

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

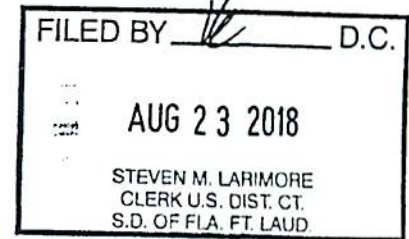
v.

1 GLOBAL CAPITAL LLC, and
CARL RUDERMAN,

Defendants, and

1 WEST CAPITAL LLC,
BRIGHT SMILE FINANCING, LLC,
BRR BLOCK INC.,
DIGI SOUTH, LLC,
GANADOR ENTERPRISES, LLC,
MEDIA PAY LLC,
PAY NOW DIRECT LLC, and
RUDERMAN FAMILY TRUST,

Relief Defendants.



UNDER SEAL

**PLAINTIFF'S EMERGENCY *EX PARTE* MOTION FOR APPOINTMENT
OF RECEIVER AND MEMORANDUM OF LAW**

Plaintiff Securities and Exchange Commission moves this Court for an Order appointing a Receiver over Relief Defendants Bright Smile Financing, LLC, BRR Block Inc., Digi South, LLC, Ganador Enterprises, LLC, Media Pay LLC, and Pay Now Direct LLC (collectively "Relief Defendants"), with full and exclusive power, duty, and authority to: administer and manage the business affairs, funds, assets, causes of action and any other property of these Relief Defendants; marshal and safeguard all of the assets of these Relief Defendants; and take whatever actions are necessary for the protection of investors.

For the reasons set forth below, in order to protect investors, it is of utmost importance

that the Court appoint a Receiver over these Relief Defendants. It is also crucial that the Court appoint the Receiver candidate the Commission has nominated. This candidate, James S. Cassel, has been the independent manager of Defendant 1 Global Capital, LLC, and Relief Defendant 1 West Capital, LLC, since July 27. In the last four weeks, he and those working with him have taken both companies into Chapter 11 bankruptcy, and have done extensive work managing the affairs of both companies, including investigating how Defendant Carl Ruderman conducted the business of both companies, the relationship between 1 Global, 1 West, and the Relief Defendants, and the flow of funds between 1 Global, 1 West, Ruderman, the Ruderman Family Trust, and the Relief Defendants. Based on those relationships and that flow of funds, the Commission believes it essential to the administration of the Receivership estates that they be placed under common fiduciary control with the 1 Global and 1 West entities for which Mr. Cassel already acts as sole manager in their respective Chapter 11 cases. In addition, it would be very inefficient and costly to appoint someone else as a Receiver over these Relief Defendants, who would need time and extra expense to get up to speed to properly serve and manage the affairs of these Relief Defendants.

Whereas typically the Commission seeks solicitations of interest from at least three candidates when we seek the appointment of a Receiver, in this instance we have not undertaken the bid process for the reasons set forth immediately above. We believe that not only would it be more efficient and cost-effective for the Court to appoint Mr. Cassel, but also that he is well-suited to serve as the Receiver over these Relief Defendants.

Mr. Cassel, whose credentials are attached as Exhibit 1, is a partner with the firm of Cassel, Salpeter, & Co., a South Florida firm specializing in business restructuring and valuation and financial advice, has a 40-year professional history as a lawyer, investment banker, and

business advisor, with specialties in corporate and securities law, and well as advising businesses on a number of financial and restructuring issues. Although he has not previously served as a Receiver, he has extensive experience in financial, restructuring, and business duties that Receivers perform, including assessing the operations of companies and advising them on financial and operational issues. In addition, as described above, since July 27 he has become intimately familiar with the business of 1 Global Capital, how that company raised and spent funds, and the relationships it had with these Relief Defendants.

Mr. Cassel is willing to discount his hourly rates to serve as Receiver. He normally charges \$600 to \$700 an hour for hourly engagements, but here he will bill at \$500 an hour. This discount will also apply even if Mr. Cassel winds up having these Relief Defendants declare bankruptcy.¹

If the Court appoints Mr. Cassel as Receiver, he is also proposing to hire the team he has in place at 1 Global and 1 West to assist him. Mr. Cassel hired Development Specialists, Inc. (“DSI”) to manage 1 Global and 1 West the day he took over as 1 Global’s new manager. Bradley Sharp, the President and CEO of DSI, is serving as 1 Global’s Chief Restructuring Officer (“CRO”). Mr. Sharp’s resume is attached as Exhibit 2. He has substantial experience in the kind of work Mr. Cassel will need to do with these Relief Defendants, including evaluating operations, assessing the flow of funds, and making immediate personnel and other operating decisions. Mr. Sharp will bring his DSI team with him to help manage these Relief Defendants. Mr. Sharp has also agreed to discount DSI’s rates by capping them at \$450 an hour. So, for

¹ Mr. Cassel and his team of professionals described below are still evaluating whether it is most efficient to take these Relief Defendants into bankruptcy and administer the Receivership estate through the existing bankruptcy action, or to administer the Receivership estate outside of bankruptcy. If appointed, he will, of course, inform the Court and make any necessary motions. Mr. Cassel and his team are also evaluating whether to continue to administer 1 Global and 1 West through the bankruptcy estate. Should they want to expand the Receivership to include those two companies, he or the Commission will make the proper motion to the Court.

example, Mr. Sharp himself, who normally bills at \$625-\$650 an hour, will only bill the Receivership estate at \$450 an hour.

Mr. Cassel also proposes to hire the law firm of Greenberg Traurig to represent him. That firm has been representing 1 Global since shortly before Mr. Cassel took over as 1 Global's manager. Greenberg Traurig has also agreed to discount its rates by 20 percent for each attorney or paralegal who works on the matter, with a cap of \$750 per hour. So, for example, the lead bankruptcy attorney on the matter normally bills at \$850 an hour, but will bill the estate only \$680 an hour. The two lead attorneys representing 1 Global in the Commission's investigation will discount their rates from \$605 and \$425 an hour, respectively, to \$484 and \$340. All of these savings will directly benefit 1 Global investors, who stand to recover more money as a result of the billing discounts.

Thus, Mr. Cassel and his team are best suited to quickly and efficiently take control of these Relief Defendants with minimal transitional issues and minimal disruption to these Relief Defendants' operations. Accordingly, the Commission requests that the Court appoint Mr. Cassel as Receiver over the Relief Defendants.

MEMORANDUM OF LAW

The appointment of a Receiver is a well-established equitable remedy available to the Commission in civil enforcement proceedings for injunctive relief. *See, e.g., SEC v. First Financial Group of Texas*, 645 F.2d 429, 438 (5th Cir. 1981); *see also* Section 22(a) of the Securities Act of 1933, 15 U.S.C. § 77v(a), and Section 27 of the Securities Exchange Act of 1934, 15 U.S.C. § 78aa.

The appointment of a Receiver is particularly appropriate in cases such as this where a corporation, through its management, has defrauded members of the investing public. *First Financial Group of Texas*, 645 F.2d at 438. In such cases, without the appointment of a Receiver to

maintain the status quo, the corporate assets will be subject to diversion and waste to the detriment of those who were induced to invest in the fraudulent scheme. *Id. See also R.J. Allen & Associates, Inc.*, 386 F. Supp. 866, 891 (S.D. Fla. 1974). This is true for the appointment of a Receiver here over the Relief Defendants, who as described in the Commission's Emergency *Ex Parte* Motion and Memorandum of Law for Asset Freeze and Other Relief ("Asset Freeze Motion") have received tens of millions of dollars of investor funds that are at risk of immediate dissipation unless current management is removed. All of these Relief Defendants are under the control of Ruderman, the Ruderman Family Trust, or relatives or acquaintances of Ruderman. A Receiver is necessary to take over these Relief Defendants and ensure that funds they received from 1 Global for no compensation or legitimate services are preserved for a potential disgorgement judgment that will benefit defrauded 1 Global investors.

Certification of Counsel

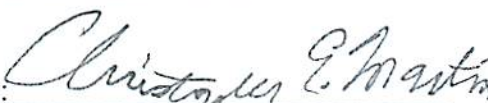
Counsel for the Commission did not confer with the proposed Defendants or Relief Defendants regarding the requested relief, since in order to prevent further dissipation of assets, we are seeking this relief in connection with the Asset Freeze Motion we are filing under seal and *ex parte*.

CONCLUSION

For the foregoing reasons, the Commission requests that the Court grant its request for the appointment of a Receiver. The Commission respectfully requests that this Court appoint Mr. Cassel as Receiver over these Relief Defendants. A proposed order is submitted herewith.

Respectfully submitted,

August 23, 2018

By: 
Christopher E. Martin, Esq.
Senior Trial Counsel

SD Fla. Bar No. A5500747
Direct Dial: (305) 982-6386
Email: martinc@sec.gov

Robert K. Levenson, Esq.
Senior Trial Counsel
Florida Bar No. 0089771
Direct Dial: (305) 982-6341
Email: levensonr@sec.gov

Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
801 Brickell Avenue, Suite 1800
Miami, Florida 33131
Telephone: (305) 982-6300
Facsimile: (305) 536-4154

EXHIBIT 1

James S. Cassel
801 Brickell Avenue, Suite 1900, Miami, FL 33131
jcassel@cs-ib.com

Experience

- Jan 2010-present **CASSEL SALPETER & CO., LLC (SUCCESSOR TO J CASSEL & COMPANY, L.L.C.)** MIAMI, FL
Chairman & Co-Founder
- South Florida based Investment Bank specializing in independent financial advisory M&A advice, Fairness Opinion, Valuation and Restructuring.
- Oct 2006-Dec 2009 **LADENBURG THALMANN & CO. INC. (AMEX: LTS)** MIAMI, FL AND NEW YORK, NY
Vice Chairman, Senior Managing Director, Head of Investment Banking, Member of Executive Committee and Commitment Committee
- Managed the Company's Investment Banking department.
 - Took an active role with clients, lending his extensive transactional and corporate finance experience.
 - Negotiated, structured and executed various types of transactions including mergers, acquisitions and divestitures; corporate and transactional financing, including venture capital, mezzanine and conventional financing; and public offerings and private placements.
 - Offered particular expertise in developing financial restructuring plans, negotiating with creditors and guiding debtors through bankruptcy proceedings.
- Nov. 1998-Oct.2006 **CAPITALINK, L.C. (SOLD TO LADENBURG THALMANN IN OCT 2006)** MIAMI, FL
Founder and President
- Founded and built South Florida's premiere boutique investment bank.
 - Built nationally ranked fairness opinion and M&A practice.
 - Provided merger & acquisition, fairness opinion, solvency opinion, valuation, financial restructuring, and capital raise advisory services.
- Mar 1996-Oct 1998 **BARBER AND BRONSON, INCORPORATED** MIAMI, FL
Executive Vice President, Head of Investment Banking, President of Catalyst Financial (affiliate)
- Formalized and headed investment banking practice.
 - Raised private capital for public companies (PIPE).
 - Provided financial advisory services.
 - Led primary and secondary public offerings (IPO).
- Nov 1985-Feb 1996 **BROAD & CASSEL, ATTORNEYS AT LAW** MIAMI, FL
Managing Partner (Miami Office), Member of Executive Committee
- Headed Corporate & Securities department.
 - Advised issuers and underwriters in connection with public offerings and private placements.
 - Advised on mergers & acquisitions and general corporate issues.
 - Advised on municipal offerings.
- Sep 1983-Oct 1985 **BRITTON, COHEN, CASSEL, KAUFMAN & SCHANTZ, PA** MIAMI, FL
Managing Shareholder
- Practiced law in the areas of corporate, securities, real estate, and restructuring.
- Mar 1979-Aug 1983 **CASSEL & CASSEL, PA** MIAMI, FL
(AND PREDECESSOR FIRM THE LAW OFFICES OF MARWIN S. CASSEL)
Managing Attorney and Shareholder
- Practiced law in the areas of corporate, securities, and real estate.
 - Examined title.
 - Prepared condominium documents.

**Additional
Experience**

March 2010-
Dec 2010 **CITY OF MIAMI BUDGET TASK FORCE**

Apr 2005-
May 2014 **EQUITY ONE, INC. (NYSE:EQY)** **MIAMI, FL**
Former Member, Board of Directors; Member, Compensation Committee; Member, Audit Committee;
Member, Governance and Nominating Committee
Equity One, Inc. is a real estate investment trust that invests primarily in grocery-anchored shopping centers.

May 1986-
May 1996 **THE RETREAT PSYCHIATRIC HOSPITAL, LTD.** **SUNRISE, FL**
ANCLOTE MANORS PSYCHIATRIC HOSPITAL, LTD. **TARPON SPRINGS, FL**
Chairman of the Board of Directors
The Retreat and Anclote Manors were private psychiatric hospitals.

Education

1976-1979 **UNIVERSITY OF MIAMI SCHOOL OF LAW** **MIAMI, FL**
J.D. January 1979.

1973-1976 **AMERICAN UNIVERSITY** **WASHINGTON, DC**
B.S. in Political Science and Economics.

- Licenses**
- Member of New York and Florida bars.
 - FINRA Series 7, 24, 63, 79, 99.

**Associations/
Other Roles**

- Member of the Miami Sports & Exhibition Authority
- Member of the Association for Corporate Growth, former director and former President of South Florida Chapter.
- Former Member of the American Association of Arbitrators.
- Former Member of the NASD Board of Arbitrators.
- Former Member of the Board of Directors of the National Investment Banking Association.
- Former Member of the Board of Directors and Vice President, Americas of M&A International.
- Has Addressed major conferences on mergers & acquisitions and corporate finance, in New York, Chicago, Miami, Buenos Aires, London, and elsewhere.
- Serves as expert witness.
- Monthly columnist for The Miami Herald

EXHIBIT 2

BRADLEY D. SHARP

President & CEO
DEVELOPMENT SPECIALISTS, INC.
333 South Grand Avenue, Suite 4070
Los Angeles, California 90071

Range of Experience

Mr. Sharp has substantial experience in acting as a fiduciary as well as providing crisis management and consulting services to companies in various industries including real estate, food manufacturing, consumer finance, high tech and agriculture. He has consulted with, operated and sold publicly and privately-held troubled companies in and out of bankruptcy. Mr. Sharp has also provided expert witness services with respect to fiduciary duty, banking, finance and securitizations.

Professional and Business History

Development Specialists, Inc.

Since joining DSI, Mr. Sharp has been involved as management and as fiduciary. For example:

- Chief Restructuring Officer of Woodbridge Group of Companies, LLC, a real estate development company through its 305 related debtors with more than 8,000 investors and claims of \$1 billion.
- Chief Restructuring Officer of Variant Holding Company, LLC, parent company controlling 26 different multi-family properties with more than 8,000 units in 5 states.
- Chapter 11 Trustee for Namco Capital Group, Inc., a West Los Angeles-based real estate investment company through which \$3 billion flowed between 2003 and 2008 with investments in over 100 real estate projects
- Chapter 11 trustee for SK Foods, LP, a Monterey California based processor of tomato products. After the bankruptcy filing, seven senior managers and the owner of the company plead guilty to charges including bribery, price-fixing and fraud.
- Chief Restructuring Officer for John Laing Homes, an Orange County builder and developer of high end homes with 100 project developments across California as well as developments in Colorado, Arizona and Texas.
- Liquidating Trustee for Vineyard National Bancorp, liquidating assets and administering the post-confirmation estate.
- Chapter 11 Trustee for Estate Financial Mortgage Fund, LLC, assisting in loan collection and real estate development decisions for Estate Financial, Inc.

Mr. Sharp has also been involved as a consulting and testifying expert. For example:

- Testifying expert in a Florida State Court action with respect to the fiduciary duty of officers and directors.
- Testifying expert in a Federal District Court action with respect to solvency of a bank holding company.
- Testifying expert in U.S. Bankruptcy Court with respect to the liquidation value of assets.
- Testimony as a U.S. banking expert in the High Court of Justice, Queens Bench Division, London England, in a dispute involving two European commercial banks.
- Consulting expert to a warehouse lender with respect to the People's Choice chapter 11 filing.
- Provided an expert opinion with respect to the value of a "sub prime" finance company in the Chicago area.
- Consulting expert to a finance company with respect to inter-bank issues that resulted from a loss on an asset based loan.
- Consulting expert regarding litigation on behalf of the holding company of a California based savings and loan.

Security Pacific National Bank / Bank of America, NT&SA

Prior to joining DSI, Mr. Sharp was a Vice President and Senior Commercial Loan Collection Officer with Bank of America, NT&SA with a focus on workouts of unsecured and asset based loans. He had been with the bank, through its acquisition of Security Pacific National Bank, since 1985.

Education

Bachelor of Science, Accounting, Mesa State College, Grand Junction, Colorado (1985)

Professional Affiliations

Board of Directors, American Bankruptcy Institute
Advisory Board, Southwest Bankruptcy Conference, American Bankruptcy Institute
Member, California Bankruptcy Forum

Selected Presentations

AIRA 2018 National Conference

Nashville, TN June 15, 2018

Panelist: The Art of the Turnaround – Advising the Lender

American Bankruptcy Institute Southwest Bankruptcy Conference

Corn September 7-9, 2017

Panelist: Avoiding Malpractice and Other Common Pitfalls in a Commercial Restructuring Case

2017 William J. O'Neill Great Lakes Regional Bankruptcy Institute

Cleveland, OH May 4, 2017

Panelist: Advisory Roles in Today's Restructuring Universe

American Bankruptcy Institute Annual Spring Meeting,

Washington, DC April 18, 2015

Panelist: Anatomy of a Chapter 11 Confirmation Hearing

American Bankruptcy Institute Southwest Bankruptcy Conference

Las Vegas, NV September 5, 2014

Panelist: Plan Confirmation Workshop

American Bankruptcy Institute Southwest Bankruptcy Conference

Las Vegas, NV September 15, 2012

Panelist: Ethics: Client Issues

American Bankruptcy Institute Annual Spring Meeting,

Washington, DC April 21, 2012

Panelist: Navigating Ethical Responsibility in a Complex World

Commercial Law League of America/Nation Conference of Bankruptcy Judges

Scottsdale, Arizona September 25, 2008

Panelist: From a Ripple to a Tsunami: The Impact of the Subprime Meltdown

Publications

“Retirement Security: A New Perspective,” The Journal of Private Equity 2005 (co-author)

“Co-ops Nearing Insolvency Must be Less Cooperative, Governance Challenges Grow for Financially Troubled Co-ops,” The Journal of Corporate Renewal 2005 (co-author)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

1 GLOBAL CAPITAL LLC, and
CARL RUDERMAN,

UNDER SEAL

Defendants, and

1 WEST CAPITAL LLC,
BRIGHT SMILE FINANCING, LLC,
BRR BLOCK INC.,
DIGI SOUTH, LLC,
GANADOR ENTERPRISES, LLC,
MEDIA PAY LLC,
PAY NOW DIRECT LLC, and
RUDERMAN FAMILY TRUST,

Relief Defendants.

**ORDER GRANTING PLAINTIFF SECURITIES AND EXCHANGE COMMISSION'S
EMERGENCY EX PARTE MOTION FOR APPOINTMENT OF RECEIVER**

WHEREAS Plaintiff Securities and Exchange Commission has filed a motion for the appointment of a Receiver over Relief Defendants Bright Smile Financing, LLC, BRR Block Inc., Digi South, LLC, Ganador Enterprises, LLC, Media Pay LLC, and Pay Now Direct LLC, (collectively, "Relief Defendants") with full and exclusive power, duty and authority to: administer and manage the business affairs, funds, assets, causes in action and any other property of these Relief Defendants; marshal and safeguard all of their assets; and take whatever actions are necessary for the protection of the investors;

WHEREAS, the Commission has made a sufficient and proper showing in support of the relief requested;

WHEREAS, the Commission has submitted the credentials of a candidate to be appointed as Receiver of all of the assets, properties, books and records, and other items of these Relief Defendants, including any properties, assets and other items held in their names or their principals' names, and the Commission has advised the Court that this candidate is prepared to assume this responsibility if so ordered by the Court;

IT IS THEREFORE ORDERED AND ADJUDGED that _____ is hereby appointed the Receiver over these Relief Defendants, their subsidiaries, successors and assigns, and is hereby authorized, empowered, and directed to:

1. Take immediate possession of all property, assets and estates of every kind of these Relief Defendants, whatsoever and wheresoever located belonging to or in the possession of these Relief Defendants, including but not limited to all offices maintained by these Relief Defendants, rights of action, books, papers, data processing records, evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities, mortgages, furniture, fixtures, office supplies and equipment, and all real property of these Relief Defendants wherever situated, and to administer such assets as is required in order to comply with the directions contained in this Order, and to hold all other assets pending further order of this Court;

2. Investigate the manner in which the affairs of these Relief Defendants were conducted and institute such actions and legal proceedings, for the benefit and on behalf of these Relief Defendants and their investors and other creditors, as the Receiver deems necessary

against those individuals, corporations, partnerships, associations and/or unincorporated organizations, which the Receiver may claim have wrongfully, illegally or otherwise improperly misappropriated or transferred money or other proceeds directly or indirectly traceable from investors in Defendant 1 Global Capital LLC, and Relief Defendant 1 West Capital LLC, and these Relief Defendants, their officers, directors, employees, affiliates, subsidiaries, or any persons acting in concert or participation with them, or against any transfers of money or other proceeds directly or indirectly traceable from investors in 1 Global, 1 West, and these Relief Defendants; provided such actions may include, but not be limited to, seeking imposition of constructive trusts, disgorgement of profits, recovery and/or avoidance of fraudulent transfers under Florida Statute § 726.101, et. seq. or otherwise, rescission and restitution, the collection of debts, and such orders from this Court as may be necessary to enforce this Order;

3. Present to this Court periodic reports (no less than quarterly) reflecting the existence and value of the assets of these Relief Defendants and of the extent of liabilities, both those claimed to exist by others and those the Receiver believes to be legal obligations of these Relief Defendants;

4. Appoint one or more special agents, employ legal counsel, actuaries, accountants, clerks, consultants and assistants as the Receiver deems necessary and to fix and pay their reasonable compensation and reasonable expenses, as well as all reasonable expenses of taking possession of the assets and business of these Relief Defendants, and exercising the power granted by this Order, subject to approval by this Court. This includes a management or restructuring company or companies;

5. Engage persons in the Receiver's discretion to assist the Receiver in carrying out the Receiver's duties and responsibilities, including, but not limited to, the United States Marshal's Service or a private security firm;

6. Defend, compromise or settle legal actions, including the instant proceeding, in which these Relief Defendants or the Receiver are a party, commenced either prior to or subsequent to this Order. The Receiver may also waive any attorney-client or other privilege held by these Relief Defendants;

7. Assume control of, and be named as authorized signatory for, all accounts at any bank, brokerage firm or financial institution which has possession, custody or control of any assets or funds, wherever situated, of these Relief Defendants and, upon order of this Court, of any of their subsidiaries or affiliates, provided that the Receiver deems it necessary;

8. Make or authorize such payments and disbursements from the funds and assets taken into control, or thereafter received by the Receiver, and incur, or authorize the incurrence of, such expenses and make, or authorize the making of, such agreements as may be reasonable, necessary, and advisable in discharging the Receiver's duties;

9. Have access to and review all mail of these Relief Defendants (except for mail that appears on its face to be purely personal or attorney-client privileged) received at any office or address of these Relief Defendants. All mail that is opened by the Receiver and, upon inspection, is determined by the Receiver to be personal or attorney-client privileged, shall be promptly delivered to the addressee and the Receiver shall not retain any copy.

IT IS FURTHER ORDERED AND ADJUDGED that, in connection with the appointment of the Receiver provided for above:

10. These Relief Defendants and all of their directors, officers, agents, employees, attorneys, attorneys-in-fact, shareholders, and other persons who are in custody, possession, or control of any assets, books, records, or other property of these Relief Defendants shall deliver forthwith upon demand such property, monies, books and records to the Receiver, and shall forthwith grant to the Receiver authorization to be a signatory as to all accounts at banks, brokerage firms or financial institutions which have possession, custody or control of any assets or funds in the name of or for the benefit of these Relief Defendants;

11. All banks, brokerage firms, financial institutions, and other business entities which have possession, custody or control of any assets, funds or accounts in the name of, or for the benefit of, these Relief Defendants shall cooperate expeditiously in the granting of control and authorization as a necessary signatory as to said assets and accounts to the Receiver;

12. Unless authorized by the Receiver, these Relief Defendants and their principals shall take no action, nor purport to take any action, in the name of or on behalf of these Relief Defendants;

13. The Receiver further is authorized to take depositions, subpoena records, and other discovery. The Relief Defendants and their principals, and respective officers, agents, employees, attorneys, and attorneys-in-fact shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the Receiver in the conduct of the Receiver's duties or to interfere in any manner, directly or indirectly, with the custody, possession, management, or control by the Receiver of the funds, assets, premises, and choses in action described above;

14. The Receiver, and any counsel whom the Receiver may select, are entitled to reasonable compensation from the assets now held by or in the possession or control of or which may be received by these Relief Defendants; said amount or amounts of compensation shall be

commensurate with their duties and obligations under the circumstances, subject to approval of the Court. The Receiver and his counsel shall file with the Court no less than quarterly an application for reasonable compensation and provide to the Commission and the Court a copy of the Commission's Standard Fund Accounting Report;

15. During the period of this receivership, all persons, including creditors, banks, investors, or others, with actual notice of this Order, other than the Receiver, are enjoined from filing a petition for relief under the United States Bankruptcy Code without prior permission from this Court, or from in any way disturbing the assets or proceeds of the receivership or from prosecuting any actions or proceedings which involve the Receiver or which affect the property of these Relief Defendants;

16. The Receiver is fully authorized to proceed with any filing the Receiver may deem appropriate under the Bankruptcy Code as to these Relief Defendants;

17. Title to all property, real or personal, all contracts, rights of action and all books and records of these Relief Defendants and their principals, wherever located within or without this state, is vested by operation of law in the Receiver;

18. Upon request by the Receiver, any company providing telephone services to these Relief Defendants shall provide a reference of calls from any number presently assigned to these Relief Defendants to any such number designated by the Receiver or perform any other changes necessary to the conduct of the receivership;

19. Any entity furnishing water, electric, telephone, sewage, garbage or trash removal services to these Relief Defendants shall maintain such service and transfer any such accounts to the Receiver unless instructed to the contrary by the Receiver;

20. The United States Postal Service is directed to provide any information requested by the Receiver regarding these Relief Defendants, and to handle future deliveries of the mail of these Relief Defendants as directed by the Receiver;

21. No bank, savings and loan association, other financial institution, or any other person or entity shall exercise any form of set-off, alleged set-off, lien, or any form of self-help whatsoever, or refuse to transfer any funds or assets of these Relief Defendants to the Receiver's control without the permission of this Court;

22. No bond shall be required in connection with the appointment of the Receiver. Except for an act of gross negligence or greater, the Receiver shall not be liable for any loss or damage incurred by these Relief Defendants or by the Receiver's officers, agents or employees, or any other person, by reason of any act performed or omitted to be performed by the Receiver in connection with the discharge of the Receiver's duties and responsibilities;

23. Service of this Order shall be sufficient if made upon these Relief Defendants and their principals by personal service, facsimile or overnight courier;

24. In the event that the Receiver discovers that investor funds received by these Relief Defendants have been transferred to other persons or entities, the Receiver shall apply to this Court for an Order giving the Receiver possession of such funds and, if the Receiver deems it advisable, extending this receivership over any person or entity holding such investor funds;
and

25. This Court shall retain jurisdiction of this matter for all purposes.

DONE AND ORDERED this ____ day of August 2018, at _____, Florida.

UNITED STATES DISTRICT JUDGE

Copies to:

Robert Levenson, Esq.
Senior Trial Counsel
801 Brickell Avenue, Suite 1800
Miami, Florida 33131
Phone: (305) 982-6341
Fax: (305) 536-4154
Levensonr@sec.gov
Counsel for Securities and Exchange Commission

Christopher E. Martin, Esq.
Senior Trial Counsel
801 Brickell Avenue, Suite 1800
Miami, Florida 33131
Phone: (305) 982-6386
Fax: (305) 536-4154
martinc@sec.gov
Counsel for Securities and Exchange Commission