

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

Case No: 8:20-cv-394-T-35SPF

KINETIC INVESTMENT GROUP, LLC,
MICHAEL SCOTT WILLIAMS, KINETIC
FUNDS I, LLC, KCL SERVICES, LLC,
SCPIO, LLC, LF42, LLC, EL MORRO
FINANCIAL GROUP, LLC, KIH, INC.,
and BRANCH BANKING AND TRUST
COMPANY,

Defendants.

ORDER

THIS CAUSE comes before the Court for consideration of the Receiver's Unopposed Motion to (i) Approve Settlement With Fogarty Family Investors And Resolve Pending Motion To Liquidate (Doc. 108); and (ii) Authorize Repayment of Margin Balance and Transfer of Remaining Account Funds From Interactive Brokers to Receivership Accounts (the "Motion"), filed by Mark A. Kornfeld, Esq. (the "Receiver"), as court-appointed Receiver for the Receivership Entities. (Dkt. 141) The Receiver seeks an Order from this Court approving the Settlement Agreement with Jon Fogarty and the Fogarty Family Revocable Trust dated September 14, 1971 (collectively, the "Fogarty Family"), authorizing the parties (with assistance as needed from Interactive Brokers LLC ("IB")) to effectuate the terms of the Settlement Agreement, and to subsequently allow the Receiver

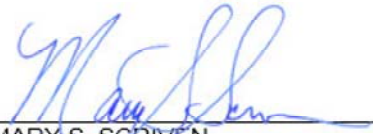
to transfer the net proceeds from the IB sub-accounts to the Receiver's fiduciary bank accounts. The Court having reviewed the Motion, the Settlement Agreement between the Parties, the record in this action, noting that Plaintiff Securities and Exchange Commission and Defendant Michael Williams do not object to the requested relief, and being otherwise fully advised in the premises, and finding it appropriate to approve the Motion, it is hereby **ORDERED AND ADJUDGED** as follows:

1. The Motion, (Dkt. 141), is **GRANTED**. The Court finds that the Settlement Agreement is fair, adequate, and reasonable and is thus approved in its entirety.
2. Receiver's Motion to (i) Approve Determination of Brokerage Account Margin Obligation; (ii) Partially Liquidate Investor Accounts to Satisfy Margin Obligations; (iii) Repay Remaining Margin Balance; and (iv) Transfer Majority of Remaining Receivership Cash Assets to Fiduciary Bank Accounts, (Dkt. 108), is **DENIED without prejudice**. Within ten (10) days of this Order becoming final and non-appealable, the Receiver shall withdraw the Motion with prejudice consistent with the terms of the Settlement Agreement.
3. The Parties are authorized and directed to comply with the terms of the Settlement Agreement.
4. Interactive Brokers is directed to cooperate with, and to use reasonable efforts to assist, the Parties with their effectuation of the terms of the Settlement Agreement, including but not limited to the transfer and

liquidation of the various sub-accounts, holdings, and margin balances owned by the Receivership Entities.

5. The Receiver is authorized and directed to repay the KF 2028 Margin Balance and to transfer the remaining proceeds in the KF Brokerage Account to the Receiver's Fiduciary Accounts (as those terms are defined in the Motion).
6. The Court shall retain jurisdiction to enforce the terms of the Settlement Agreement.

DONE and **ORDERED** in Tampa, Florida, this 5th day of November 2020.



MARY S. SCRIVEN
UNITED STATES DISTRICT JUDGE

Copies furnished to:
Counsel of Record
Any Unrepresented Person