

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

CASE NO.: 8:20-cv-00394-MSS-SPF

SECURITIES AND EXCHANGE COMMISSION,)
)
Plaintiff,)
)
v.)
)
KINETIC INVESTMENT GROUP, LLC and)
MICHAEL SCOTT WILLIAMS,)
)
Defendants, and)
)
KINETIC FUNDS I, LLC,)
KCL SERVICES, LLC d/b/a LENDACY,)
SCIPIO, LLC,)
LF42, LLC,)
EL MORRO FINANCIAL GROUP, LLC, and)
KIH, INC. f/k/a KINETIC INTERNATIONAL, LLC,)
)
Relief Defendants.)
_____)

**PLAINTIFF’S STATUS REPORT AND UNOPPOSED MOTION FOR
EXTENSION OF TIME TO MOVE FOR RELIEF AGAINST
DEFENDANT MICHAEL SCOTT WILLIAMS**

Plaintiff Securities and Exchange Commission (the “Commission”) provides this status report and moves to extend the stay of this matter for an additional 90 days so that the Commission staff can obtain authorization from the Commission to seek specific remedies against Defendant Michael Scott Williams (“Williams” or “Defendant”) and in support states:

1. On February 20, 2020, the Commission filed its Complaint alleging violations of the anti-fraud provisions of the federal securities laws [DE 1]. On the Commission's motion and following a hearing, the Court entered on March 6, 2020 Orders freezing Defendants' and Relief Defendants' assets [DE 33], and appointing a Receiver over the corporate Defendant and Relief Defendants (the "Receivership Entities") [DE 34].

2. On November 5, 2020, the Court entered a judgment of permanent injunction against the Receivership Entities [DE 156] pursuant to their consent [DE 86], and with monetary relief to be addressed upon motion by the Commission.

3. Following discovery, on March 12, 2021, the Commission moved for summary judgment on all 14 counts against Williams [DE 200], and Williams moved for summary judgment [DE 202] and for judgment on the pleadings [DE 201].

4. On November 22, 2024, the Court entered an Order granting the Commission's motion for summary judgment, denying Defendant's motion for summary judgment and motion for judgment on the pleadings, reserving ruling on whether the Commission is entitled to a permanent injunction against Williams and the amount of disgorgement and prejudgment interest to impose against Williams, and allowing the Commission sixty days to file an appropriate motion for civil penalties [DE 338].

5. On December 19, 2024, the parties filed a joint motion for a 90-day stay and advised the Court that counsel for Williams was attempting to communicate with Williams, who resides in Portugal and purportedly was facing extradition to the United States in connection with a criminal case filed in the United States District Court of Puerto Rico [DE 339].

6. On December 20, 2024, the Court granted the parties' joint motion for a 90-day stay to allow the parties an opportunity to confer on the remaining issues of injunctive and monetary relief sought by the Commission against Williams [DE 339 and 340]. The Court ordered that the case is stayed until April 21, 2025, and that on or before that date, "the Commission shall file an appropriate motion for relief or the Parties shall file a joint status report" [DE 340].

7. Counsel for the parties have communicated on numerous occasions regarding potential resolution of the outstanding issues of injunctive and monetary relief. Despite these efforts, it now appears that resolution with Williams will not be reached, and the parties will motion and brief for the Court the remaining issues of the relief to be imposed against Williams.

8. The Commission staff requires authorization from the Commission in Washington D.C. prior to requesting that the Court order specific monetary relief. The Commission staff requests that the Court extend the stay of this case

for an additional 90 days which should allow the Commission staff time to obtain necessary approvals.

9. This motion is made in good faith and is not intended to unduly delay these proceedings.

WHEREFORE, the Commission respectfully requests that the Court grant a 90-day extension of the stay already in place in this case for the Commission to file its motion for relief against Defendant Williams.

LOCAL RULE 3.01(g) CERTIFICATION

Pursuant to Local Rule 3.01(g), undersigned counsel represents that the Commission conferred with counsel for Williams, who does not oppose this motion.

April 16, 2025

Respectfully submitted,

By: /s/ Christine Nestor & Stephanie N. Moot

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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that on April 16, 2025, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record via transmission of Notices of Electronic Filing generated by CM/ECF.

/s/Christine Nestor
Christine Nestor

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