

**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.

ORDER

Pending before the Court is the Receiver's motion to approve a settlement with the law firm of Holland & Knight, LLP (H&K), and an attorney affiliated with that firm, Mr. Scott MacLeod (MacLeod), with regard to a lawsuit previously authorized by this Court in an order entered August 12, 2009, at docket 175, which is pending in the Circuit Court of the Twelfth Judicial Circuit in and for Sarasota County, Florida.¹ In his motion, the

¹ See docket 898.

Receiver seeks an order from this Court approving a \$25,000,000.00 settlement with H&K and MacLeod, as well as an all encompassing injunctive provision barring claims against H&K in connection with its representation of the Receivership Entities. The Receiver supported his motion with a detailed affidavit.² The Court approved a notice of settlement to be provided to investors and other interested parties in which the Court directed that objections to the settlement be filed with the Court no later than October 1, 2012.³ The Receiver then furnished such notice to these individuals and entities.⁴

On October 1, 2012, two investors, Vernon M. Lee, individually and as trustee of the Vernon M. Lee Trust, and Brian L. Meeker, as trustee for the Brian L. Meeker Trust dated December 6, 1991, filed a perfunctory joint objection to the proposed settlement contending that “[a] release of the Investors’ claims against H&K violates the Investors’ due process rights and gives them nothing in return”⁵ Notably, these same two investors objected to the Receiver’s previous motion to approve a settlement with Goldman Sachs Execution & Clearing, L.P. (Goldman Sachs), which included approval of a similar bar

² See docket 899.

³ See dockets 900 and 901.

⁴ See docket 912.

⁵ See docket 919.

order.⁶ The Court rejected their objection and entered an order granting the Receiver's motion and approving the bar order.⁷

After carefully considering the submissions of the Receiver and these two investors, the Court is of the opinion that the analysis and rationale of the Court's earlier order approving the settlement with Goldman Sachs should apply to the Court's resolution of the pending motion to approve the settlement agreement with H&K and MacLeod, especially in light of the substantial sum of money that will inure to the benefit of the Receivership Estate, and ultimately the defrauded investors, to whom this Court owes an obligation to make whole financially to the greatest extent possible. Therefore, based on that analysis and rationale, the objection to the Receiver's motion is overruled, and the Court will grant the motion by entering the order proposed by the Receiver.

DONE AND ORDERED at Tampa, Florida, on October 2, 2012.

s/Richard A. Lazzara
RICHARD A. LAZZARA
UNITED STATES DISTRICT JUDGE

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Counsel of Record

⁶ See docket 715.

⁷ See docket 742.