

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

**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

**KINETIC INVESTMENT GROUP, LLC and  
MICHAEL SCOTT WILLIAMS,                   CASE NO.: 8:20-cv-394-MSS-SPF**

**Defendants, and**

**KINETIC FUNDS I, LLC,  
KCL SERVICES, LLC d/b/a LENDACY,  
SCIPIO, LLC, LF 42, LLC, EL MORRO  
FINANCIAL GROUP, LLC, and KIH, INC.,  
f/k/a KINETIC INTERNATIONAL, LLC,**

**Relief Defendants.**

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**REPLY TO DEFENDANT’S OPPOSITION TO RECEIVER’S MOTION FOR  
EXPEDITED APPROVAL OF AMENDED CONTRACT PRICE**

Mark A. Kornfeld, as Receiver (the “Receiver”), by and through the undersigned counsel, files this Reply to Defendant’s Response (Doc. 299) to the Receiver’s Motion for Expedited Approval of Amended Contract Price for the Private Sale of Villa Gabriela Property (Doc. 298, the “Motion”) and states as follows:

- 1) The Receiver continues to act in the best interest of the Receivership Estates and to “take all necessary and reasonable actions” (Doc. 34, ¶ 32) to bring in funds for the benefit of investors defrauded by Defendant Williams. (“Williams.”)

2) At present, Williams continues to interfere with the Receiver's duties as he aims to prevent the Receiver from taking steps to liquidate the real property of the Receivership Estates for the benefit of these investors.

3) Williams' Opposition Response (Doc. 299) is without merit and much of the delay that caused the current circumstances was the by-product of his previous filing of an ill-advised and frivolous motion opposing the prospective sale. (Doc. 277.)

4) Simply put, the Receiver wishes to obtain this seven-figure recovery for the benefit of investors sooner rather than later, given the current market climate and the cost of continuing to keep real property titled in the Receiver's name.

5) Currently, the Receiver must expend funds monthly to upkeep and manage the Receivership's real property located in Puerto Rico.

6) If the Receiver moved forward with litigation against the current prospective purchaser, the cost and expense of that lawsuit will come out of the funds of the Receivership Estates.

7) Understanding the litigation is always costly, time intensive, and often outcome uncertain, the Receiver firmly believes that further delay is not in the best interest of this Receivership.

8) The prospective purchaser has made it clear that he will not close at the original price given the clear change in market conditions since April of this year.

9) The new amended purchase price is a compromise that allows a ready-and-willing purchaser to close now, take over the real property from the Receiver, and efficiently bring in funds to the Receivership Estates.

10) The Receiver has continued to show the property and has received no offers above \$1,690,000. As discussed in prior briefings, the Receiver will comply with the requirements of 28 U.S.C. § 2001, which provide an avenue for an overbidder to purchase the property within the allotted time period, if one comes forward.

11) The sale of this property is well within the discretion of the Receiver.

12) Williams prior arguments have already been presented and rejected by this Court and are of no moment other than serving as a nuisance, distraction, and added expense to this Receivership proceeding.

**WHEREFORE**, Mark A. Kornfeld, Court-Appointed Receiver, respectfully requests that this Court to enter an Order granting the Receiver's Motion for Approval of Amended Contract Price for Private Sale of Villa Gabriela Property and granting any other relief the Court deems just and equitable.

**BUCHANAN INGERSOLL & ROONEY PC**



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*Attorneys for Receiver Mark A. Kornfeld*

**CERTIFICATE OF SERVICE**

I hereby certify that on November 15, 2022, I electronically filed the foregoing with the Clerk of the Court by using the CM/ECF system which will send a Notice of Electronic Filing to the following counsel of record:

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