Barnett Family Trust dated Aug. 30 2005	2.00%	(\$51,963.44)
Peter & Judith	Reynolds	1.72%	(\$44,742.53)
Dennis	Slonaker	1.65%	(\$42,963.11)
Billie	Warford	1.63%	(\$42,424.61)
IRA Services / Fremont Bank, custodian FBO:	Martin Whitmont (IRA030193)	1.51%	(\$39,275.54)
Janet	Worthen	1.37%	(\$35,734.04)
IRA Express Inc. FBO	Margaret R. Jacoby #100163	1.33%	(\$34,716.11)
IRA Express Inc. FBO	Janis Estrada #100299	1.13%	(\$29,431.56)
IRA Express Inc. FBO	Ginger Lee IRA #100172	1.12%	(\$29,100.35)
Steven J.	Gray	1.12%	(\$29,251.67)
Ellen Fietz Hall & Carl	Hall	1.03%	(\$26,671.87)
IRA Services / Fremont Bank, custodian FBO:	Nancy Toder #IRA072321	1.01%	(\$26,305.04)
Mark & Flay	Wahl	0.73%	(\$18,946.20)
Joy	Moulton	0.66%	(\$17,139.50)
Louise	Grout	0.57%	(\$14,744.06)
Amy Bronstein	Revocable Trust Jan. 18 2005	0.50%	(\$13,076.28)
IRA Express Inc. FBO	Judith A. Barnett #100233	0.49%	(\$12,628.10)
IRA Services / Fremont Bank, custodian FBO:	Billie Warford (IRA043023)	0.37%	(\$9,712.80)
IRA Services / Fremont Bank, custodian FBO:	Amy Bronstein (IRA062637)	0.34%	(\$8,902.65)
Margaret R	Jacoby	0.32%	(\$8,270.96)
Cody	Sauer	0.28%	(\$7,391.05)
Emil F. Fietz or	Ellen Fietz Hall	0.22%	(\$5,622.07)



The Samuel D. Lee Trust	Ginger Lee Trustee	0.15%	(\$3,864.14)
Ginger	Lee	0.15%	(\$3,948.65)
IRA Express Inc. FBO	Lauree E. Moss	0.38%	(\$9,822.61)
Natalia	Waldman	0.10%	(\$2,553.07)
Ann Victoria	MacDonald	0.09%	(\$2,413.19)
IRA Express Inc. FBO	Peter A. Reynolds IRA# 100245	0.08%	(\$2,067.59)
ONEness Project	The Tom Braveheart Fund	0.07%	(\$1,856.51)
IRA Services / Fremont Bank, custodian FBO:	Kate Noble IRA061888	0.07%	(\$1,697.67)
Flay	Wahl	0.06%	(\$1,548.55)
Sarah M	Moulton	0.06%	(\$1,542.46)
Miriel	Waldman Trust; Eric Waldman Trustee	0.06%	(\$1,460.83)
Kristina Krupilnitskaya	Trustee: Natalia Krupilnitskaya	0.05%	(\$1,375.69)
IRA Services / Fremont Bank, custodian FBO:	Steve Gray #IRA049062	0.02%	(\$594.62)
Marty	Podolsky	0.02%	(\$563.26)
IRA Services / Fremont Bank, custodian FBO:	Martin E. Podolsky #IRA037680	0.02%	(\$528.78)
Ginny & Russell	Moulton	0.01%	(\$334.50)
Eric & Natalia	Waldman	0.00%	(\$85.60)
<b>TOTALS</b>		<b>86.78%</b>	<b>(\$2,256,752.48)</b>

<b>Amount of full distribution to all 136 D\$ accounts</b>	<b>\$2,600,621.66</b>
<b>% of 1/24/08 dist. given to D\$ part./Elendow acct holders</b>	<b>86.78%</b>
<b>Total Allegedly False Profits received by D\$</b>	<b>\$107,121.11</b>
<b>Allegedly False Profits reinvested by same partners through Elendow Fund</b>	<b>\$92,956.94</b>
<b>Total not reinvested; distributed to 83 D\$ only accounts</b>	<b>\$14,164.17</b>

## Explanation:

Column A&B	Shareholders in <i>both</i> Dancing \$ LLC and Elendow Fund LLC
Column C	Dancing \$ closed in November '07; capital account % of Dancing \$ assets as of 12/31/07...
Column D	Dancing \$ did a <i>pro rata cash</i> distribution on 1/24/2008 totalling \$2,600,621.66. All Nadel r Actual \$ distribution amounts for each member
Column E	Amount of Allegedly False Profits in the 1/24 distribution; calculated for each partner.
Column F	Elendow closed in December '08; capital account % of Elendow assets as of 12/31/08...an including the Nadel theft.
Column G	Amount of Nadel/Scoop loss for each partner

See totals in Row 54

IRA Services Trust Company CFBO:
--

#1	Alternative acct name at Elendow:
#2	Cody Sauer put his money with a lot more of his mother's, Jill Davis, in Marty Podolsky's El
#3	Lauree Moss is married to Nancy Toder and had her money in Nancy's trust account at Ele
#4	Both Moulton children put their Dancing \$ money in their mother's account, Joy Moulton at

Nadel"False"Profits	%ofEF12/31/08	EF\$LostNadel	
\$11,549.83	10.70%	\$74,873.08	
\$9,482.18	8.79%	\$61,518.21	
\$7,022.35	4.10%	\$28,695.90	
\$6,397.50	6.34%	\$44,345.05	
\$6,032.00	5.99%	\$41,942.80	
\$5,712.87	5.72%	\$40,042.68	
\$4,747.72	4.42%	\$30,966.47	
\$3,978.85	4.69%	\$32,857.64	
\$3,369.65	3.12%	\$21,810.52	
\$3,228.34	1.67%	\$11,697.80	
\$2,809.36	2.18%	\$15,278.90	
\$2,314.48	1.80%	\$12,569.00	
\$2,204.16	3.02%	\$21,139.85	
\$2,140.40	1.54%	\$10,789.59	
\$1,842.97	1.71%	\$11,954.87	
\$1,769.68	1.65%	\$11,583.74	
\$1,747.49	1.63%	\$11,400.22	
\$1,617.78	1.61%	\$11,252.46	
\$1,471.91	1.44%	\$10,092.57	
\$1,429.98	1.42%	\$9,934.21	
\$1,212.30	1.20%	\$8,430.73	
\$1,198.66	1.19%	\$8,335.76	
\$1,204.89	1.19%	\$8,324.53	
\$1,098.63	1.20%	\$8,409.00	see #1
\$1,083.52	1.09%	\$7,604.08	
\$780.40	0.62%	\$4,325.22	
\$705.99	0.78%	\$5,492.34	
\$607.32	0.43%	\$3,004.13	
\$538.62	0.74%	\$5,174.13	
\$520.16	0.56%	\$3,903.68	
\$400.08	0.81%	\$5,677.94	
\$366.71	0.40%	\$2,811.70	
\$340.69	0.24%	\$1,712.35	
\$304.44			see #2
\$231.58			see #1

\$159.17	0.09%	\$618.39		
\$162.65	0.04%	\$313.81		
\$404.60			see #3	
\$105.16	0.11%	\$761.89		
\$99.40	1.51%	\$10,602.30		
\$85.17	0.10%	\$683.16		
\$76.47	0.07%	\$515.78		
\$69.93	0.08%	\$554.60		
\$63.79	0.09%	\$617.89		
\$63.53			see #4	
\$60.17	0.02%	\$151.46		
\$56.67	0.02%	\$151.46		
\$24.49	0.03%	\$229.92		
\$23.20	1.09%	\$7,600.51		
\$21.78	0.62%	\$4,347.45		
\$13.78			see #4	
\$3.53	0.68%	\$4,743.33		
<b>\$92,956.94</b>	<b>88.55%</b>	<b>\$619,843.11</b>		
4.12% % of 1/24/08 dist.that was Nadel "false" profit profits				

.and for all distributions thereafter  
 edemptions were included in this distribution.

d for all distributions/losses/adjustments thereafter;

Carl Hall (IRA054604) lendow account ndow Elendow
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**From:** Eric Narayan Waldman [<mailto:narayan@onenessproject.com>]

**Sent:** Monday, September 27, 2010 11:46 AM

**To:** Philip H. Stillman, Esq.

**Subject:** Scoop/Wiand/Elendow Proof of Claim

Phil,

I hope you're well.

I came home to go thru old paperwork and found the Scoop claim forms from Wiand and I see I didn't file a Proof of Claim, due by 9/2/2010 for Elendow (where we lost the 700k)....I hoping that either you did or that our correspondence with them re the whole mess constitutes a claim or allows us some sort of continuance?

Eric



# STILLMAN & ASSOCIATES

2540 MANCHESTER AVENUE  
CARDIFF, CALIFORNIA 92007

TELEPHONE (888) 235-4279  
FACSIMILE (888) 235-4279  
e-mail [pstillman@stillmanassociates.com](mailto:pstillman@stillmanassociates.com)  
Skype [phstillman](#)

PHILIP H. STILLMAN  
ALSO ADMITTED IN MASSACHUSETTS

August 11, 2011

***VIA U.S. MAIL***

Claims Dept.  
Wiand Guerra King, LLP  
3000 Bayport Drive, Suite 600  
Tampa, FL 33607

Re: **Nadel Receivership/Elendow Claim**

Dear Sir/Madam:

I represent Elendow, LLC, a claimant in the Wiand Receivership. I am responding to correspondence from your office regarding a late claim filed by my client. Please be advised that, as I understand it, the claim was sent to you approximately 26 days after the Claims Bar Date. The reason for the late claim was twofold. First, the manager of my client was out of the country when the claim was supposed to have been filed. Second, because I represent the manager in connection with another related case and have regular contact with your firm in connection with the related case, my client assumed that I was receiving all notices and was responsible for any filings that were necessary. When he discovered the Claim form and learned that I had no knowledge of it, he immediately completed it and sent it to your firm. Accordingly, Elendow requests that the short delay in getting the claim form to you be overlooked.

Very truly yours,

STILLMAN & ASSOCIATES



By: \_\_\_\_\_  
Philip H. Stillman, Esq.

PHS:np





**BURTON W. WIAND, RECEIVER**  
**SEC v. Arthur Nadel, et al., Case No. 8:09-cv-87-T-26TBM**  
**United States District Court, Middle District of Florida**

December 9, 2011

Elendow Fund, LLC  
c/o Eric Waldman  
1309 South 3rd Street  
Bozeman, MT 59715

Re: Account Name: Elendow Fund, LLC  
Fund Name: SCP  
Claim Number: 458

Dear Mr. Waldman:

I am writing to you as the Court-appointed Receiver in the above matter. On December 7, 2011, I filed a Motion to (1) Approve Determination and Priority of Claims, (2) Pool Receivership Assets and Liabilities, (3) Approve Plan of Distribution, and (4) Establish Objection Procedure (the "Motion"). A copy of this Motion is available on my website at [www.nadelreceivership.com](http://www.nadelreceivership.com). If you are unable to access this website, you may contact Mary Gura at (813) 347-5121 to request a copy of the Motion. The Court has not yet entered a ruling on the Motion. The Court may set a hearing on the Motion before issuing a decision. You are welcome to attend this hearing, but your attendance is not required to preserve your claim or any objection you may have to the determination of your claim. If the Court sets a hearing, I will provide notice of the hearing on my website. It is your responsibility to monitor this website if you would like to know whether a hearing is set in this matter. If you are unable to do so, you may contact Ms. Gura to discuss other possible arrangements.

To minimize the disclosure of claimants' financial affairs, I assigned each account a claim number rather than identify each account by the name of the associated individual(s) or entity.<sup>1</sup> **The claim number for the above account is Claim Number 458.** My recommended determination of your claim is set forth in the Exhibits attached to the Motion and is addressed in the body of the Motion. My recommended determination of your claim will include an Allowed Amount. The Allowed Amount is the amount to which I have determined the relevant claim is entitled. The Allowed Amount, however, is not indicative of the amount you may ultimately receive. Rather, I have proposed that each investor claimant holding an allowed claim with a

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<sup>1</sup> Although no receivership entities maintained separate investor accounts, the purported statements they created and distributed referred to fictitious "accounts." For ease of reference, I used the term "account" in the Motion and its Exhibits although no such accounts actually existed.

December 9, 2011

Page 2

positive Allowed Amount ultimately receive a percentage of their Allowed Amount on a pro rata basis.

I have also proposed a procedure through which you will have the opportunity to dispute my determination of your claim. If the Court approves the procedure I have proposed, you will be required to serve on me a written objection within twenty days of the date that I mail you a letter informing you of the Court's Order on the Motion. You do not need to object to my determination of your claim until after a Court ruling on the Motion.

In the Motion, I have also set forth a proposed plan of distribution which contemplates an interim distribution to be made on a pro rata basis and subject to certain exceptions discussed in the Motion. At this time and if the Court grants my Motion in its entirety, I anticipate an interim distribution of at least \$18 million. It is my hope to seek the Court's permission for this interim distribution shortly after the objection period set forth above and in the Motion has passed. However, my plans for an interim distribution may be delayed by any objections which may be made to my claim determinations or plan of distribution. In addition, the amount of your recovery (if you have an allowed claim with a positive Allowed Amount) will depend on the outcome of any possible objections I receive during the objection process.

I have tried to make the claims process as simple and unintrusive as possible. I have carefully considered each claim and believe that all claims have been afforded fair and equitable treatment. My goal, of course, is to maximize the amount of distributions to victimized investors with Allowed Claims. If you have any questions or wish to informally discuss your claim determination, please feel free to call or email Jordan D. Maglich at (813) 347-5115, [jmaglich@wiandlaw.com](mailto:jmaglich@wiandlaw.com).

Sincerely yours,



Burton W. Wiand

MML/car  
Enclosures

Copies Provided To:





**U.S. Department of Justice**  
United States Attorney's Office  
Southern District of New York  
One St. Andrews Plaza  
New York, NY 10007  
Phone: (212) 637-1028  
Fax: (212) 637-0084

January 26, 2012

Office Manager  
Elendow Fund, LLC  
1309 South 3rd Street  
Bozeman, MT 59715

Re: Case Number 2009R00125 and Court Docket Number: 09-CR-00433  
US v. Arthur Nadel

Dear Office Manager:

The United States Department of Justice believes it is important to keep victims of federal crime informed of court proceedings. This notice provides information about the above-referenced criminal case.

The Court ordered restitution to be paid in case 2009R00125 in the total amount of \$350,000.00 to Elendow Fund, LLC. While the Court has ordered restitution in this case, it does not mean the defendant(s) will make restitution payments. In the event restitution payments are received from the defendant, the funds will be distributed by the Clerk of the United States District Court. It is your responsibility to keep our Office and the Clerk's Office advised of any address changes.

Through the Victim Notification System (VNS) we will continue to provide you with updated scheduling and event information as the case proceeds through the criminal justice system. You may obtain current information about this case on the VNS web site at [WWW.Notify.USDOJ.GOV](http://WWW.Notify.USDOJ.GOV) or from the VNS Call Center at 1-866-DOJ-4YOU (1-866-365-4968) (TDD/TTY: 1-866-228-4619) (International: 1-502-213-2767). In addition, you may use the Call Center or Internet to update your contact information and/or change your decision about participation in the notification program. If you update your contact information to include a current email address, VNS will send information to that email address. In order to continue to receive notifications, it is your responsibility to keep your contact information current.

You will use your Victim Identification Number (VIN) **'2871105'** and Personal Identification Number (PIN) **'3939'** anytime you contact the Call Center and the first time you log on to the VNS web site. In addition, the first time you access the VNS Internet site, you will be prompted to enter your last name (or business name) as currently contained in VNS. The name you should enter is Elendow Fund, LLC.