

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

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

Case No. 8:09-cv-0087-T-26TBM

ARTHUR NADEL;
SCOOP CAPITAL, LLC;
SCOOP MANAGEMENT, INC.

Defendants,

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

Relief Defendants.

THE RECEIVER'S TWENTY-SECOND INTERIM REPORT

Receivership Information and Activity from April 1, 2017 through April 30, 2018.

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INTRODUCTION

Burton W. Wiand, the Court-appointed Receiver for the Receivership Entities as defined herein, hereby files this Twenty-second Interim Report (the “**Report**”) to inform the Court, the investors, and others interested in this Receivership, of activities from April 1, 2017 through April 30, 2018 as well as the proposed course of action.¹ As of the date of filing this Report, the Court has appointed Burton W. Wiand as Receiver over the following entities and trust:

- a) Defendants Scoop Capital, LLC (“**Scoop Capital**”) and Scoop Management, Inc. (“**Scoop Management**”) (which, along with Arthur Nadel, are collectively referred to as “**Defendants**”);
- b) Relief Defendants Scoop Real Estate, L.P. (“**Scoop Real Estate**”); Valhalla Investment Partners, L.P. (“**Valhalla Investment Partners**”); Victory IRA Fund, Ltd. (“**Victory IRA Fund**”); Victory Fund, Ltd. (“**Victory Fund**”); Viking IRA Fund, LLC (“**Viking IRA Fund**”); and Viking Fund LLC (“**Viking Fund**”) (collectively referred to as the “**Hedge Funds**”);
- c) Relief Defendants Valhalla Management, Inc. (“**Valhalla Management**”), and Viking Management, LLC (“**Viking Management**”) (which, along with Scoop Capital and Scoop Management, are collectively referred to as the “**Investment Managers**”); and
- d) Venice Jet Center, LLC; Tradewind, LLC; Laurel Mountain Preserve, LLC; Laurel Preserve, LLC; Laurel Mountain Preserve Homeowners Association, Inc.; Marguerite J. Nadel Revocable Trust UAD 8/2/07; Guy-Nadel Foundation, Inc.; Lime Avenue Enterprises, LLC; A Victorian Garden Florist, LLC; Viking Oil & Gas, LLC; Home Front Homes, LLC; Traders Investment Club; Summer Place Development Corporation; Respiro, Inc.; and Quest Energy Management Group, Inc.

The foregoing entities and trust are collectively referred to as the “**Receivership Entities**.”

¹ Although this Interim Report covers the period from April 1, 2017 through April 30, 2018, where practicable, the Receiver has included information in his possession through the date of the filing of this Report.

The Receiver was appointed on January 21, 2009. By January 26, 2009, the Receiver established an informational website, www.nadelreceivership.com. The Receiver has updated this website periodically and continues to update it with the Receiver's most significant actions to date, important court filings in this proceeding, and other items that might be of interest to the public. This Report, as well as all previous and subsequent reports, will be posted on the Receiver's website.

Overview of Significant Activities During this Reporting Period

During the time covered by this Report, the Receiver and his Professionals engaged in the following significant activities:

- Successfully recovered a tax refund of **\$2,920,359.71** in connection with amended tax returns the Receiver filed on behalf of Arthur Nadel;
- As of July 31, 2018, the Receiver has reached 159 agreements to settle with profiteers and non-profit organizations in the amount of \$25,674,831.09 and obtained 19 judgments against profiteers in the amount of \$6,402,639.38, for a total combined amount of **\$32,077,470.74** (plus additional non-cash assets);²
- Continued to engage in efforts to collect on judgments obtained in connection with litigation;
- Prevailed on a summary judgment motion filed in bankruptcy court against Vernon Lee and Manon Sommers Lee and was awarded a constructive trust and equitable lien with prejudgment interest in the amount of **\$336,891.39** on a residence obtained by Mr. Lee with scheme proceeds;
- Prevailed on an appeal to the district court of the decision regarding Vernon Lee mentioned above (the defendants filed a further appeal on July 27, 2018);
- Recovered \$59,692.50 from Neil Moody, which he received in connection with a tender offer of MAM Software Group shares titled in the name of his trust;

² This amount does not include a judgment in the amount of \$4,028,385.00 the Receiver obtained against Don and Joyce Rowe and certain of their affiliated entities (the "**Rowe Judgment**"). The Receiver has recovered a total of **\$2,892,315.39** on the Rowe Judgment.

- Obtained \$4,800 from Chris Moody for a payment made to the Chris Moody Trust for an investment in TRD Land 43, LLC;
- Sold an undeveloped lot, Lot Number 110 of Bird Creek Estates, in North Carolina for \$57,500, resulting in net proceeds of \$55,202.36 after payment of costs associated with the sale (the Receiver also retained a \$2,000 escrow deposit on the property);
- Sold a small undeveloped lot located on North Stevens Street in Thomasville, Georgia for \$5,500 and donated another small undeveloped lot in Thomasville to Habitat for Humanity;
- Sold various Quest oil and gas equipment for \$16,500;
- Reached a partial settlement with Wells Fargo to resolve outstanding claims by Wells Fargo relating to Laurel Mountain Preserve, La Bellasara, and the Rite-Aid Building (as defined herein) and obtained the Court's approval of the settlement;
- Maintained Receivership funds in appropriate accounts (as of July 31, 2018, the total funds in all Receivership accounts was approximately \$704,286.86);
- Filed the Receiver's Motion to Approve Seventh Interim Distribution, which sought the approval of a distribution of \$5 million to Claimants (as defined herein) on a *pro rata* basis, representing an additional recovery of 3.81% of the Claimants' allowed amounts (the Receiver has distributed approximately 51.99% of the allowed amounts of these claims);
- Obtained an order granting the Receiver's Motion to Approve Seventh Interim Distribution and distributed 356 checks totaling \$4,925,361.47 to Claimants that were entitled to participate in that distribution (as of July 31, 2018, two checks in the combined amount of \$18,327.99 from this interim distribution have not been negotiated; one check in the amount of \$4,569.38 from the sixth interim distribution also has not been negotiated);
- Continued to operate ongoing businesses, and where possible, enhance the value of those businesses resulting in the generation of \$583,309.78 in gross business income; and
- Generated \$81,379.72 in interest/dividend income.

The above activities are discussed in more detail in the pertinent sections of this Interim Report.

BACKGROUND

I. Procedure and Chronology.

Defendant Arthur Nadel (“**Nadel**”) was the Hedge Funds’ principal investment advisor and an officer and director of Scoop Management and sole managing member of Scoop Capital. On January 21, 2009, the Commission filed a complaint in this Court charging the Defendants with violations of federal securities laws. In this proceeding, the Commission alleged that Nadel used the Investment Managers to defraud investors in the Hedge Funds from at least January 2008 forward by “massively” overstating investment returns and the value of fund assets to investors in these funds and issuing false account statements to investors. The Commission also asserted that Nadel misappropriated investor funds by transferring \$1.25 million from Viking IRA Fund and Valhalla Investment Partners to secret bank accounts. The Court found the Commission demonstrated a *prima facie* case that the Defendants committed multiple violations of federal securities laws. On August 18, 2010, the Court entered a consent Judgment of Permanent Injunction and Other Relief against Nadel which permanently enjoined Nadel from further violations of the antifraud provisions of the federal securities laws and ordered Nadel to disgorge ill-gotten gains and pay prejudgment interest (Doc. 460).

On January 21, 2009, the same day the Commission filed its complaint, the Court entered an order appointing Burton W. Wiand as Receiver for the Investment Managers and Hedge Funds (the “**Order Appointing Receiver**”). (*See generally* Order Appointing Receiver (Doc. 8).) Between January 27, 2009, and May 24, 2013, the Receiver sought and successfully obtained the expansion of the Receivership to include: Venice Jet Center, LLC;

Tradewind, LLC; Laurel Mountain Preserve, LLC; Laurel Preserve, LLC; Laurel Mountain Preserve Homeowners Association, Inc.; the Marguerite J. Nadel Revocable Trust UAD 8/2/07; the Guy-Nadel Foundation, Inc.; Lime Avenue Enterprises, LLC; A Victorian Garden Florist, LLC; Viking Oil & Gas, LLC; Home Front Homes, LLC; Summer Place Development Corporation; Traders Investment Club; Respiro, Inc.; and Quest Energy Management Group, Inc. These entities will hereinafter be referred to collectively as the “**Additional Entities**.” (Docs. 17, 44, 68, 81, 153, 172, 454, 911, 916, and 1024.)

On April 28, 2009, Nadel was indicted on six counts of securities fraud, one count of mail fraud, and eight counts of wire fraud. On February 24, 2010, Nadel pled guilty to all counts in the indictment. On October 21, 2010, Nadel was sentenced to 14 years in prison. Nadel died in prison on April 16, 2012.

II. Overview of Findings.

The Receiver discovered that from 1999 through 2008, approximately \$330 million was raised in connection with over 700 investor accounts on behalf of one or more of the Hedge Funds by Nadel and his entities, Scoop Management and Scoop Capital; by the rest of the Fund Managers; and by Neil and Christopher Moody (the “**Moodys**”) through the offer and sale of securities in the form of interests in Hedge Funds as part of a single, continuous Ponzi scheme. As discussed in prior Interim Reports, Nadel grossly overstated the trading results of the Hedge Funds. Despite significantly lower, and typically negative yields (*i.e.*, trading losses), Nadel, the Moodys, and the Fund Managers falsely communicated to investors and potential investors, through monthly “statements,” Hedge Funds’ “Executive Summaries,” and other methods, that investments were generating positive returns and

yielding between 10.97% and 55.12% per year. For most years, they falsely represented the investments were generating returns between 20% and 30%.

To perpetrate and perpetuate this scheme, Nadel caused the Hedge Funds to pay investors “trading gains” as reflected on their false monthly statements. The funds used to pay these trading gains were not generated from trading activities; rather, they came from new or existing investors. Nadel further caused the Hedge Funds to pay tens of millions of dollars in fees. Those fees were based on grossly inflated returns, and thus were improperly and wrongfully paid. The negative cash flow of the Hedge Funds made the eventual collapse of Nadel’s scheme inevitable.

As mentioned above, on February 24, 2010, Nadel pled guilty to all counts in the indictment relating to this scheme and on October 21, 2010, was sentenced to 14 years in prison. For a more detailed overview of the Receiver’s findings, please refer to the Ninth Interim Report.

ACTIONS TAKEN BY THE RECEIVER

Since his appointment on January 21, 2009, the Receiver has taken a number of steps to fulfill his mandates under the Order Appointing Receiver. For additional efforts of the Receiver, please refer to prior Interim Reports.

III. Securing the Receivership Estate.

A. Securing and Recovering Receivership Funds.

During the time covered by this Interim Report, Receivership funds were held at Centennial Bank (formerly known as Bay Cities Bank) in non-interest bearing

operating/checking accounts and variable interest rate money market accounts. As of July 31, 2018, the total funds in all Receivership accounts was approximately \$704,286.86.

1. Recovery of Tax Refunds.

The Receiver has sought to obtain tax refunds owed to certain insiders based upon taxes paid in prior years on nonexistent trading profits, periodic taxes paid on anticipated income that was never earned, and/or overpayment of taxes as a result of loss of investment. Most recently, on August 28, 2017, the Receiver obtained a tax refund check of **\$2,920,359.71** for amended tax returns he submitted for Arthur Nadel. As a result of the Receiver's efforts, the total sum recovered from federal tax refunds to insiders is **\$7,959,062.64**. For more detailed information regarding the Receiver's efforts to recover tax refunds, please refer to the Twenty-first Interim Report and prior Interim Reports.

B. Receivership Accounting Report.

Attached as **Exhibit A** to this Interim Report is a cash accounting report showing the amount of money on hand as of April 1, 2017 less operating expenses plus revenue through April 30, 2018. This cash accounting report does not reflect non-cash or cash-equivalent assets. Thus, the value of all property discussed in Section IV below is not included in the accounting reports. From April 1, 2017 through April 30, 2018, the Receiver received \$583,309.79 in business income from ongoing operations of Receivership Entities,³

³ The income numbers provided in this and the following paragraph are gross figures and do not include any offset for operational costs or any other expenses.

\$57,500.00 in business asset liquidation, \$81,379.72 in interest/dividend income, and \$3,438,623.38 in other income.⁴ (Ex. A.)

Since the inception of the Receivership through April 30, 2018, the Receiver received \$8,690,767.39 in business income from ongoing operations of some Receivership Entities; \$2,066,501.32 in cash and securities; \$1,177,260.59 in interest/dividend income; \$7,581,143.58 in business asset liquidation; \$120,000.00 in personal asset liquidation; \$68,179,943.10 in third-party litigation income; and \$10,973,666.11 in other income.

IV. Asset Analysis and Recovery.

A. Expansion of Receivership to Include Additional Entities.

As noted above, the Receiver sought and successfully obtained the expansion of the Receivership to include the Additional Entities. The Receiver's investigation revealed that the Additional Entities were purchased and/or funded with money derived from Nadel's fraudulent investment scheme. The following discussion of the Additional Entities includes a description of assets the Receiver has acquired as a result of the businesses' inclusion in the Receivership. Assets, including Additional Entities, which have been sold or otherwise disposed of are identified on the attached **Exhibit B**. Exhibit B includes a description of the asset, any known encumbrances related to the asset, the disposition of the asset, and the amount received from the sale of the asset, and/or the amount of debt waived in connection

⁴ The "other income" includes: \$241,717.33 from the surrender of a Jackson Life annuity policy; \$4,800 for a partial return of investment from TRD Land 43, LLC; \$2,920,359.71 for Arthur Nadel's federal tax refund; \$254,073.76 from Wells Fargo in exchange for foreclosure on the Laurel Mountain property; \$16,500 for the sale of certain Quest oil and gas equipment; \$72.58 for an AT&T litigation tax settlement; and \$1,100 in check reissuance fees.

with the disposition of the asset. For more information regarding assets identified on Exhibit B, please refer to prior Interim Reports. Assets which have not been sold or otherwise disposed of are discussed below.

1. Laurel Mountain Preserve, LLC; Laurel Preserve, LLC; and Laurel Mountain Preserve Homeowners Association, Inc.

Laurel Preserve, LLC (“**Laurel Preserve**”) held title to approximately 420 acres near Asheville, North Carolina intended for the development of home-sites. On February 11, 2009, the Court expanded the Receivership to include Laurel Mountain Preserve, LLC, Laurel Preserve, and the Laurel Mountain Preserve Homeowners Association, Inc (“**HOA**”). The Laurel Mountain property encompasses 33 lots and an approximately four-acre parcel of land owned by the HOA. Twenty-three of these lots were encumbered by a \$1,900,000 interest only loan from Wells Fargo (the “**Laurel Mountain Property**”). Two lots are owned by Laurel Preserve but were not encumbered by the Wells Fargo loan. There is a cabin home on one of these two lots, which is subject to a \$360,157.37 loan from BB&T Bank. The remaining eight lots are owned by the Guy-Nadel Foundation and are discussed in Section IV.A.2 below.

On June 12, 2017, the Receiver filed an unopposed motion for approval of a proposed partial settlement with Wells Fargo (Doc. 1291). The settlement provided in pertinent part that Wells Fargo would have 90 days from the filing of the settlement motion to perform its due diligence on the Laurel Mountain Property and to either: (i) pay the Receiver the expenses for maintaining the property, in the amount of \$254,073.76, in exchange for the Court’s lifting of the injunction and authorizing Wells Fargo to foreclose on the property; or

(ii) waive its security interest in the Laurel Mountain Property in favor of the Receiver.⁵ The Court entered an order approving this settlement on June 21, 2017 (Doc. 1296). Wells Fargo paid the Receiver \$254,073.76 on September 29, 2017 and foreclosed on the Laurel Mountain Property. The Receiver is continuing to market the two remaining Laurel Mountain lots and the HOA parcel along with the seven Guy Nadel lots discussed below. Parties interested in purchasing any of this property should contact the Receiver directly.

2. **Guy-Nadel Foundation, Inc.**

The Guy-Nadel Foundation, Inc. (the “**Foundation**”), is a Florida non-profit corporation Nadel formed in December 2003 for “charitable, educational and scientific purposes.” The Foundation was funded with proceeds of Nadel’s scheme. On March 9, 2009, the Court expanded the Receivership to include the Foundation. Since the Receiver’s appointment as Receiver of the Foundation, he has taken control of it and has been marketing the real property owned by the Foundation.

North Carolina Parcels

The Receiver had possession and control of approximately eight lots that are essentially adjacent to each other and to the Laurel Mountain Property. The Receiver has been marketing these lots since obtaining control of them. On July 6, 2017, the Receiver filed a verified motion to approve the sale of one of those lots, Lot #110 of Bird Creek Estates (“**Lot 110**”) (Doc. 1300). In pertinent part, the motion sought the approval of the sale of Lot 110 for \$57,500, free and clear of all claims, liens, and encumbrances. This Lot had

⁵ The settlement agreement contained further provisions relating to the Bellasara Property and the Rite-Aid Building, which are discussed in Sections IV.B.1 and IV.B.2 below.

been listed for sale for the past eight years and received minimal interest. Further, the sale price was significantly greater than a 2015 appraisal and a Buncombe County appraisal, which were \$40,000 and \$36,600, respectively. The Court granted this motion on July 7, 2017 (Doc. 1301). The Receiver received the net amount of \$55,202.36 after payment of costs associated with the sale and retained a \$2,000 escrow deposit on the property.

Parties interested in purchasing the remaining seven lots should contact the Receiver directly.

Thomasville, Georgia Parcels

Additionally, the Receiver had possession and control of two small undeveloped lots in Thomasville, Georgia (collectively referred to as the “**Lots**”). The first lot is a .12 acre parcel located at 211 Church Street (the “**Church Street Lot**”) that was purchased by the Foundation in December 2006 for \$4,000. In 2017, the Thomas County Board of Tax Assessors assigned the Church Street Lot a taxing value of \$2,224. The second lot is a 1.17 acre parcel located on North Stevens Street (the “**North Stevens Street Lot**”) that was purchased by the Foundation in January 2008 for \$24,000. In 2017, the Thomas County Board of Tax Assessors assigned the North Stevens Street Lot a taxing value of \$10,342. The Properties were maintained (but not improved) since their purchase, and they are not subject to any known liens or encumbrances.

On March 30, 2018, the Receiver filed a verified motion for approval to sell or otherwise dispose of the Lots (Doc. 1355). In pertinent part, the motion sought the approval of (i) the sale of the North Stevens Street Lot for \$5,500 and (ii) the donation of the Church Street Lot to Habitat for Humanity to avoid additional maintenance expenses. Considering

(1) the current state of the real estate market in Thomas County, Georgia, (2) the fact that the Lots have been marketed for sale since 2009 with minimal interest, and (3) that prior efforts by the Receiver to sell the Lots by public auction were unsuccessful, the Receiver believes donating the Church Street Lot is in the best interest of the Receivership and the \$5,500 offer for the North Stevens Street Lot represents a fair and reasonable price. The Court entered an Order granting the motion on April 2, 2018 (Doc. 1356). The Receiver received \$5,500 from the sale of the North Stevens Street Lot and donated the Church Street Lot to Habitat for Humanity on April 25, 2018.

3. Viking Oil & Gas, LLC.

Viking Oil & Gas, LLC (“**Viking Oil**”) is a Florida limited liability company formed in January 2006 by the Moodys to make personal investments in an oil and gas venture. Viking Oil was funded with proceeds from Nadel’s scheme. On July 15, 2009, the Court expanded the Receivership to include Viking Oil. (Order, Doc. 153.) The funds invested in Viking Oil were used to purchase an investment interest in Quest Energy Management Group (“**Quest**”). Between February 2006 and April 2007, through Viking Oil, the Moodys invested \$4 million to fund a working interest in Quest. As discussed in Section IV.A.5, below, the Receiver has expanded the Receivership to include Quest.

4. Summer Place Development Corporation.

Summer Place Development Corporation (“**Summer Place**”) is a Florida company that was purchased by Clyde Connell in December 2005 and from whom Nadel, through Scoop Capital, purchased a fifty-percent ownership stake with total payments of \$63,204.99 to Mr. Connell. Between December 2006 and December 2008, Scoop Capital also paid

Summer Place \$62,100.00 to cover operational expenses. In April 2009, the Receiver replaced Nadel as Director, Secretary, and Treasurer of Summer Place and Scoop Capital's shares in Summer Place were transferred to the Receiver. The Receiver attempted to sell his fifty-percent ownership with no success. In April 2012, Mr. Connell and Juanita Connell, the only other Summer Place shareholders, relinquished their interest in Summer Place and transferred their membership units to the Receiver in exchange for the Receiver's agreement to pay them one-half of the net proceeds from the sale of assets owned by Summer Place.

Summer Place owns approximately 1.7 acres of a six-acre parcel in Bradenton, Florida ("**Summer Place Property**"). The Summer Place Property has no known liens or encumbrances. Summer Place was originally created to build affordable home sites on this property. However, due to the decline in the market for affordable housing, no development ever occurred. Summer Place has had no operations for several years and currently generates no income. Taxes on the property are approximately \$3,000 a year. On September 11, 2012, the Receiver filed a motion asking the Court to expand the Receivership to include Summer Place (Doc. 909). The Court granted this motion on September 12, 2012 (Doc. 911). The Receiver sought the expansion of the Receivership to include Summer Place so that he could market and sell the Summer Place Property. Parties interested in purchasing this property should contact the Receiver directly.

5. The Quest Energy Management Group, Inc. Receivership

Quest is an oil and gas exploration and production company based in Texas. Paul Downey was its Chief Executive Officer, and his son Jeff Downey was its Chief Operating Officer (collectively the "**Downeys**"). The Moodys, through Viking Oil, used scheme

proceeds of \$4 million to fund Quest. Through Valhalla Investment Partners, L.P., the Moodys funneled an additional \$1.1 million to Quest in exchange for a promissory note from Quest and the Downeys to Valhalla Investment Partners. To try to preserve Quest's value for the benefit of the Receivership estate and, ultimately, for defrauded investors in Nadel's scheme, on March 21, 2013, the Receiver moved to expand the Receivership to include Quest (Doc. 993). The Court granted this motion on May 24, 2013 (Doc. 1024).

On November 20, 2014, the SEC filed an enforcement action in the U.S. District Court for the Northern District of Texas against the Downeys and John M. Leonard, an individual who helped the Downeys raise money. *See S.E.C. v. P. Downey et al.*, Case No. 1:14-cv-185 (N.D. Tex.) (the “**Downey Enforcement Action**”). The SEC asserted claims against the Downeys for their violations of the anti-fraud provisions of the federal securities laws in connection with their activities on behalf of Quest. On July 25, 2016, the Downey Enforcement Action court entered an order granting summary judgment in favor of the SEC on its claims against the Downeys.⁶ On September 29, 2016, the Downey Enforcement Action court granted the Commission's motion for remedies and entered final judgments as to all defendants. In addition to entering final judgments, the court also made specific

⁶ On April 7, 2014, Jeffery Downey and his wife, Pepper Downey, filed a voluntary petition for relief under Chapter 7 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas. On October 16, 2014, the Receiver filed a complaint contesting the dischargeability of Jeffery Downey's debt to Quest and also contesting his ability to obtain a discharge in bankruptcy. The Receiver filed a motion to dismiss the adversary proceeding without prejudice. The Court granted this motion on March 30, 2016. The Receiver determined to dismiss this action because he believes that the Receivership's interests will be adequately protected by the SEC's action against the Downeys.

findings as to the defendants, including that Jeffry and Paul Downey (1) “raised \$4.9 million from 17 investors in a fraudulent offering of securities”; (2) “acted with a high level of scienter, knowingly deceiving investors about virtually every aspect of the investment”; (3) concealed the Receiver’s appointment from Quest investors; and (4) exhibited “misconduct [which] was extremely egregious.”

Consistent with his duties under the Order Appointing Receiver, the Receiver undertook significant efforts to secure Quest’s assets and preserve them for the benefit of its defrauded victims. The Receiver traveled to Texas, secured Quest’s office,⁷ interviewed personnel, and examined the records he was able to collect. The Receiver also hired a forensic accountant to examine Quest’s records, which revealed that Quest was insolvent and seriously mismanaged prior to its addition to the Receivership. Quest also faced serious regulatory issues as a result of its failure to perform basic well maintenance or management for an extended period of time. Left uncorrected, those issues jeopardized Quest’s ability to operate which in turn diminished both its value and the prospect of a sale to a third party. The Receiver was forced to spend considerable effort and expense to resolve these regulatory issues, which included the development and implementation of a maintenance and repair plan.⁸ These efforts were integral to the Receiver’s strategy of preserving the value of

⁷ The Quest office is a small free-standing office building. The office has one known encumbrance: a loan with First National Bank with an outstanding principal balance as of October 2015 in the amount of \$46,522.48. Parties interested in purchasing the office should contact the Receiver directly.

⁸ For more information regarding these efforts, please refer to Interim Reports on Quest submitted by the Receiver (Docs. 1054, 1117, and 1145).

Quest's assets while also seeking a purchaser for Quest and its assets. Following the Receiver's appointment over Quest, the Receiver notified all parties with a potential interest in Quest of his appointment and provided them with copies of the pertinent Orders Appointing Receiver.

Since the expansion of the Receivership to include Quest, the Receiver has and will continue to maintain a separate accounting of revenues and expenses for the Quest Receivership. The Receiver has been able to grow Quest's revenues since that time and therefore, he believes Quest likely will generate sufficient revenues to cover its expenses. However, the Receiver believes that the assets and potential value of Quest is significantly less than the outstanding balance of its investors' principal investment amounts.

The Receiver also instituted a separate claims process for the Quest Receivership. On June 15, 2016, the Receiver filed a motion to initiate the Quest claims process. The motion sought the Court's approval of (1) a proof of claim form and procedure to administer claims, (2) a deadline for the filing of proofs of claim, and (3) notice by mail and publication ("**Quest Claims Motion**") (Doc. 1240). On June 17, 2016, the Court granted the Quest Claims Motion in its entirety. The Court established a claim bar date 90-days from the mailing of the proof of claim form to known potential Claimants. Pursuant to the Court's order, any person or entity who failed to submit a proof of claim to the Receiver on or before the claim bar date is precluded from asserting any claim against Quest. The Court's order further provided that sufficient and reasonable notice was given by the Receiver if made (1) by mail to the last known addresses of all known potential claimants, (2) by publication

on one day in the national edition of The USA Today and The Abilene Reporter-News, and (3) on the Receiver's website (www.nadelreceivership.com).

In compliance with the Court's Order, on July 14, 2016, the Receiver mailed 501 packages to known investors and their attorneys, if any, and any other known potential creditors of Quest thereby establishing October 12, 2016 as the Claim Bar Date. Each package included a cover letter, the claims process instructions, and a proof of claim form. The Receiver also published notice of the claims process in the form approved by the Court in the national edition of The USA Today and The Abilene Reporter-News on August 8, 2016, and provided all pertinent documents for the claims process on his website.

The Receiver received 95 submitted claims, seeking approximately \$15,804,250.21 in the aggregate.⁹ The Receiver has completed his review of these claims and substantially prepared a motion to approve his claims determinations and a proposed objection procedure. The Receiver intends to file this motion in the near future.

At the time Quest was placed in Receivership, it maintained leases on three fields, which contained a total of 90 gas and oil wells. A number of these wells were located on a plot of land in Callahan County, Texas, consisting of twenty-seven tracts covering approximately 4,346.63 mineral acres (the "**Hatchett Lease**"). On March 3, 2017, the Receiver filed an emergency motion to enjoin an administrative proceeding before the Texas

⁹ These amounts do not include claims for unspecified amounts of interest, fees, or penalties which were sought by some Claimants. Further, some Claimants did not specify the claim amount they are seeking. These numbers reflect the amounts to which Claimants claim they are entitled and not how much the Receiver has determined is the appropriate amount of their claims under law and equity.

Railroad Commission initiated by one of the owners of the Hatchett Lease (Doc. 1261). The motion also sought an order to show cause why sanctions should not be imposed against the Hatchett Lease owners and their representatives for failure to comply with the Court's order appointing the Receiver (Doc. 1261). Two lessors – John Carney and Byron Hatchett – opposed the motion and also sought leave to file a suit for damages and declaratory relief against the Receiver (Docs. 1268, 1269, and 1271). A hearing was held before this Court on March 22, 2017. The Court entered an order granting the Receiver's motion to stay, denying the Receiver's order to show cause, and denying John Carney and Byron Hatchett's motions for leave to file suit (Doc. 1272). The Court directed the parties to file legal memoranda on or before April 19, 2017, explaining whether the Hatchett Lease expired on April 15, 2016. On May 5, 2017, the Receiver submitted the requested brief in support of his position that the Hatchett Lease had not expired (Doc. 1285). John Carney and Byron Hatchett each also submitted additional briefing claiming that the lease had expired and the Receiver had forfeited all rights to recover any equipment on the property (Docs. 1287 and 1288). The equipment remaining on the property was valued at approximately \$200,000.

On June 1, 2017, the Court entered an order finding that while the Receiver tried in earnest to begin drilling or reworking operations after the one producing well on the property ceased production, these efforts did not extend the lease (Doc. 1290). The Court further found that the Receiver was entitled to recover the equipment from the property within 90

days after entry of the order (August 30, 2017). Pursuant to the order, the Receiver released the Hatchett Lease on June 1, 2017.¹⁰

On August 15, 2017, the Receiver filed a verified motion for approval of the sale of certain assets of Quest and the disposition of other assets of Quest (Doc. 1302). In pertinent part, the motion sought the Court's approval of the sale of various equipment recovered from the Hatchett Lease (the "**Hatchett Lease Equipment**"). The Hatchett Lease Equipment included pumping units, separators, a test tank trailer, and fuel, water, and oil tanks, among other things. After the Court's June 1, 2017 Order, the Receiver made efforts to sell this equipment.¹¹ As a result of the Receiver's efforts, he received an offer on an "as is" basis for the following assets: (1) Model 160 pumping unit for \$5,500.00; (2) Model 114 chain-drive pumping unit for \$3,000.00; (3) Emsco Model 57 pumping unit for \$3,750.00; and (4) CMC Model 57 pumping unit for \$1,750.00. The purchaser agreed to remove the items from the Hatchett Lease on or before August 30, 2017. The Receiver also requested that the Court enter an order authorizing him to sell or otherwise dispose of, using commercially reasonable efforts, the remaining Hatchett Lease Equipment. The Court granted this motion on August

¹⁰ The Hatchett Lease lessors subsequently withdrew their complaint before the Texas Railroad Commission, and the Commission entered Orders of Dismissal on July 20, 2017. The Receiver and the Hatchett Lease lessors are working together to transfer possession and responsibility of any well bores that the lessors wish to keep and to plug those wells that the lessors do not plan to use.

¹¹ The Receiver was previously granted authority to sell, donate, or otherwise dispose of personal property having a value of less than \$5,000 without prior approval of this Court (Doc. 97). Pursuant to this order, the Receiver sold a used 210 bbl fiberglass water tank for \$2,500 in March 2018. The Receiver also consigned office furniture and other miscellaneous office items. As of June 13, 2018, the Receiver has received \$841.00 from the sales of office items.

17, 2017 (Doc. 1304). The Receiver completed the above sale and deposited \$14,000 into the Quest Receivership account. The Receiver also recovered all unsold Hatchett Lease Equipment by August 30, 2017. The Receiver is storing and/or using the remaining assets until they are sold or otherwise disposed.

On November 12, 2014, the Court granted the Receiver's motion for leave to retain WhiteHorse Partners, LLC ("**WhiteHorse**") to market and assist the Receiver with the sale of Quest. On April 2, 2018, WhiteHorse withdrew from the marketing agreement. The Receiver is exploring other options for selling Quest and its assets.

B. Recovery of Real Property.

In addition to the assets discussed in conjunction with the expansion of the Receivership in Section IV.A, the Receiver also has recovered a number of other assets, some of which continue to be valued, assessed, and otherwise analyzed for liquidation, disposition, or other action. Again, assets which have been sold or otherwise disposed of are identified on the attached **Exhibit B**.

1. Sarasota, Florida (La Bellasara).

On January 28, 2010, the Court granted the Receiver's motion (Doc. 324) for possession of property located at 464 Golden Gate Point, Unit 703, Sarasota, Florida (the "**Bellasara Property**") (Doc. 327). The Bellasara Property is a residential condominium unit in a building called La Bellasara. On or about May 23, 2006, Neil Moody, as Trustee of the Neil V. Moody Revocable Trust, purchased the Bellasara Property for \$2,160,000. The Bellasara Property had two known encumbrances: a primary mortgage loan in the amount of \$956,000 and a home equity line of credit from Wells Fargo with an initial balance of

\$880,000. The primary mortgage loan from MSC Mortgage, LLC was assigned to Wells Fargo soon after Moody's purchase of the Bellasara Property and subsequently assigned in 2009 to Bank of America. The primary loan was serviced by Wells Fargo. Neither bank ever filed a claim in the Receivership relating to either of the two loans. The La Bellasara Condominium Association, Inc. ("**Condominium Association**") also asserted that it was owed approximately \$154,626.30 in unpaid condominium assessments. The Condominium Association also did not file a claim in the Receivership.

On April 15, 2015, the Receiver filed a verified motion to approve the sale of the Bellasara Property (Doc. 1174). On April 29, 2015, the Court granted the motion in its entirety (Doc. 1177). In pertinent part, the order approved the sale of the Bellasara Property for \$2,300,000 and approved the Receiver's request to allow him to hold the proceeds in trust until the disputes between the Receiver and the banks and the Condominium Association were resolved. On June 1, 2015, the Receiver received the net amount of \$2,147,993.69 from the sale of the property after payment of commissions and costs associated with the sale. As discussed in Section V. below, the Receiver initially prevailed on a motion for a determination that Wells Fargo's failure to comply with the claims process extinguished its purported interest in Receivership properties, including the Bellasara Property. Wells Fargo filed an appeal of this decision, and the appellate court reversed the Court's order.

On June 12, 2017, the Receiver filed an unopposed motion for approval of a proposed partial settlement with Wells Fargo (Doc. 1291). The settlement provided in pertinent part that the Receiver would disburse to Wells Fargo the sale proceeds less costs from the sale of the Bellasara Property in the amount of \$2,106,140.29. During the time that the Receiver

was attempting to sell the Bellasara Property, the Receivership incurred costs for condominium association dues, storage, appraisals, and utilities, totaling approximately \$41,664.90. Wells Fargo agreed to reimburse the Receiver for these costs and that reduction is reflected in the settlement payment amount stated above. The amount of the encumbrances exceeds the total sale proceeds. Thus, the motion sought the authority to disburse the entire amount to Wells Fargo as the senior noteholder.

After the filing of this motion, the Condominium Association filed a motion for time to file a potential objection (Doc. 1292). On June 20, 2017, the Condominium Association and Wells Fargo filed a stipulation regarding this potential objection wherein Wells Fargo agreed that the Receiver could disburse \$103,109.60 of the sale proceeds to the Condominium Association with the remaining funds being disbursed to Wells Fargo (Doc. 1295). On June 21, 2017, the Court entered an order granting the motion for settlement in its entirety (Doc. 1296). That same day, the Court entered an order specifying that the order at Docket 1296 is subject to the stipulation between Wells Fargo and the Condominium Association (Doc. 1297). On June 22, 2017, the Receiver sent \$103,109.60 to the Condominium Association by wire transfer. The Receiver sent the total amount of \$2,003,030.69 to Wells Fargo in two wire transactions on June 22, 2017 and July 7, 2017.

2. Graham, North Carolina (the Rite-Aid Building).

The Receiver had possession and control of a building located at 841 South Main Street, Graham, North Carolina 27253 (the “**Rite-Aid Building**”). This building was purchased for \$5,310,000 and was leased to a Rite-Aid Pharmacy. The Rite-Aid Building had one known encumbrance: a \$2,655,000 interest-only loan with Wells Fargo, which

matured in June 2009 (the loan was made by its predecessor Wachovia Bank, N.A.). The Receiver paid interest on this loan through October 2009. On May 8, 2012, over the objection of Wells Fargo, the Court approved the sale of the Rite-Aid building for \$2,400,000 free and clear of all encumbrances (Docs. 840, 841). Wells Fargo filed an emergency motion for reconsideration of the Court's order approving the sale of the Rite-Aid Building on May 14, 2012 (Doc. 853), which the Court denied on May 15, 2012 (Doc. 853). The Receiver obtained \$2,229,463.15 in net proceeds after payment of commissions and other expenses associated with the sale. The sale proceeds were held until Wells Fargo's claim to them was resolved.

On June 12, 2017, the Receiver filed an unopposed motion for approval of a proposed partial settlement with Wells Fargo (Doc 1291). The settlement provided in pertinent part that the Receiver would disburse to Wells Fargo the sale proceeds less expenses from the sale of the Rite Aid Property in the amount of \$2,224,563.15. The Receiver incurred expenses of approximately \$9,200 for an appraisal of the Rite Aid Property and \$300 for certain processing fees. Wells Fargo agreed to reimburse the Receiver for the processing fees and half of the appraisal. That reduction is reflected in the settlement payment amount stated above. The Court granted this motion on June 21, 2017 (Doc. 1296). Pursuant to the terms of the settlement, the Receiver disbursed \$2,224,563.15 of the sale proceeds to Wells Fargo on June 22, 2017.

Wells Fargo also claimed an interest in the rental income collected by the Receivership estate, which the Receiver disputed. The Receiver and Wells Fargo participated in a mediation on September 28, 2017 to try to resolve this dispute but were

unable to reach an agreement. On December 1, 2017, Wells Fargo filed a motion for an order directing the Receiver to turnover rents of \$1,322,923.20, which the Receivership had collected from the Rite Aid Property (Doc. 1332). In addition to the rents, Wells Fargo filed a motion seeking \$527,548.10 in attorneys' fees and \$41,074.64 in costs incurred in connection with the Receivership proceedings (Doc. 1333). The Receiver filed oppositions to these motions (Docs. 1342, 1343, 1351, and 1352).

On February 20, 2018, the Court entered an order granting the motion to turnover rents and denying in part the motion for fees (Doc 1354). The Court denied Wells Fargo's claim for \$527,548.10 in attorneys' fees and only allowed costs that previously had been awarded by two other courts in the total amount of \$41,074.64. On February 23, 2018, the Receiver sent payment in the amount of \$1,363,997.84 to Wells Fargo.

C. Recovery of Other Items.

The Receiver has recovered various other items, including vehicles, jewelry, promissory notes, and stock. Any of these items that have been sold or otherwise disposed of are identified on the attached Exhibit B. For more information regarding these items and their disposition, please refer to prior Interim Reports.

1. Deficiency Judgment and Promissory Note.

The Receiver has a deficiency judgment against the former owner of a condominium who had executed a promissory note payable to Mrs. Nadel. The Receiver foreclosed on the condominium and obtained a deficiency judgment in the amount of \$99,963.37. The Receiver recorded this judgment and is attempting to collect on it. (*See Exhibit B for information regarding the disposition of the condominium.*)

As mentioned above in Section IV.A.5, the Receiver also has a promissory note from Quest and the Downeys to Valhalla Investment Partners in the amount of \$1,100,000. Quest made monthly interest payments on this note through January 2013.

2. MAM Software Group and TRD Land 43, LLC

In May 2018, the Receiver learned of a tender offer with the MAM Software Group (“MAM”), which occurred in or around November 2015. As part of that tender offer, Neil Moody received \$59,692.50 in exchange for tendering 106,299 shares titled in the name of his trust. The Receiver sent correspondence to Mr. Moody on May 25, 2018, demanding the turnover of these funds pursuant to the settlement agreement with Mr. Moody discussed in Section IV.D. below. In response to this letter, Mr. Moody sent \$59,692.50 to the Receiver by wire transfer on June 4, 2018.

On May 4, 2017, Chris Moody informed the Receiver that the Chris Moody Trust received a payment of \$4,800 from TRD Land 43 in connection with an investment made by the trust. This payment represented the trust’s share of investment funds being returned to investors. Mr. Moody timely turned this payment over to the Receiver, and it was deposited into the Receivership accounts. The Receiver anticipates that he may receive an additional recovery on this investment when the underlying property is sold.

3. Miscellaneous Items.

In connection with the recovery of assets from the Moodys discussed below, the Receiver obtained 309,097 privately held shares in Nerium Biotechnology and 123,218 privately held shares of Phoenix Biotechnology. There is not currently a market for these shares and the Receiver cannot endorse the viability or legitimacy of these entities; however,

the shares may have some value. Parties interested in purchasing these shares, should contact the Receiver directly.

D. Recovery of Assets from the Moodys.

The Receiver's investigation revealed that a significant portion of activities of certain Hedge Funds should have been managed and directed by the Moodys. Together, the Moodys received approximately \$42 million in fees from certain Receivership Entities.¹²

Chris Moody cooperated with the Receiver in connection with the turnover of all of his assets. Neil Moody initially did not cooperate with the Receiver. Accordingly, the Receiver instituted an action against him individually and in his capacity as Trustee of the Neil Moody Revocable Trust and the Neil Moody Charitable Foundation. On January 6, 2011, the Receiver reached an agreement with Neil Moody to settle claims brought by the Receiver against him and his related entities. The Court approved this settlement on February 23, 2012 (Doc. 754). For more information regarding this settlement, please refer to the Twelfth Interim Report.

Meaningful assets the Receiver has identified for Chris Moody are delineated on the attached **Exhibit C**. Neil Moody's meaningful assets are identified on the attached **Exhibit D**. The Receiver is continuing to evaluate these assets and will take appropriate actions as he determines are in the best interests of the Receivership. Entities in which the Receiver believes he may have a viable interest or potential for meaningful recovery have been put on notice of the Receiver's interests and rights.

¹² For information regarding the enforcement action instituted against the Moodys, please refer to the Fourteenth Interim Report and prior Interim Reports.

E. Litigation.

In January 2010, the Receiver filed **134** lawsuits seeking approximately **\$71,096,326.43**. The lawsuits sought (1) the recovery of false profits from investors; (2) the recovery of transfers from Receivership Entities to Neil and Sharon Moody, Donald and Joyce Rowe, and certain of their affiliated entities; (3) the recovery of other transfers, such as commissions, from other individuals and/or entities; and (4) the recovery of certain charitable contributions made with scheme proceeds. The Receiver also initiated litigation against Holland & Knight, Wells Fargo Bank, and Anne Nadel. With the exception of matters involving one profiteer, the Receiver has resolved all litigation. For information regarding litigation brought by the Receiver and settlements reached with defendants, please refer to prior Interim Reports.

1. Recovery of “Investment” – Related Transfers from Investors.

The Receiver determined that some purported investor accounts received monies in an amount that exceeded their investments. These purported profits were false because they were not based on any trading or investment gain, but rather were fruits of a Ponzi scheme that consisted of commingled funds of new and existing investors. The Receiver discovered approximately \$35 million in such “false profits.” In consultation with the Commission, the Receiver concluded that, in the best interests of the Receivership Entities and the investors as a whole, these inequitable distributions should be recovered and distributed in an equitable manner among Claimants holding legitimate and allowed claims (as determined by the claims process).

As of July 31, 2018, the Receiver has reached 159 agreements to settle with profiteers and non-profit organizations in the amount of **\$25,674,831.09** and obtained 19 judgments against profiteers in the amount of **\$6,402,639.38** for a total combined amount of **\$32,077,470.47** (plus additional non-cash assets).¹³ The Court has approved all of the settlements. As of the date of this Interim Report, the only remaining unresolved litigation originated in *Wiand v. Lee*, Case No. 8:10-cv-0092-EAK-MAP, wherein the defendant appealed the Court's decision in favor of the Receiver and the appellate court remanded for a determination of prejudgment interest.

In *Lee*, the parties participated in mediation conferences before Magistrate Judge Porcelli aimed at resolving the prejudgment interest issue as well as an impleader action brought against Ms. Manon Sommers-Lee. The impleader action seeks to recover a residence which was funded with proceeds Mr. Lee obtained as a result of Nadel's scheme and is now in the possession of Ms. Sommers-Lee (the "**Lee Property**"). The parties were unable to reach a resolution at mediation. On February 2, 2015, Vernon Lee filed a petition for relief under Chapter 7 of the Bankruptcy Code. The Court determined to administratively close the case due to the bankruptcy proceeding on March 20, 2015. On March 18, 2015, the Receiver filed a motion to dismiss the bankruptcy. This motion was denied on May 1, 2015.

¹³ This includes \$127,114.23 that was awarded to the Receiver in an arbitration proceeding encompassing two clawback cases. The defendants paid the Receiver the entire amount awarded while the Receiver's motion to confirm the award was pending before the Court. This also includes a judgment in the amount of \$6,477.30 for attorneys' fees and costs which the Receiver obtained against a profiteer in connection with his frivolous objections to the Receiver's determination of claims he submitted in the claims process.

On May 5, 2015, the Receiver filed a proof of claim for \$1,391,269.41 representing the full amount of the judgment plus interest. On May 8, 2015, the Receiver filed a complaint objecting to the discharge and seeking an equitable lien or a constructive trust on the Lee Property. On November 20, 2015, the Receiver filed a motion for summary judgment with respect to entitlement to the Lee Property. A hearing on this motion was held on January 22, 2016. On June 23, 2017, the bankruptcy court entered an order granting partial summary judgment to the Receiver. The Court found that (1) the Receiver is entitled to an equitable lien and a constructive trust in the amount of \$227,126.78 plus prejudgment interest on the Lee Property, and (2) the Receiver's lien is superior to any claim of the defendants who cannot interfere with the Receiver's foreclosure on the property. On July 20, 2017, after considering supplemental memoranda submitted by the parties on the prejudgment interest issue and arguments of counsel at a July 18, 2017 status conference, the bankruptcy court entered a final judgment that the Receiver's equitable lien and constructive trust should include prejudgment interest in the amount of \$109,764.61, bringing the total equitable lien and constructive trust to \$336,891.39, which will continue to accrue interest at the federal statutory rate.

On July 24, 2017, the defendants filed a notice of appeal of this final judgment. The parties submitted appellate briefs and oral argument was heard on January 17, 2018 before the Honorable Charlene Edwards Honeywell. On July 3, 2018, the United States District Court affirmed the bankruptcy court's final judgment. On July 27, 2018, the defendants filed a notice of appeal of this decision to the United States Court of Appeals for the Eleventh Circuit.

On September 15, 2017, the Receiver filed a Motion to Enforce Constructive Trust through Turnover of Real Property, or in the Alternative, through Foreclosure of the Receiver's Equitable Lien in this Court (Doc. 1310). The defendants submitted responses *pro se*. On November 1, 2017, the Court entered an order denying without prejudice to seek the same relief in the original underlying federal case brought by the Receiver against Mr. Lee (Doc. 1328). The Receiver will likely wait for a decision on the appeal before proceeding further with this motion.

V. Claims Process.

On April 20, 2010, the Receiver filed his Motion to (1) Approve Procedure to Administer Claims and Proof of Claim Form, (2) Establish Deadline for Filing Proofs of Claim, and (3) Permit Notice by Mail and Publication (Doc. 390) ("**Claims Motion**"), which the Court granted on April 21, 2010 (Doc. 391). Pursuant to the Court's Order, any person or entity who failed to submit a proof of claim to the Receiver so that it was actually received by the Receiver on or before September 2, 2010, the claim bar date, is barred and precluded from asserting any claim against the Receivership or any Receivership Entity.

The Receiver received 504 claims, of which 478 claims were submitted in connection with 473 investor "accounts"¹⁴ ("**Investor Claimants**"). The Receiver also received 26 claims from other purported creditors ("**Non-Investor Claimants**") (Investor Claimants and Non-Investor Claimants are collectively referred to as "**Claimants**"), including two claims from taxing authorities. On December 7, 2011, the Receiver filed his Motion to (1) approve

¹⁴ In reality, Nadel and the Receivership Entities did not maintain separate investor accounts. Nevertheless, for ease of reference they are referred to as "**Investor Accounts**."

determination and priority of claims, (2) pool Receivership assets and liabilities, (3) approve plan of distribution, and (4) establish objection procedure (“**Claims Determination Motion**”) (Doc. 675). The Receiver recommended that \$131,308,943.50 in Investor Claims and two tax lien claims be allowed. On March 2, 2012, the Court granted the Claims Determination Motion except with respect to a claim submitted by Wells Fargo (the “**March 2 Order**”) (Doc. 776).

The Court reserved ruling on the Wells Fargo claim and on several motions and objections filed by Wells Fargo and, in some instances, its affiliate TRSTE, Inc., relating to that claim and other purported interests in Receivership assets. (*See* Docs. 689, 690, 718, 719, 740.) On January 17, 2013, the Court entered an order deferring ruling on Wells Fargo’s motions pending the outcome of the Receiver’s case against Wells Fargo. (Doc. 955.) On December 7, 2015, the Receiver filed a motion for a determination that Wells Fargo’s failure to comply with the Court’s claims process extinguished its purported interests in Receivership properties. The Court granted this motion on February 2, 2016. Wells Fargo filed an appeal of this Court’s decision on March 2, 2016. Oral argument was held on December 8, 2016. On February 22, 2017, the Eleventh Circuit Court of Appeals reversed the Court’s determination that Wells Fargo was required to file timely proof of claims to protect its secured interests in the Bellasara and Laurel Preserve Properties.

Beginning April 27, 2012 through December 20, 2016, the Receiver filed motions seeking the approval of six interim distributions in the total amount of approximately \$62 million on a *pro rata* basis (Docs. 825, 945, 1085, 1113, 1212, and 1253). The motions also sought the establishment, increase, and/or release of reserves as appropriate. The Court

granted each of these motions (Docs. 839, 946, 1087, 1114, 1213, and 1259). These distributions provided a recovery of approximately 48.18% of the allowed amount of the claims entitled to receive them. All interim distribution checks from these distributions have been negotiated with the exception of one check from the sixth interim distribution in the amount of \$4,569.38.

More recently, on August 31, 2017, the Receiver filed a motion seeking the approval of (1) a seventh interim distribution of \$5,000,000.00 on a *pro rata* basis, representing an additional recovery of 3.81% of the allowed amount of claims receiving a distribution at that time, bringing the total recovery to approximately 51.99% of the allowed amount of these claims (Doc. 1308). On September 15, 2017, the Court granted the Receiver's motion in its entirety (Doc. 1309). All interim distribution checks have been mailed to Claimants holding claims which were determined to be entitled to participate in the interim distributions, and as of July 31, 2018, two checks totaling \$18,327.99 from this interim distribution have not been negotiated.¹⁵

¹⁵ As discussed in detail in each of the motions for interim distribution and on the exhibits attached to each motion, certain claims were not entitled to participate in the distribution and the distribution amounts apportioned to those claims reverted to the Receivership. For example, Claim Number 391 was not entitled to participate in any distributions of Receivership assets until and if all Class 1 Claims received 50% of their allowed amounts. Because the prior interim distributions provided a combined recovery of 48.81% to such Class 1 Claims, this claim was not entitled to participate in those distributions. Accordingly, the amounts apportioned to Claim Number 391 were not distributed and reverted to the Receivership. The seventh interim distribution brought the total combined recovery to approximately 51.99% for such Class 1 Claims, therefore Claim Number 391 was entitled to participate in that distribution to the extent the percentage of recovery exceeded 50%. As such, Claim 391 received approximately 1.99% of its allowed amount and the remainder reverted to the Receivership.

VI. Overview of Remaining Assets.

As of July 31, 2018, the total funds in all Receivership accounts are approximately \$704,286.86. As discussed above, the Receiver already has distributed a total of approximately **\$67 million** to Claimants with allowed claims that were entitled to receive distributions, representing a total recovery of approximately 51.99% of the allowed amounts for those claims. The Receiver is diligently working on recovering more funds in the hopes to make additional distributions to these Claimants. To accomplish this, the Receiver is (1) managing and attempting to sell the remaining properties and other miscellaneous assets currently held by the Receivership; (2) pursuing pending litigation involving the collection of a judgment and prejudgment interest against a clawback defendant; and (3) continuing to engage in other collection efforts on judgments obtained in connection with litigation.

A. Remaining Properties and Other Assets.

The Receiver is in possession of essentially two properties that remain to be sold. These two properties consist of (1) the remaining lots and cabin home held in the names of the Guy Nadel Foundation and Laurel Preserve in North Carolina (*see* Sections IV.A.1 and IV.A.2 above) and (2) the approximately 1.7 undeveloped acres in Bradenton, Florida held by Summer Place (*see* IV.A.4 above).¹⁶ The Receiver is continuing his efforts to sell these properties. The Laurel Preserve cabin home is encumbered by a \$360,157.37 loan from BB&T Bank. The Receiver has information which suggests that BB&T has filed or will file

¹⁶ This does not include an office building owned by the Quest Receivership, which has a current assigned value of \$106,939 by the local county taxing authority and has an outstanding principal balance with First National Bank in the amount of \$46,522.48 as of October 22, 2015. The loan payoff amount including interest at that time was \$55,068.60.

a foreclosure proceeding regarding this property. The Receiver does not believe that the value of the cabin home exceeds the amount of BB&T's encumbrance.

The Receiver also has possession of various miscellaneous assets which include artwork, furniture, and the like. While the Receiver is attempting to maximize the recovery from the sale of these assets, he does not anticipate any significant recovery (*i.e.*, in excess of \$20,000). The Receiver is also diligently working on evaluating, managing, and selling various assets obtained from the Moodys. The Receiver acquired the Moodys' interests in various companies. However, from the Receiver's research, it appears that many of these companies are no longer in business and thus, the interests in these companies have little to no value. For more information regarding these interests, please refer to Exhibits C and D.

The Receiver expanded the Receivership to include Quest, a Texas oil and gas company. The Receiver is marketing Quest and will continue to operate it in an effort to preserve and maximize its value until it is sold. The Receiver has initiated a claims process for the Quest Receivership solely for claims against Quest. All claims were to be submitted to the Receiver on or before October 12, 2016. The Receiver has completed his review of these claims and substantially prepared a motion to approve his claim determinations and a proposed objection procedure. The Receiver intends to file this motion in the near future.

B. Remaining Clawback Litigation.

All clawback cases which were pending in district court and arbitration have been resolved. As discussed above, there is one case remaining, which involves a clawback defendant's appeal of a bankruptcy court's decision in favor of the Receiver regarding the imposition of an equitable lien and a constructive trust in the amount of \$336,891.39 on a

residential property. Please refer to Section IV.E.1 for more information regarding this matter.

C. Settlements and Outstanding Judgments.

As noted above, as of July 31, 2018, the Receiver has settled 159 cases brought against profiteers and non-profit organizations for the total amount of \$25,674,831.09. The Receiver has collected \$25,722,333.35 on these settlements, and no amounts remain to be paid.¹⁷ The Receiver also obtained 19 judgments against profiteers and non-profit organizations for the total amount of \$6,402,639.38. The Receiver has collected \$3,009,380.22 of the total judgment amount. The Receiver is proceeding with collection efforts on the outstanding judgments as appropriate. While the Receiver is hopeful that he will recover funds on the majority of these judgments, the Receiver believes it is unlikely that he will be able to fully satisfy them. Parties interested in purchasing these judgments should contact the Receiver directly.

The Receiver also obtained a judgment against the Rowe Defendants in the amount of \$4,028,385.00. The Receiver has recovered \$2,892,315.39 on this judgment. The Rowe Defendants represented and warranted that they do not have sufficient non-exempt assets to satisfy the remaining amount under the judgment. After receipt of a payment of \$200,000 from an annuity purchased by the Rows (which is included in the amount above), the Receiver released the Rowe Defendants from the remainder of the judgment.

¹⁷ The total amount collected includes \$47,502.26 in interest, which was paid in connection with settlement payments that were paid over time.

VII. The Next Ninety Days.

The Receiver will proceed with pending litigation and collection efforts. He will continue to thoroughly consider and review any settlement offers and engage in settlement negotiations. The Receiver will make every effort to reach compromises that are in the best interests of the Receivership Entities and the investors.

The Receiver will continue to market properties for sale and entertain offers for purchase.

The Receiver also will continue Quest's operations to maintain and, if possible, enhance its value. While the Receiver will continue to operate Quest's business and maintain other Receivership properties, he is actively seeking to wind down this Receivership and the Quest Receivership.

CONCLUSION

Creditors and investors in the Receivership Entities are encouraged to periodically check the informational website (www.nadelreceivership.com) for current information concerning this Receivership. The Receiver and his counsel have received an enormous amount of emails and telephone inquiries and have had to expend significant resources to address them. To minimize those expenses, creditors and investors are strongly encouraged to consult the Receiver's website before contacting the Receiver or his counsel. However, the Receiver continues to encourage individuals or attorneys representing investors who may have information that may be helpful in securing further assets for the Receivership estate or identifying other potential parties who may have liability to either the Receivership estate or

investors directly either to email jrizzo@wiandlaw.com or call Jeffrey Rizzo at 813-347-5100.

Dated this 21st day of August, 2018.

Respectfully submitted,

s/Burton W. Wiand

Burton W. Wiand, Receiver

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on August 21, 2018, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system.

s/Jared J. Perez

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EXHIBIT A



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REPORT OF STANDARDIZED FUND ACCOUNTING REPORT

Consolidated Nadel Entities
Tampa, FL

We have compiled the standardized fund accounting report as of April 30, 2018 for the thirteen month period then ended, included in the accompanying prescribed form (Civil Court Docket No. 8:09-cv-87-T-26TBM). We have not audited or reviewed the accompanying standardized fund accounting report and accordingly, do not express an opinion or any assurance about whether the standardized fund accounting report is in accordance with the form prescribed by the Civil Court Docket No. 8:09-cv-87-T-26TBM).

Consolidated Nadel Entities is responsible for the preparation and fair presentation of the standardized fund account report in accordance with requirements prescribed by the Civil Court Docket No 8:09-cv-87-T-26TBM and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the standardized fund accounting report.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist Consolidated Nadel Entities in presenting financial information in the form of a standardized fund accounting report without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the standardized fund accounting report.

This standardized fund accounting report is presented in accordance with the requirements of the Civil Court Docket No. 8:09-cv-87-T-26TBM , which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Civil Court Docket No 8:09-cv-87-T-26TBM and is not intended and should not be used by anyone other than this specified party.

A handwritten signature in dark ink, appearing to read "PDR CPAs + ADVISORS", is written over the printed name.

Oldsmar, Florida
June 6, 2018

Standardized Fund Accounting Report
for Consolidated Nadel Entities - Cash Basis
Receivership; Civil Court Docket No. 8:09-cv-87-T-26TBM
Reporting Period 04/01/17 to 04/30/18

Fund Accounting (See Instructions):				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 04/01/17):			5,811,938.27
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	583,309.78		
Line 3	Cash and Securities			
Line 4	Interest/Dividend Income	81,379.72		
Line 5	Business Asset Liquidation	57,500.00		
Line 6	Personal Asset Liquidation			
Line 7	Third-Party Litigation Income	-		
Line 8	Miscellaneous - Other (see attached)	3,438,623.38		
	Total Funds Available (Line 1 - 8):		4,160,812.88	9,972,751.15
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	4,928,204.87		
Line 10	Disbursements for Receivership in Operations			
Line 10a	Disbursements to Receiver or Other Professionals	215,509.46		
Line 10b	Business Asset Expenses	4,151,975.87		
Line 10c	Personal Asset Expenses			
Line 10d	Investment Expenses			
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees			
	2. Litigation Expenses			
	Total Third-Party Litigation Expenses			
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments	47,686.01		
	Total Disbursements for Receivership Operations		9,343,376.21	\$9,343,376.21
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:			
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	Total Plan Development Expenses			

See accountants' compilation report

Standardized Fund Accounting Report
for Consolidated Nadel Entities - Cash Basis
Receivership; Civil Court Docket No. 8:09-cv-87-T-26TBM
Reporting Period 04/01/17 to 04/30/18

Fund Accounting (See Instructions):		Detail	Subtotal	Grand Total
Line 11b	Distribution Plan Implementation Expenses:			
	1. Fees:			
	Fund Administrator			
	IDC			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Investor Identification:			
	Notice/Publishing Approved Plan			
	Claimant Identification			
	Claims Processing			
	Web Site Maintenance/Call Center			
	4. Fund Administrator Bond			
	5. Miscellaneous			
	6. Federal Account for Investor Restitution (FAIR) Reporting Expenses			
	Total Plan Implementation Expenses			
	Total Disbursements for Distribution Expenses Paid by the Fund			
Line 12	Disbursements to Court/Other:			
Line 12a	Investment Expenses/Court Registry Investment System (CRIS) Fees			
Line 12b	Federal Tax Payments			
	Total Disbursements to Court/Other:			
	Total Funds Disbursed (Lines 9 - 11)			9,343,376.21
Line 13	Ending Balance (As of 04/30/18)			629,374.94
Line 14	Ending Balance of Fund - Net Assets:			629,374.94
Line 14a	Cash & Cash Equivalents			629,374.94
Line 14b	Investments			
Line 14c	Other Assets or Uncleared Funds			
	Total Ending Balance of Fund - Net Assets			629,374.94

See accountants' compilation report

Misc Items

Processing fee for re-issuing claim 365	100.00
Jackson National Life - surrender of Rowe annuity policy	241,717.33
Processing fee for re-issuing claim 6	100.00
TRD Land, return of Chris Moody's portion of LLC	4,800.00
Processing fee for re-issuing claim 396	100.00
Processing fee for re-issuing claims 293, 294 & 296	100.00
IRS tax refund	2,920,359.71
Processing fee for re-issuing claim 13	100.00
Wells Fargo to foreclose on Laurel Mountain Property per agreement	254,073.76
Processing fee for re-issuing claim 18	100.00
Processing fee for re-issuing claim 329	100.00
Processing fee for re-issuing claim 399	100.00
Processing fee for re-issuing claim 315	100.00
Processing fee for re-issuing claim 413	100.00
Processing fee for re-issuing claim 372	100.00
Quest - AT&T litigation tax settlement	72.58
Sale of Quest equipment	14,000.00
Sale of Quest equipment	2,500.00

Total	3,438,623.38
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REPORT OF STANDARDIZED FUND ACCOUNTING REPORT

Consolidated Nadel Entities
Tampa, FL

We have compiled the standardized fund accounting report for the period of January 27, 2009 to April 30, 2018, included in the accompanying prescribed form (Civil Court Docket No. 8:09-cv-87-T-26TBM). We have not audited or reviewed the accompanying standardized fund accounting report and accordingly, do not express an opinion or any assurance about whether the standardized fund accounting report is in accordance with the form prescribed by the Civil Court Docket No. 8:09-cv-87-T-26TBM).

Consolidated Nadel Entities is responsible for the preparation and fair presentation of the standardized fund account report in accordance with requirements prescribed by the Civil Court Docket No 8:09-cv-87-T-26TBM and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the standardized fund accounting report.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist Consolidated Nadel Entities in presenting financial information in the form of a standardized fund accounting report without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the standardized fund accounting report.

This standardized fund accounting report is presented in accordance with the requirements of the Civil Court Docket No. 8:09-cv-87-T-26TBM , which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Civil Court Docket No 8:09-cv-87-T-26TBM and is not intended and should not be used by anyone other than this specified party.

A handwritten signature in dark ink, appearing to read "PDR CPAs + ADVISORS", is written above the typed name.

Oldsmar, Florida
June 6, 2018

Standardized Fund Accounting Report
for Consolidated Nadel Entities - Cash Basis
Receivership; Civil Court Docket No. 8:09-cv-87-T-26TBM
Reporting Period 01/27/09 to 04/30/18

Fund Accounting (See Instructions):				
		Detail	Subtotal	Grand Total
Line 1	Beginning Balance (As of 01/27/09):			1,113,413.05
	<i>Increases in Fund Balance:</i>			
Line 2	Business Income	8,690,767.39		
Line 3	Cash and Securities	2,066,501.32		
Line 4	Interest/Dividend Income	1,177,260.59		
Line 5	Business Asset Liquidation	7,581,143.58		
Line 6	Personal Asset Liquidation	120,000.00		
Line 7	Third-Party Litigation Income	68,179,943.10		
Line 8	Miscellaneous - Other (see attached)	10,973,666.11		
	Total Funds Available (Line 1 - 8):		98,789,282.09	99,902,695.14
	<i>Decreases in Fund Balance:</i>			
Line 9	Disbursements to Investors	66,860,906.57		
Line 10	Disbursements for Receivership in Op	2,388.57		
Line 10a	Disbursements to Receiver or Other	21,599,452.96		
Line 10b	Business Asset Expenses	10,268,077.12		
Line 10c	Personal Asset Expenses	20,000.00		
Line 10d	Investment Expenses			
Line 10e	Third-Party Litigation Expenses			
	1. Attorney Fees			
	2. Litigation Expenses			
	Total Third-Party Litigation Expenses			
Line 10f	Tax Administrator Fees and Bonds			
Line 10g	Federal and State Tax Payments	522,494.98		
	Total Disbursements for Receivership Operations		99,273,320.20	99,273,320.20
Line 11	Disbursements for Distribution Expenses Paid by the Fund:			
Line 11a	Distribution Plan Development Expenses:			
	1. Fees:			
	Fund Administrator			
	Independent Distribution Consultant (IDC)			
	Distribution Agent			
	Consultants			
	Legal Advisors			
	Tax Advisors			
	2. Administrative Expenses			
	3. Miscellaneous			
	Total Plan Development Expenses			
See accountants' compilation report				

Standardized Fund Accounting Report
for Consolidated Nadel Entities - Cash Basis
Receivership; Civil Court Docket No. 8:09-cv-87-T-26TBM
Reporting Period from 01/27/09 to 04/30/18

Fund Accounting (See Instructions):			
	Detail	Subtotal	Grand Total
<i>Line 11b</i>	<i>Distribution Plan Implementation Expenses:</i>		
	1. Fees:		
	Fund Administrator		
	IDC		
	Distribution Agent		
	Consultants		
	Legal Advisors		
	Tax Advisors		
	2. Administrative Expenses		
	3. Investor Identification:		
	Notice/Publishing Approved Plan		
	Claimant Identification		
	Claims Processing		
	Web Site Maintenance/Call Center		
	4. Fund Administrator Bond		
	5. Miscellaneous		
	6. Federal Account for Investor Restitution		
	(FAIR) Reporting Expenses		
	Total Plan Implementation Expenses		
	Total Disbursements for Distribution Expenses		
	Paid by the Fund		
<i>Line 12</i>	<i>Disbursements to Court/Other:</i>		
<i>Line 12a</i>	<i>Investment Expenses/Court Registry Investment</i>		
	System (CRIS) Fees		
<i>Line 12b</i>	<i>Federal Tax Payments</i>		
	Total Disbursements to Court/Other:		
	Total Funds Disbursed (Lines 9 - 11)		99,273,320.20
<i>Line 13</i>	<i>Ending Balance (As of 04/30/18)</i>		629,374.94
<i>Line 14</i>	<i>Ending Balance of Fund - Net Assets:</i>		629,374.94
<i>Line 14a</i>	<i>Cash & Cash Equivalents</i>		629,374.94
<i>Line 14b</i>	<i>Investments</i>		
<i>Line 14c</i>	<i>Other Assets or Uncleared Funds</i>		
	Total Ending Balance of Fund - Net Assets		629,374.94
See accountants' compilation report			

Misc Detail from 1/27/09 to 04/30/18

<u>Date</u>	<u>From</u>	<u>Amount</u>
2/28/09	Received from Scoop Real Estate	30.00
4/30/09	Rec'd from Venice Jet Center	2,582.18
12/23/09	Received from Viking Oil & Gas	393.91
4/1/10	Bonds.Com	100,000.00
4/13/10	Held in Escrow by WGK for Shell	135,000.00
4/30/10	Bonds.Com	117,000.00
5/27/10	Money found in Andrew Martin's office	30.00
5/27/10	Check received from Chris Moody	8,085.00
6/18/10	Check from Holland Knight held in Trust	2,450.00
7/1/10	Bonds.Com	100,000.00
7/21/10	IRS refund from Marguerite Nadel	588,956.17
8/3/10	Carrie Olivo - sold used t.v.	200.00
8/18/10	IRS refund - Arthur Nadel	672,403.16
8/24/10	payment of sale of cherokee	5,000.00
9/21/10	sale of helicopter headsets	100.00
9/21/10	Refund from Regions - overpayment of HFH loan	9.27
12/10/10	Sharon Moody IRS refund	151,248.00
12/17/10	Sharon Moody IRS refund	108,047.00
12/17/10	Sharon Moody IRS refund	80,174.00
12/17/10	Sharon Moody IRS refund	78,495.00
1/21/11	Chris Moody IRS refund	578,355.64
1/21/11	Chris Moody IRS refund	297,547.00
2/4/11	Neil Moody IRS refund	100,266.95
2/25/11	Chris Moody IRS refund	80.53
5/10/11	Leslie Hindman Auctioneers - sale of jewelry	591,663.85
5/27/11	IRS refund check - Venice Jet Center	3,594.01
9/16/11	balance from acct at Goldman Sachs in name of Carlin Equities	13.43
3/13/12	Neil Moody IRS refund	365,284.99
4/18/12	Bonds.Com	366,973.60
8/3/12	Funds from Nadel's frozen acct at First Citizens Bank	4,576.81
8/3/12	Funds from Nadels frozen acct at Northern Trust	23,808.03
8/31/12	Chris Moody IRS refund	292,541.00
9/7/12	Marian Aubry Appraisals - sale of items of Neil Moody	7,787.00
9/14/12	Sale of Endai stock held by Valhalla	15,000.00
9/14/12	First America Bank - remaining funds in Neil Moody charitable foundation	375.25
10/1/12	Respiro beginning balance	12,116.18
10/12/12	Bonds.Com - sale of Receiver's shares back to Company	5,000.00
11/2/12	Marian Aubry Appraisals - sale of misc Scoop office artwork	272.30
11/2/12	Marian Aubry Appraisals - sale of misc. Neil Moody assets	1,531.00
12/5/12	Processing fee for re-issuing investor check for Carl Wierum	100.00
12/7/12	Marian Aubry Appraisals - sale of misc Nadel & Moody assets	682.50
12/11/12	Processing fee for re-issuing invejstor check for Norma Kaplan	100.00

12/20/12	Processing fee for re-issuing check to Angela Daukas	100.00
12/26/12	Processing fee for re-issuing check to Paula Lerner	100.00
1/4/13	Marian Aubry Appraisals - sale of misc Moody assets	623.00
1/30/13	Processing fee for re-issuing check to Mario Yu	100.00
1/31/13	Payment on promissory note/mortgage (related to clawback)	529.17
2/22/13	Sale of battery back-ups	34.80
2/22/13	Marian Aubry Appraisals - sale of misc Nadel & Moody assets	579.60
2/22/13	State of FL - sale/liquidation of MAMS shares held by Valhalla	12,797.20
3/18/13	Aubry Appraisals - sale of misc Moody assets	1,750.00
3/22/13	RWJ - sale of misc. items	1,887.86
3/28/13	Aubry Appraisals - sale of misc Moody assets	1,540.00
4/2/13	Processing fee for re-issuing check to Thomas Deppe IRA	100.00
6/4/13	IRS refund check - Marguerite Nadel	1,725,303.49
7/23/13	Sale of Fruitville Rd	68,450.55
8/1/13	Sale of Evergreen, CO	322,677.60
8/9/13	Sale of Rowe's Lexus	24,605.25
8/9/13	Refund deposit - Rowe	5,000.00
8/9/13	Liquidation fee - Rowe	500.00
8/16/13	Sale of Quest's BMW	3,566.12
10/4/13	Sale of Respiro	45,750.00
11/7/13	Aubry Enterprises - sale of Nadel assets	105.00
11/7/13	Aubry Enterprises - sale of Moody assets	1,531.60
12/6/13	Karin Leerevelt - settlement Chris Moody's Hideaway condo	35,000.00
12/6/13	Decora Svs - settlement Chris Moody's Hideaway condo	35,000.00
3/28/14	PTTSA Benefit Trust to Respiro	26.58
5/9/14	Jackson National Life - withdrawal from Rowe annuity policy	40,000.00
5/16/14	refund from Briggs Morgan - cancellation of garnishment	15.00
5/21/14	Processing fee for re-issuing check to Barrett McKenzie Hunter	100.00
5/23/14	Aubry Enterprises LLC - sale of misc D. Band assets (related to Rowe settlement)	696.00
6/5/14	Processing fee for re-issuing check to Charles Schwab	100.00
6/13/14	Processing fee for re-issuing check to Barrant Merrill	35.00
8/1/14	US Treasury refund	30.61
8/1/14	Aubry Enterprises - sale of band artwork (related to Rowe settlement)	450.00
8/12/14	Nadel - frozen account from Goldman Sachs	2,164.25
8/12/14	Nadel - frozen account from Goldman Sachs	3,634.35
8/13/14	Processing fee for re-issuing lost check to John Fries	35.00
8/13/14	Processing fee for re-issuing lost check to David Karpol	35.00
8/13/14	Processing fee for re-issuing lost check to James Bos	35.00
8/22/14	Aubry Appraisals - painting for Band estate	75.00
1/16/15	Witness fee for subpoena to Quest	20.00
4/17/15	Jackson National Life - withdrawal from Rowe annuity policy	40,000.00
6/22/15	Redemption of 36,000 shares of First American Holdings Corp.	288,000.00
8/21/15	Frozen funds in two A. Nadel accounts and one Clark Nadel Trust	13,610.94
12/28/15	Processing fee for re-issuing lost check to Stephen Berestka	100.00
4/12/16	Jackson National Life - withdrawal from Rowe annuity policy	40,000.00
7/31/16	Processing fees for re-issuing disbursements to investors	375.00

4/11/17	Jackson National Life - surrender of Rowe annuity policy	241,717.33
4/28/17	Quest - AT&T litigation settlement	72.58
5/19/17	TRD Land 43, LLC - return of Chris Moody's portion of LLC's cash reserve	4,800.00
8/18/17	Sold Quest equipment	14,000.00
8/28/17	IRS Tax refund	2,920,359.71
9/29/17	Wells Fargo foreclosure on Laurel Mountain property after payment to	254,073.76
2/28/18	Processing fees for re-issuing disbursements to investors	1,100.00
3/8/18	Sale of Quest equipment	<u>2,500.00</u>
	Total Misc.	<u><u>10,973,666.11</u></u>

EXHIBIT B

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Real Property/Business Operations				
Venice Jet Center, LLC ("VJC")	VJC was an operating business and airfield that included a flight school, fueling service, hangar rentals, and a café.	\$1,960,169 loan from Northern Trust Bank	On January 20, 2010, the Court approved the sale of VJC's assets and an agreement with Northern Trust Bank (Doc. 321). In pertinent part, VJC's assets were sold to Tristate Aviation Group of Florida, LLC for (1) \$300,000 cash at closing; (2) a \$250,000 unsecured promissory note payable over a term of three years; (3) resolution of a \$1,960,169 loan with Northern Trust Bank; and (4) assumption of prosecution of a "Part 16 Complaint" subject to an offset of the note obligations to the Receiver for up to \$50,000 for expenses and costs actually incurred in connection with efforts to resolve all disputes with the City of Venice, including the Part 16 Complaint.	\$540,780.88 plus elimination of over approximately \$1,960,169 in debt
599 North Lime Avenue, Sarasota, Florida	A building owned by Lime Avenue Enterprises, LLC that housed a flower shop owned by A Victorian Garden Florist, LLC	A mortgage owed to Ron Carter and James Neal with a remaining balance of approx. \$600,000	On May 26, 2011, the Court approved the conveyance of this building and the remaining assets of the florist to Messrs. Carter and Neil in exchange for the elimination of over \$600,000 in debt and a claim of over \$1,160,000 against the Receivership estate (Doc. 633).	Elimination of over \$600,000 in debt obligations and a claim of over \$1,160,000

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Home Front Homes, LLC	Home Front Homes was engaged in the business of manufacturing, marketing, and selling energy-efficient homes.	Loan from M&I Bank for approximately \$3,000,000	On January 6, 2010, the Court granted the Receiver's motion to sell certain of Home Front Homes' assets and approve an agreement with M&I Bank (Doc. 293). In relevant part, (1) South American Development Corporation agreed to purchase certain assets for \$250,000, with \$150,000 to be paid at closing and a zero interest promissory note secured by the assets due December 18, 2010 for the \$100,000 balance; and (2) M&I agreed to waive over \$3,000,000 in debt obligations and forego any deficiency claims against the Receivership estate in exchange for 65% of the cash and note proceeds after the Receiver's collection of \$12,000 for expenses incurred.	\$109,128.75 plus elimination of over \$3,000,000 in debt
512 Paul Morris Drive, Englewood, Florida	A building owned by Home Front Homes on Lot 81 of the Morris Industrial Park	Loan from Regions Bank for approx. \$80,000 and loan from William Bishop with a balance of approx. \$700,000	On March 10, 2010, the Court approved the conveyance of this building to William Bishop in exchange for the release of all claims against the Receivership estate (Doc 355).	Elimination of over \$790,000 in debt obligations
200 Grandview Trail, Thomasville, Georgia	Approximately 14 acres which encompassed 45 lots, 44 of which were undeveloped; one held a single family home	Loans from Thomasville National Bank with balance owed in excess of \$759,000	On February 26, 2010, the Court approved the sale of this property for \$725,000 and an agreement with Thomasville National Bank wherein the bank agreed to accept the purchase price less commissions in exchange for a full settlement of all amounts owed under the loans and the waiver of all claims against the Receivership estate (Doc. 352).	Elimination of over \$759,000 in debt obligations

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Land Lot 11 of the 23rd Land District of Grady County, Georgia	Approximately 33.296 acres of undeveloped land	None known	On April 25, 2011, the Court approved the sale of this property for \$135,000 (Doc. 620).	\$123,717.84
2433 West Main Street, Tupelo, Mississippi	A building owned by Scoop Real Estate, LP that was being leased to a Starbucks	None known	On February 22, 2011, the Court approved the sale of this building for \$715,000 (Doc. 601).	\$651,216.18
5 McCollum Station, Newnan, Georgia	A gas station that consisted of approximately two acres of land and a 3,500 square-foot building	None known	On August 4, 2010, the Court approved the sale of this property for, in pertinent part, a purchase price of \$1,725,000 and payment of \$25,000 by the buyer to the Receiver for legal fees and costs associated with the buyer's failure to close a previous transaction (Doc. 451).	\$1,750,000.00
22 Nantucket Circle, Oberlin, Ohio	1,450 square-foot single family residence	None known	On September 6, 2011, the Court approved the sale of this property for \$100,000 less pro-rated real estate taxes for 2011 up to the date of closing (Doc. 651).	\$98,383.30
774 North Jefferson Ave. Sarasota, Florida	Residential condominium in Jefferson Pines	None known	On May 18, 2011, the Court approved the sale of this condominium for \$55,000 (Doc. 630).	\$48,347.79
4905 Waters Edge, Raleigh, North Carolina	A building that was leased to Electronic Data Systems	None known	On April 17, 2012, the Court approved the sale of this building for \$950,000 (Doc. 819).	\$898,699.91

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
841 South Main Street, Graham, North Carolina	A building that was being leased to a Rite-Aid Pharmacy	\$2,655,000 interest-only loan from Wells Fargo Bank	On May 8, 2012, over Wells Fargo's objection, the Court entered an order granting the sale of this building for \$2,400,000. The proceeds of the sale were held in reserve until Wells Fargo's claim to them was resolved. On June 21, 2017, the Court approved a partial settlement agreement between the Receiver and Wells Fargo wherein the Receiver agreed to disburse the sale proceeds less expenses of \$4,900 in the amount of \$2,224,563.15 to Wells Fargo (Doc. 1296).	\$4,900 and elimination of approximately \$2,655,000 in debt obligations
780 Woodlake Blvd. Tazewell, Tennessee	An undeveloped lot in a golf community	None known	On April 5, 2012, the Court approved the sale of this property for \$45,000 (Doc. 811).	\$40,322.86
15576 Fruitville Road, Sarasota, Florida	Residential property	\$209,264.92 due on loan from Northern Trust Bank, as of July 15, 2013	On July 18, 2013, the Court approved the sale of this property for \$181,500 and an agreement with Northern Trust Bank wherein the bank agreed to accept 60% of the net sale proceeds in full satisfaction of the loan with the remaining 40% of the net proceeds to be paid to the Receiver (Doc. 1044).	\$68,450.55
30393 Upper Bear Creek Road, Evergreen, Colorado	Residential property	\$377,749.50 due on loan from Freddie Mac (serviced by Wells Fargo Bank), as of July 31, 2013	On July 18, 2013, the Court approved the sale of this property for \$750,000 and approved the Receiver's intent to satisfy the outstanding amount on the Freddie Mac loan at closing with the balance of the sale proceeds going to the Receivership estate (Doc. 1043).	\$322,677.60

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Respiro, Inc.	Headquartered in Sarasota, Florida, this company provided home respiratory services and medical equipment products.	None known	On October 1, 2013, the Court granted the Receiver's motion to sell Respiro's assets (Doc. 1075) to Martix Medical, LLC ("Matrix") for \$65,000, subject to a possible decrease of the purchase price by \$250 for each deficient and/or missing patient file. Matrix reviewed Respiro's files and deducted (i) \$6,750 based on both missing and deficient files, and (ii) \$12,500 for amounts billed by Matrix since assuming control of Respiro but which had been paid to Respiro. This resulted in a net purchase price of \$45,750. Matrix paid this amount to the Receivership on October 4, 2013.	\$45,750.00
Tradewind, LLC.	Tradewind owned and controlled 31 hangars at the Newnan-Coweta airport in Georgia.	\$876,505.30 due on a loan with the Bank of Coweta	On March 27, 2014, the Court granted the Receiver's motion to sell Tradewind's assets (Doc. 1110) to a private buyer for \$1,200,000, and the Court approved the resolution of the outstanding balance of the Bank of Coweta loan from the proceeds of the sale. The resolution of this loan balance also resolved a claim submitted by the bank in the claims process. The Receivership received the net amount of \$322,482.43 from the sale.	\$322,482.43
Fairview, North Carolina	Residential property	Remaining principal balance of approximately \$248,941.73 on loan from Branch Banking and Trust Company ("BB&T")	On November 18, 2014, the Court approved the sale of this property for \$287,500 (Doc. 1151). On July 28, 2015, the Court approved a settlement agreement wherein the parties agreed that the Receiver would pay BB&T \$10,000 to resolve BB&T's claim to any portion of the sale proceeds for this property (Doc. 1187). The remainder of the sale proceeds was deposited into the Receivership accounts.	\$257,270.59

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
464 Golden Gate Point, Unit 703, Sarasota, Florida	Residential property	Primary mortgage loan in the amount of \$956,000 and a home equity line of credit with an initial balance of \$880,000	On April 29, 2015, the Court approved the sale of this property for \$2,300,000 and approved the Receiver's request to hold the proceeds until disputes regarding the proceeds are resolved (Doc. 1177). On June 21, 2017, the Court entered an order approving a settlement agreement between Wells Fargo Bank and the Receiver subject to a stipulation between Wells Fargo Bank and La Bellasara Condominium Association wherein the Receiver agreed to disburse the sale proceeds less costs of \$41,664.90 from the sale of the property in the amounts of \$2,003,030.69 to the bank and \$103,109.60 to the condominium association (Docs. 1296, 1297).	\$41,664.90 and elimination of over \$1,800,000 in debt obligations
3343 U.S. Route 2 and 3353 U.S. Route 2, Marshfield, Vermont	Two adjacent parcels of real property	Federal tax lien for \$49,710.12 and property taxes of \$12,066.69 in arrears	On March 16, 2016, the Court approved the sale of these properties for \$90,000 free and clear of the federal tax lien and approved the Receiver's request to satisfy the outstanding property taxes from the sale proceeds. The Receiver recovered the net amount of \$69,242.55 after payment of the property taxes and costs associated with the sale (Doc. 1230).	\$69,242.55
Laurel Preserve, North Carolina	Twenty-three lots intended for the development of home-sites	\$1,900,000 interest only loan from Wells Fargo Bank	On June 21, 2017, the Court approved a settlement between the Receiver and Wells Fargo Bank wherein the parties agreed that Wells Fargo could either (1) pay the Receiver expenses for maintaining the property, in the amount of \$254,073.76, in exchange for the Court's lifting the injunction and authorizing Wells Fargo to foreclose on the property; or (2) waive its security interest in the property in favor of the Receiver (Doc. 1296). Wells Fargo opted to pay the Receiver \$254,073.76 on September 29, 2017 and foreclosed on the property.	\$254,073.76 plus elimination of \$1,900,000 in debt

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
211 Church Street, Thomasville, Georgia	.12 acre undeveloped lot	None known	On April 2, 2018, the Court approved the donation of this lot to Habitat for Humanity (Doc. 1356).	\$0.00
North Stevens Street, Thomasville, Georgia	1.17 acre undeveloped lot	None known	On April 2, 2018, the Court approved the sale of this lot for \$5,500 (Doc. 1356).	\$5,500.00

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Aircraft and Vehicles				
Helicopter	1997 Schwietzer 300	None known	Sold for \$200,000 (Doc. 100).	\$200,000.00
Airplane	1971 Cherokee Piper PA-28-140	None known	Sold for \$27,500 (Doc. 433).	\$27,500.00
Airplane	1978 Cessna 152	None known	Sold for \$9,000 (Doc. 581).	\$9,000.00
Airplane	1977 Baron	None known	Sold for \$65,000 (Doc. 491).	\$65,000.32
Airplane	1996 Learjet 31A	Loan with General Electric Corporation for approx. \$2.4 million	Returned in exchange for the cancellation of the outstanding debt (Doc. 119).	Cancellation of debt of approximately \$2.4 million
Airplane	1992 Citation	Loan with VFS Financing, Inc. for approx. \$2.1 million	Returned in exchange for the cancellation of the outstanding debt (Doc. 119).	Cancellation of debt of approximately \$2.1 million
Car	2008 Mercedes-Benz E63	Leased	The Receiver surrendered this car to the respective leasing company without penalty and without the lessor retaining any claim to Receivership assets (Doc. 67).	Waiver of penalty and claim
Car	2009 Volkswagen EOS	Leased	On March 19, 2009, the Court granted the Receiver's motion to surrender this car to the respective leasing company without penalty and without the lessor retaining any claim to Receivership assets (Doc. 89).	Waiver of penalty and claim

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Car	2008 Maserati Gran Turismo	Leased	On March 3, 2009, the Court granted the Receiver's motion to surrender this car to the respective leasing company without penalty and without the lessor retaining any claim to Receivership assets (Doc. 52).	Waiver of penalty and claim
Van	1999 White Ford Van	None known	Sold for \$500. Given the dimunitive value of this vehicle, the Receiver was authorized to sell it without further approval from the Court (see Order, Doc. 97).	\$500.00
Van	2003 White Dodge Van	None known	Sold for \$2,000. Given the dimunitive value of this vehicle, the Receiver was authorized to sell it without further approval from the Court (see Order, Doc. 97).	\$2,000.00
Truck	2002 Silver Jeep Liberty (damaged)	None known	Sold for \$1,000. Given the dimunitive value of this vehicle, the Receiver was authorized to sell it without further approval from the Court (see Order, Doc. 97).	\$1,000.00
Jeep	1998 Jeep Wrangler	None known	Sold for \$4,500. Given the dimunitive value of this vehicle, the Receiver was authorized to sell it without further approval from the Court (see Order, Doc. 97).	\$4,500.00
Car	2006 Green Subaru Legacy Outback	None known	On March 24, 2010, the Court approved the sale of the Subaru for \$16,500 (Doc. 371).	\$16,500.00
Jeep	1997 "Barbie" Jeep Wrangler	None known	On March 2, 2010, the Court approved the sale of the Barbie Jeep for \$7,875 (Doc. 357).	\$7,875.00
ATV	2004 John Deere Buck 4x4	None known	Sold for \$3,300. Given the dimunitive value of this vehicle, the Receiver was authorized to sell it without further approval from the Court (see Order, Doc. 97).	\$3,300.00

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Utility Vehicle	2001 Kawasaki Mule 4x4 Model 3010	None known	Sold for \$4,325. Given the diminutive value of this vehicle, the Receiver was authorized to sell it without further approval from the Court (see Order, Doc. 97).	\$4,325.00
Car	2009 BMW 535i	Payoff balance of \$13,433.88 on loan with BMW Financial Services	BMW, previously used by Paul Downey in connection with Quest, was sold for \$17,000.00 (Doc. 1050). After payment of the outstanding loan on the vehicle, the Receiver recovered \$3,566.12.	\$3,566.12
Car	2007 Lexus LS	None known	Seized from Donald and Joyce Rowe and sold for \$26,750 at a sheriff's public auction. After payment of fees and costs, the Receiver recovered \$24,605.25 from the sale.	\$24,605.25
Other Assets Recovered				
Marguerite J. Nadel Revocable Trust UAD 8/2/2007	The Receiver's investigation revealed that this trust was funded entirely with proceeds of Nadel's scheme.	None known	On February 11, 2009, the Court expanded the Receivership to include the trust (Doc. 44). The Receiver took control of the account and transferred the funds into Receivership accounts.	\$381,142.34
Three Bank Accounts	Three bank accounts jointly held in Marguerite and Art Nadel's name, which had been frozen at the beginning of the Receivership	None known	On July 12, 2012, the Court entered an order denying Mrs. Nadel's motion for relief from the freeze order for these three accounts (Doc. 884). On July 17, 2012, the Court entered an order directing the banks to transfer all money held in these accounts to the Receiver (Doc. 887). On August 3, 2012, \$28,384.84 was transferred to the Receiver from these three accounts. The accounts are now closed.	\$28,384.84

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Three Bank Accounts	Two bank accounts held in Art Nadel's name and one bank account held in the name of the Clark-Nadel Revocable Trust, which had been frozen at the beginning of the Receivership	None known	On August 4, 2015, the Court entered an order granting the Receiver's motion for possession of these bank accounts and modifying the asset freeze to permit Wells Fargo Bank to release the money in the accounts to the Receiver and close the accounts (Doc. 1189). On August 19, 2015, the Receiver received \$13,610.94, which was the total amount held in these accounts.	\$13,610.94
Jewelry	39 pieces of various jewelry obtained from Queen's Wreath Jewels, Inc., Mrs. Nadel, Sharon Moody, and another profiteer	None known	On March 11, 2011, the Court approved the sale of the jewelry by public auction (Doc. 608). Through an auction held by Leslie Hindman Auctioneers on April 10 and 11, 2011, the Receiver successfully sold all 39 pieces for a total of approximately \$643,890. After payment of commission and other related expenses, the Receivership estate netted approximately \$591,883.85 from the sale of this jewelry.	\$591,663.85
Office Furniture	Miscellaneous used office furniture obtained from Receivership Entities' offices	None known	Given the dimunitive value of this furniture, the Receiver was authorized to sell it without further approval from the Court (see Order, Doc. 97).	\$3,500.00
Home Front Homes Assets	Miscellaneous assets of Home Front Homes that were not included in the asset purchase agreement. These assets included a pick-up truck, two small free standing storage structures, and a telephone system.	None known	Given the dimunitive value of these items, the Receiver was authorized to sell them without further approval from the Court (see Order, Doc. 97).	\$7,600.00

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Computer Equipment	Miscellaneous dated and used computer equipment obtained from the Sarasota office	None known	Given the dimunitive value of this equipment, the Receiver was authorized to sell it without further approval from the Court (see Order, Doc. 97). The Receiver is selling pieces as he is able though the internet and other means.	\$763.00
Piano	Yamaha baby grand piano	None known	On August 1, 2012, the Receiver filed a motion seeking the Court's approval of the sale of the piano for \$9,900 (Doc. 891), which the Court granted on August 2, 2012 (Doc. 892).	\$9,900.00
Paintings	Various paintings obtained from David Band in connection with a settlement involving transfers from Donald Rowe	None known	The paintings were sold at auction. The Receiver recovered \$1,146 from the sale of the paintings.	\$1,146.00
Receivables/Notes/Securities				
Bonds.com Promissory Notes and Shares of Stock	Five promissory notes from Bonds.com in the total amount outstanding of \$1,840,636 made payable to the Moodys and Valhalla Investment and approximately 7,582,850 unrestricted shares of Bonds.com stock		On April 13, 2012, the Court approved the Receiver's agreement between him and Bonds.com for the repayment of debt, termination of rights, and repurchase of securities (Doc 816). In pertinent part, the agreement (1) retired all of the indebtedness of Bonds.com to the Receivership as reflected in the promissory notes in exchange for payment of \$2,250,000 within five days of entry of the order approving the agreement; and (2) allowed Bonds.com to repurchase the shares of stock for payment of \$5,000.	\$2,255,000.00

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Flagship Global Health, Inc. ("Flagship") Promissory Note	A convertible promissory note in the amount of \$250,000 from Flagship to Valhalla Investment Partners		Flagship filed for relief under Chapter 7 of the Bankruptcy Code. The Receiver submitted a claim for \$149,300.91, which was the outstanding balance of the note including accrued and unpaid interest. The claim was allowed for the full amount claimed. On July 19, 2012, the Receiver recovered \$94,525.40, representing 63.3120% of the Receiver's claim, in full satisfaction of the claim.	\$94,525.40
MAM Software Group Stock	5,564 shares of ADNW stock, which became Aftersoft and is now known as MAM Software		The Receiver learned that these shares were escheated to the State of Florida in March 2012. The state liquidated these shares in July 2012. The Receiver submitted a claim to these shares and received a check for \$12,797.20 in March 2013, which is the amount the state had obtained from the sale of the shares.	\$12,797.20
Endai Marketing Growth, Inc. ("Endai") Stock	67,000 shares of Endai stock held in the name of Valhalla Investment Partners		The Receiver obtained an appraisal for the Endai shares, which found that the Receivership's Endai holdings were worth approximately \$6,578.24. On August 31, 2012, the Court approved an agreement for the sale of these shares to Endai for \$15,000 (Doc. 903).	\$15,000.00
First America Bank Corp. ("First America") Stock	36,000 shares held in the name of Neil Moody		On May 5, 2015, First America was acquired by HCFB Holding Company. The plan of merger provided for approximately \$33 million for all outstanding shares of First America. The consideration per share was \$8.00. This was an all cash tender with no other options. The Receiver redeemed the shares held by the Receivership for the total amount of \$288,000.	\$288,000.00

Receivership Assets Sold or Otherwise Disposed

Asset	Description of Asset	Loans/Liens	Disposition	Amount Received/ Waived
Additional MAM Software Group Stock	106,299 shares of MAM Software Group held in the name of the Neil Moody Trust		In May 2018, the Receiver learned of a tender offer by MAM Software Group that occurred in or around November 2015 through which Neil Moody received \$59,692.50 in exchange for tendering 106,299 shares titled in the name of his trust. In response to a demand by the Receiver, Mr. Moody sent \$59,692.50 to the Receiver by wire transfer on June 4, 2018.	\$59,692.50
TRD Land 43, LLC	3.22% Limited Partnership Interest		On May 4, 2017, Chris Moody informed the Receiver that the Chris Moody Trust received a payment of \$4,800 from TRD Land 43, LLC in connection with this investment. Mr. Moody timely turned this payment over to the Receiver.	\$4,800.00

EXHIBIT C

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Real and Personal Property					
2140 Hillview Street, Sarasota, Florida (Rental Property)	\$296,000.00	No interest acquired due to lack of value	\$86,000 to \$103,000	\$228,000 (as of 1/2009)	The Receiver carefully investigated the financial and physical condition of this property and determined it was not in the best interest of the Receivership to take title. The property carried considerable debt and was in significant disrepair. The Receiver determined that the loan on the property had not been paid since early 2009, and the fair market value, as determined by a licensed real estate broker, was far less than the amount of the debt. This property has been foreclosed by the bank holding the debt.
1881 Summerwalk Circle, Sarasota, Florida (Rental Property)	\$312,000.00	No interest acquired due to lack of value	\$140,000 to \$155,000	\$241,300 (as of 1/2009)	The Receiver carefully investigated the financial and physical condition of this property and determined it was not in the best interest of the Receivership to take title. The property carried considerable debt and was in significant disrepair. The Receiver determined that the loan on the property had not been paid since early 2009, and the fair market value, as determined by a licensed real estate broker, was far less than the amount of the debt. This property has been foreclosed by the bank holding the debt.

Chris Moody's Assets

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Hideaway Bay Club, Unit K2, Little Gasparilla, Florida	\$150,000.00	1/3 ownership of vacation condominium	\$70,000	N/A	The Receiver brought an action to recover money received from Chris Moody in connection with this condominium. On November 26, 2013, the Receiver filed a motion to approve a settlement of the action (Doc. 1090). In pertinent part, the settlement provided that the defendants would pay the Receiver \$70,000. The Court approved the settlement on November 26, 2013 (Doc. 1092), and the \$70,000 has been paid to the Receiver.
1997 Jeep (Barbie)	\$10,000.00	100%	\$7,875	N/A	Sold for \$7,875 on or about March 2, 2010 (Order, Doc. 357).
1996 Wellcraft Scarab Sport Boat (Purchased in 1999)	\$45,000.00	No interest acquired due to lack of value	Approximately \$25,000	\$26,200 (as of 1/2009)	The Receiver carefully investigated the financial and physical condition of the boat and determined that it was not in the best interest of the Receivership to take title. The boat carried considerable debt and was in need of significant repairs. The Receiver determined that the fair market value of the boat was significantly less than the amount of the debt.

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Financial Accounts/Securities					
Regions Bank Checking Account	N/A	N/A	\$8,085.00	N/A	The Receiver obtained the balance of this account, which was \$8,085.00.
Bonds.com	Various	4,116,084 shares	\$5,000.00	N/A	Pursuant to an agreement between the Receiver and Bonds.com for the repayment of debt, termination of rights, and repurchase of securities, which was approved by the Court, these securities were repurchased on October 10, 2012 for \$5,000. Please refer to Section V.C.2 of the Twelfth Interim Report for more details regarding this agreement.
Drinks Americas Holdings, Ltd.	Unknown	58,771 original shares; 62 shares after reverse splits	<i>De minimus</i>	N/A	This company's stock recently traded for approximately \$0.0001 per share. Absent unforeseen market developments, the Receiver will not be able to recover any funds from this investment.
China New Energy Group Company	Unknown	2,500 shares	<i>De minimus</i>	N/A	This company's stock recently traded for \$0.0023 per share. Absent unforeseen market developments, the Receiver will not be able to recover any funds from this investment.
Flagship Global Healthcare, Inc.	Unknown	153,265 shares	\$0.00	N/A	This company filed for bankruptcy under Chapter 7 of the Bankruptcy Code in 2008. As such, the Receiver will not be able to recover any funds from this investment.
Celsia Technologies (formerly iCurie)	\$24,992	2,912 preferred shares (converted to 37,866 shares of common stock)	\$0.00	N/A	This company is no longer in operation, and all of its assets have been sold. As such, the Receiver will not be able to recover any funds from this investment.

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Business Interests					
C.D.M. Leasing, LLC	\$35,000	100%	\$0.00	N/A	This company owned three vehicles that were being leased to Receivership Entity Respiro, Inc. On March 15, 2013, the Court granted the Receiver's motion to transfer title to the vehicles to Respiro, Inc. (Doc. 989). The company does not have any other assets.
Valkyrie Aviation, LLC	\$112,500	100%	\$0.00	\$1,000,000	Valkrie Aviation owned an interest in a 1977 Beechcraft King Air, but the associated debts exceeded the assets, and the company was administratively dissolved in 2009. As such, the Receiver will not be able to recover any funds from this investment.
Collingwood Construction Group, LLC	\$263,750	16%	\$0.00	N/A	Collingwood Construction Group, LLC was liquidated through a Chapter 7 bankruptcy proceeding and is no longer in operation. Accordingly, the Receiver will not be able to recover any funds from this investment.
TRD Land 43, LLC	\$54,000	3%	TBD	N/A	In May 2017, Chris Moody turned over to the Receiver a payment from TRD Land 43, LLC that the Chris Moody Trust received in the amount of \$4,800. Additional recoveries might be possible when the underlying real estate is sold.
Rand Hillview, LLC	\$55,000	11 units	\$0.00	\$2.9 million	American Momentum Bank foreclosed on the property owned by this entity, which was appraised at \$2.2 million in 2009 but also carried more than \$2.9 million in debt at the time of the foreclosure. As such, the Receiver will not be able to recover any funds from this investment.

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Screen Test Studios, LLC	\$0.00 (gift to C. Moody from D. Fontaine)	150,000 units	\$0.00	N/A	This entity was administratively dissolved in 2016. As such, the Receiver will not be able to recover any funds from this investment.
Citi Wifi Networks	\$100,000	150 shares	\$0.00	N/A	This entity was administratively dissolved in 2009. As such, the Receiver will not be able to recover any funds from this investment.
Callahan Energy Partners	\$2,500	1 unit	\$0.00	N/A	This entity is no longer in business. As such, the Receiver will not be able to recover any funds from this investment.

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Receivables/Notes					
Bonds.com	\$1,236,836 note; \$50,000 note	N/A	\$2,250,000 (in combination with other assets)	N/A	Pursuant to an agreement between the Receiver and Bonds.com for the repayment of debt, termination of rights, and repurchase of securities, which the Court approved, this debt was retired along with all other Bonds.com debt to the Receivership in exchange for payment of \$2,250,000. Please refer to Section V.C.2 of the Eleventh Interim Report for more information regarding this agreement.
Celsia Technologies (formerly iCurie)	\$24,992 note	N/A	\$0.00	N/A	This company is no longer in operation, and all of its assets have been sold. As such, the Receiver will not be able to recover any funds from this investment.
Dennis Fontaine; Rocket Science Labs (RSL Wrist ID); Pet Tattoos & Other Pet Products	\$140,910 loan; \$50,000 note	N/A	\$0.00	N/A	The Receiver does not believe he will be able to recover any funds from these investments.
Callahan Energy Partners	\$30,000 outstanding on \$50,000 loan	N/A	\$0.00	N/A	This entity is no longer in business. As such, the Receiver will not be able to recover any funds from this investment.
Respiro, Inc.	\$577,500.00	100%	\$45,750	N/A	Chris Moody loaned \$577,500 to this company, which was owned by his wife. The Receivership was expanded to include Respiro on September 21, 2012 (Doc. 916). The assets of Respiro were sold on October 4, 2013 for \$45,750. This sale was approved by the Court (Doc. 1075).

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
One World Ocean, LLC Dennis Geers	\$120,500 in various loans between 2007 and 2009	N/A	\$0.00	N/A	This company was administratively dissolved in 2010. Communications with Dennis Geers in 2012 indicated the company was unable to repay the debt. As such, the Receiver will not be able to recover any funds from this investment.
Collingwood Construction Group, LLC	\$100,000 loan	N/A	\$0.00	N/A	This company filed for bankruptcy under Chapter 7 of the Bankruptcy Code in 2008. As such, the Receiver will not be able to recover any funds from this investment.
Sea Gate Land	\$90,000 loan	N/A	\$0.00	N/A	This company was administratively dissolved. As such, the Receiver will not be able to recover any funds from this investment.

EXHIBIT D

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Real and Personal Property					
464 Golden Gate Pt., Apt. 703, Sarasota, Florida	\$2,160,000.00	100%	\$2,300,000	A primary mortgage loan in the amount of \$956,000 and a home equity line of credit with an initial balance of \$880,000	The Receiver was granted possession of this property on January 28, 2010 (Doc. 327). This property is a residential condominium unit in a building called La Bellasara and was Neil Moody's primary Florida residence. The Receiver obtained Court approval of a contract for the sale of this property for \$2,300,000. The Receiver obtained \$2,147,993.69 from this sale (net after payment of commissions and costs), which was distributed to Wells Fargo Bank and the building's condominium association pursuant to Court-approved settlement agreements and stipulations (Docs. 1296, 1297).
Miscellaneous personal items, including household furnishings, art, electronics, three pistols, a custom knife, and six cases of California wines	Miscellaneous	100%	\$18,984	N/A	The Receiver consigned many of these items. To date, the Receiver has recovered approximately \$18,983.84 from that consignment after the payment of commissions and other associated costs. Few, if any, items remain to be sold.
Financial Accounts/Securities					
First American Bank Account of Neil Moody Charitable Foundation	N/A	100%	\$375.25	N/A	The Receiver obtained the balance of this account, which was \$375.25.

Neil Moody's Assets

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Bonds.com	Various	1,041,667 shares	\$5,000	N/A	Pursuant to an agreement between the Receiver and Bonds.com for the repayment of debt, termination of rights, and repurchase of securities, which was approved by the Court, these securities were repurchased on October 10, 2012 for \$5,000. Please refer to Section V.C.2 of the Twelfth Interim Report for more details regarding this agreement.
First American Bank	Unknown	36,000 shares	\$288,000.00	N/A	The Receiver redeemed these shares in May 2015 for the total amount of \$288,000.
Nerium Biotechnology, Inc.	Various	309,097 shares	TBD	N/A	The Receiver is attempting to determine the available market for these shares, which are illiquid but have previously traded at \$1 per share. Parties interested in purchasing these shares should contact the Receiver.
Phoenix BioTechnology, Inc.	Various	123,218 shares	TBD	N/A	The Receiver is attempting to determine the available market for these shares, which are illiquid but have previously traded at \$3 per share. Parties interested in purchasing these shares should contact the Receiver.
Electronic Card Game, Inc.	\$50,000	50,000 shares	\$0.00	N/A	This company was liquidated through a Chapter 7 bankruptcy and is no longer in operation. As such, the Receiver will not be able to recover any funds from this investment.
Celsia Technologies (formerly iCurie)	Unknown	75,000 Series A preferred shares	\$0.00	N/A	This company is no longer in operation, and all of its assets have been sold. As such, the Receiver will not be able to recover any funds from this investment.
Drinks Americas Holdings, Ltd.	Unknown	2,013,527 original shares before reverse splits	<i>De minimus</i>	N/A	This company's stock recently traded for approximately \$0.0001 per share. Absent unforeseen market developments, the Receiver will not be able to recover any funds from this investment.

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Mimeo.com	\$37,600	12,500 Series C preferred shares; 549 Series AB-1 preferred shares	TBD	N/A	The Receiver has obtained possession of these shares and is attempting to sell them. Parties interested in purchasing these shares should contact the Receiver.
KineMed, Inc.	\$313,935.22	162,008 common shares; 587,687 AA preferred shares	\$0.00	N/A	This company filed for bankruptcy under Chapter 11 of the Bankruptcy Code on May 4, 2016. On March 27, 2018, the bankruptcy court approved the company's first amended plan of reorganization, which states that all shares of stock and other equity interests shall be void and unenforceable. As such, the Receiver will not be able to recover any funds from this investment.
Active RFID Systems	Unknown	50,000 shares	\$0.00	N/A	This company is no longer in business. As such, the Receiver will not be able to recover any funds from this investment.
Advanced Nanotech, Inc.	\$75,000.00	1,757 shares	\$0.00	N/A	This company filed for bankruptcy under Chapter 7 of the Bankruptcy Code in 2011. Although the bankruptcy proceeding is ongoing, the Receiver likely will not be able to recover any funds from this investment.
Gold Reef International Inc. n/k/a Peloton Mineral	Unknown	20,000 shares	<i>De minimus</i>	N/A	The Receiver has obtained possession of these shares and is attempting to determine the available market for them. Recent research indicates the shares may have a total value of approximately \$1,500 - \$1,800.
MAM Software Group, Inc.	Unknown	10,630 shares	\$59,692.50	N/A	Neil Moody received \$59,692.50 in exchange for tendering shares titled in the name of his trust. In response to a demand from the Receiver, Mr. Moody sent \$59,692.50 to the Receiver by wire transfer on June 4, 2018.
Vital Living	\$78,400	268,445 shares	\$0.00	N/A	This company ceased operations in 2009 and is no longer in business. As such, the Receiver will not be able to recover any funds from this investment.

Neil Moody's Assets

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Business Interests					
The Rustic Oven (I and II)	\$2,390,000.00	75% interest in both restaurants	\$0.00	Various	These were two restaurants located in Colorado. They are no longer in operation and all assets were encumbered. As such, the Receiver will not be able to recover any funds from this investment.
Collingwood Construction Group, LLC	\$263,000	16% interest	\$0.00	N/A	This company was liquidated through a Chapter 7 bankruptcy proceeding and is no longer in operation. As such, the Receiver will not be able to recover any funds from this investment.
Callahan Energy Partners	\$5,000.00	2 membership units	\$0.00	N/A	This entity is no longer in business. As such, the Receiver will not be able to recover any funds from this investment.
Gibraltar Energy, LLC	\$150,000.00	Unknown	\$0.00	N/A	This entity is no longer in business. As such, the Receiver will not be able to recover any funds from this investment.
First Nations Management, LLC	\$2,429,706.00	Unknown	\$0.00	N/A	This company is no longer in business. It appears to have ceased operations in 2011. As such, it is unlikely that the Receiver will be able to recover any funds from this investment.
NetWolves Corp.	\$49,600	31 membership units	\$0.00	N/A	This company underwent reorganization through a Chapter 11 bankruptcy proceeding, and effective September 1, 2008, all existing equity interests were cancelled. As such, the Receiver will not be able to recover any funds from this investment.
Screen Test Studios, LLC	Unknown	100,000 membership units	\$0.00	N/A	This entity was administratively dissolved in 2016. As such, the Receiver will not be able to recover any funds from this investment.

Neil Moody's Assets

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Receivables/Notes					
Bonds.com	\$250,000 note	N/A	\$2,250,000 (in combination with other assets)	N/A	Pursuant to an agreement between the Receiver and Bonds.com for the repayment of debt, termination of rights, and repurchase of securities, which the Court approved, this debt was retired along with all other Bonds.com debt to the Receivership in exchange for payment of \$2,250,000. Please refer to Section V.C.2 of the Eleventh Interim Report for more information regarding this agreement.
Collingwood Construction Group, LLC	\$50,000 loan	N/A	\$0.00	N/A	This company was liquidated through a Chapter 7 bankruptcy proceeding and is no longer in operation. As such, the Receiver will not be able to recover any funds from this investment.
Fast Funds	\$50,000 unsecured note	N/A	TBD	N/A	The Receiver is researching Neil Moody's interest in this entity.
South West Casino Corp.	\$50,000 convertible note	N/A	TBD	N/A	It appears that this entity may no longer be in business. The Receiver is conducting further research regarding this entity and Neil Moody's interests.
Legacy Card Co., Inc.	\$50,000 convertible note	N/A	TBD	N/A	The Receiver is researching Neil Moody's interest in this entity.
Rocket Science Labs (Dennis Fontaine)	\$40,000 personal loan	N/A	TBD	N/A	The Receiver is contemplating the appropriate course to take for collection of these receivables.
Tasker Products	\$50,000 convertible note	N/A	\$0.00	N/A	This company is no longer in business, and all assets have been liquidated. As such, the Receiver will not be able to recover any funds from this note.

Neil Moody's Assets

Asset	Original Purchase Price or Loan Amount	Share Information or % of Interest Acquired	Market Value or Amount Recovered	Loans/Liens on Asset	Status/Disposition
Callahan Energy Partners	\$60,000 loan	N/A	\$0.00	N/A	This entity is no longer in business. As such, the Receiver will not be able to recover any funds from this investment.