



Missing Fund Manager Nadel Is Arrested in Florida
NADELL, FUND MANAGER, FLORIDA, HEDGE FUND, MISSING
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Florida-based fund manager Arthur Nadel, whose family reported him missing in early January, was arrested by FBI agents in Tampa Tuesday following the collapse of his six hedge funds earlier this month.

Nadel faces one count of securities fraud and one count of wire fraud. An FBI spokesman said Nadel would make an initial appearance in a federal court in Florida but would be charged in a criminal complaint in Manhattan's Southern District of New York.

Nadel, who managed some \$350 million for six Sarasota-based hedge funds, was last seen on Jan. 14. That same day, investors in the funds were notified in a letter that all the funds' assets appeared to be gone.

Police initially investigated the case as a possible suicide, but then began searching for the 76-year-old Nadel. The court-appointed receiver in the case has said Nadel has been defrauding investors since at least 2003, "and in all likelihood before then."

In a recent court filing, receiver Burton Wiand said Nadel's hedge funds were never worth anything close to what he was telling investors. Yet Nadel collected millions of dollars in fees—including as much as \$20 million in 2005, and nearly \$16 million last year.

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- [Judge Orders Madoff Middleman Jaffe to Testify](#)

What's more, the filing said, "a significant sum of the proceeds of Nadel's scheme made its way into other accounts controlled by Nadel and/or his wife," as well as financing other businesses Nadel controlled.

Wiand gained control over two of those businesses, in hopes of salvaging something for investors. The businesses include a private jet facility at the Venice, Florida airport, and a company called **Tradewinds**, which controls at least five planes at the Newman-Coweta County Airport in Georgia.

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