

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,
SCIPIO, 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 Approve Pre-Suit Settlement with Todd Merer (the "Motion"). (Dkt. 271) The Securities and Exchange Commission does not oppose the granting of the relief sought, and Defendant Williams takes no position regarding the requested relief.

The Receiver seeks approval of a settlement reached with third-party Todd Merer. (Id.) The settlement resolves a potential action to recover a \$75,000.00 transfer from a bank account owned by Receivership Entity Kinetic Funds I, LLC to Mr. Merer on February 13, 2020, that the Receiver claims is traceable to investor funds. (Id. at 3)

Mr. Merer has informed the Receiver that the funds represented payment for various legal and personal services that purportedly benefitted the Receivership Entities, and he further advises that given his current financial situation, he would be unable to repay the transfer funds. (Id. at 3–4) In exchange for, inter alia, a release from all liability for the claims which could have been asserted in the potential action to recover the transfer funds, Mr. Merer has agreed to pay \$15,000.00 to the Receiver. (Dkt. 271-1) The Receiver represents that the settlement is in the best interest of the Receivership Entities, investors, and other creditors, as it avoids the inherent uncertainty, time, and expense of further litigation over this issue, and any litigation seeking to recover the transfer funds would most likely incur legal fees in excess of the amount of the transfer. (Dkt. 271 at 6–7) Having considered the Motion, the Settlement Agreement, and being otherwise fully advised, the Court finds that the settlement is fair, adequate and reasonable. As such, the Court finds that the Settlement Agreement is due to be approved.

Accordingly, it is **ORDERED AND ADJUDGED** that the Motion, (Dkt. 271), is **GRANTED**. The Settlement Agreement (Dkt. 271-1) is **APPROVED** and shall govern the conduct of the Receiver and Mr. Merer in the settlement of the potential third-party claim.

DONE and ORDERED in Tampa, Florida, this 25th day of March 2022.



MARY S. SCRIVEN
UNITED STATES DISTRICT JUDGE

Copies furnished to:
Counsel of Record
Any Unrepresented Person