

IN THE CIRCUIT COURT FOR
ST. JOHN'S COUNTY, FLORIDA
PROBATE DIVISION

IN RE: ESTATE OF

KENNETH W. McLEOD

Deceased.

File No.: CP-10-375

Division: A

PETITION FOR ORDER AUTHORIZING AND APPROVING
A CLAIMS ADMINISTRATION PROCEDURE AND
ALLOCATION OF PROCEEDS FROM SALE OF PERSONAL EFFECTS

Michael I. Goldberg (the "Petitioner"), in his capacity as Curator for the Estate of Kenneth Wayne McLeod, hereby petitions this Court for the entry of an Order authorizing and approving Claims Administration Procedure and allocation of proceeds from sale of personal effects, and in support thereof, alleges as follows:

1. The decedent, Kenneth Wayne McLeod ("Decedent"), died on June 22, 2010. On the date of death, he was domiciled in St. Johns County, Florida.
2. Prior to his passing, the Decedent allegedly perpetrated a Ponzi scheme defrauding approximately \$35 million from nearly 300 victims.
3. Shortly after decedent's passing, the United States Securities and Exchange Commission initiated proceedings against F&S Asset Management Group, Inc., Federal Employee Benefits Group, Inc. and Decedent, Kenneth Wayne McLeod, in the United States District Court, Southern District of Florida at Miami (Proceedings No. 10-22078-CV-MORENO) (the "Receivership Court or Receivership Proceedings").

4. On or about June 24, 2010, the Receivership Court entered an Order appointing the Petitioner as the Receiver ("Receiver") for F&S Asset Management Group, Inc. and Federal Employee Benefits Group, Inc. (collectively, the "Receivership Entities").

5. The Petitioner was subsequently appointed as Curator for the Estate of Kenneth Wayne McLeod on September 3, 2010.

6. Following his appointment as Receiver and Curator, the Petitioner learned that Decedent purchased multiple life insurance policies on his life, including Policy No. 2444098J in the amount of \$1,000,000 with ING Life Insurance Corporation and Policy No. V6 012 949 in the amount of \$750,000 with the Prudential Life Insurance Corporation, (collectively, with any additional life insurance policies, the "Policies").¹

7. The Receiver traced the premiums paid by the Decedent for the Policies to the monies stolen from his victims/Investors. Accordingly, the Receiver claimed an interest in the Policies.

8. Decedent's wife, Susan McLeod ("Ms. McLeod"), however, claimed that her interest as beneficiary of the Policies was superior to the Receiver's interest in the Policies.

9. The Petitioner, in his capacity as Receiver, and Ms. McLeod agreed to obtain the insurance proceeds and place them in an interest bearing escrow account pending final legal determination by the Receivership Court establishing which party was legally entitled to the insurance proceeds.

¹ Other life insurance policies on McLeod's life may exist. To the extent any such policies are located, the Receiver proposes that they be included in the definition "Policies" and treated the same way as the Policies as defined herein.

10. In order to avoid the costs and risk of litigation, the Petitioner in his capacity as Receiver and Ms. McLeod entered into a Settlement Agreement on December 6, 2010, and agreed to resolve their disputes and release their claims against each other.

11. On or about December 10, 2010, the Receiver filed a Motion for an Order Approving Settlement With Susan McLeod and Directing Disbursement of Life Insurance Proceeds with the Receivership Court. A copy of the Motion and incorporated Settlement Agreement is attached hereto as Exhibit "A".

12. The Order Granting Receiver's Motion for Order Approving Settlement With Susan McLeod and Directing Disbursement of Life Insurance Proceeds was entered by the Receivership Court on March 8, 2011. A copy of the Court's Order is attached hereto as Exhibit "B".

13. The Settlement Agreement was structured to disburse the insurance proceeds from all three Policies, as follows:

<u>Asset</u>	<u>Susan McLeod</u>	<u>Receivership</u>	<u>Estate</u>
Insurance Proceeds	\$437,500	Remaining amount of the Insurance Proceeds	\$0.00
Aetna Life Insurance Company	\$5,000	Remaining amount of the Insurance Proceeds	\$0.00
Proceeds from newly discovered policies	25% if name beneficiary	Remaining amount of the newly discovered policies	\$0.00
Interest	25% of all accrued interest on the policies	Remaining amount of all accrued interest on all policies	\$0.00

14. The only persons, other than the Receiver and Susan McLeod, having an interest in this proceeding and their respective addresses are listed as Exhibit "C".

15. In addition to the Policies, the Petitioner, in his dual capacities as Curator and Receiver, has undertaken an investigation to locate and secure assets owned by the Receivership Entities or purchased with funds illegally diverted from the Receivership Entities. Within several months of his appointment, the Receiver auctioned personal property that was recovered from the Receivership Entities' business premises. The Receiver also liquidated other property of the Receivership Entities' which include, among other things, bank accounts and Georgia Bulldog Football Tickets. These monies are also being held in Trust. As of the date of this Motion, the Receiver holds approximately \$1,412,363.80 in a trust escrow account.

16. In addition to marshaling the Decedent's assets, the Petitioner in his capacity as Curator, commenced administration of the Decedent's probate estate (the "Probate Proceedings") and served his Notice to Creditors on all known potential creditors of the Decedent and the Receivership Entities, including the investors.² Petitioner also published Notice to Creditors in a local newspaper on September 29, 2010, pursuant to Section 733.702, Florida Statutes.

17. A total of 133 claims were timely filed in the Probate Proceedings (collectively, the "Probate Claims"). Approximately 118 of the Probate Claims, totaling approximately \$31 million, were filed by Investors; although some of the creditors that filed Probate Claims against the Decedent, are dual creditors of both the Estate and the Receivership. Approximately 8 of the 133 claims filed in the Probate Proceedings, totaling \$537,295.20, were filed by creditors whose debts are more properly classified as debt of the Receivership Entities (the "Business Claims").³

18. In addition, one of the Probate Claims filed in the Probate Proceedings was filed by Capital Analysts, Inc. a brokerage company that was affiliated with the Receivership Entities.

² Pursuant to the Complaint filed in the Receivership Case, Decedent raised money from approx. 260 "Investors" nationwide and at least \$34 million from more than 139 Investors who are still currently invested (the "Investors").

³ The Receiver has not been able to fully analyze any of the Probate Claims, which include the 8 Business Claims referenced herein due to lack of supporting documentation, however, will do so during the Receivership claims review process.

Capital Analysts' claim is for \$15 million and was filed as a contingent contribution claim based on the fact that it is currently being sued by numerous Investors based upon its affiliation with the Receivership Entities. The Petitioner also believes that this claim is more properly filed in the Receivership Court.

19. Although the Decedent is technically personally liable for his fraudulent conduct, it appears that the claims filed by Investors should be resolved in the Receivership Proceedings because the Receivership Court has exclusive jurisdiction to deal with the Decedent's fraud and administer the Receivership Entities' assets.

20. Moreover, the Petitioner believes it is proper to attempt to separate the Decedent's truly personal creditors (i.e., personal credit cards, home mortgage lenders, etc.) (the "Personal Creditors") from the Investors of Decedent's fraud, so that Personal Creditors may only recover from the Probate Proceedings and do not wrongfully share in assets stolen from and directly traceable to Investors in the Receivership Proceedings. Notwithstanding the foregoing, to the extent any Personal Creditor believes they have a claim against the Receivership Entities, they must file a claim in the Receivership Proceedings, and the Receivership Court will be able to determine the merits of any such claim.

21. Based on information extracted from the respective Probate Claims, the Petitioner classified all Probate Claims into four categories as follows:

- Investor Claims (approximately 118 total potential creditors). Attached to this motion as Exhibit "D" is the preliminary list of the Investor Claims filed in the Probate case that the Petitioner in his capacity as Receiver sought authorization to be deemed filed in the Receivership Proceedings.

- Business Claims (approximately 8 potential creditors). Attached to this motion as Exhibit "E" is the preliminary list of the Business Claims filed in the Probate case that the Receiver sought authorization to be deemed filed in the Receivership Proceedings.
- Capital Analysts' Claim (one creditor). Attached to this motion as Exhibit "F" is the claim filed by Capital Analysts in the amount of \$15 Million.
- Personal Claims (approximately 6 potential creditors). Attached to this Motion as Exhibit "G" is the preliminary list potential creditors of solely the probate Estate, although there may be other potential creditors of solely the Estate who have not yet been determined.

22. The total amount of all timely claims filed in the Probate Proceedings is approximately \$47,470,790. Approximately, \$46,431,674.⁴ of such claims are attributed to the Investors' Claims, Business Claims and Capital Analyst's claim (collectively, the "Receivership Claims"); whereas approximately \$1,039,117. in claims are attributed to Personal Claims.

23. Based on the foregoing, the Petitioner proposes to transfer the Receivership Claims from the Probate Estate to the Receivership Proceedings and treat such Probate Claims as if they were filed in the Receivership Proceedings. The Receiver would reserve the right to object to said claims during the claims review period. The Petitioner also proposes that the Probate Court maintain jurisdiction over the remaining Probate Claims filed by Personal Creditors, with any such recovery limited to assets in the probate Estate.

24. After review and verification of all of the above filed Probate Claims, the Petitioner, in his capacity as Receiver, filed a Motion on July 25, 2011 for an Order Setting

⁴ This number may increase if additional claims are filed in the Receivership Case prior to October 31, 2011 (the claims bar date) set by the Receivership Court.

Claims Bar date; Authorizing Receiver to Treat Investor Claims Filed in Probate Action as Claim "filed" in the Receivership Proceeding; and Approving a Claims Administration Procedure with the Receivership Court.⁵

25. On August 25, 2011, the Receivership Court issued an Order Granting Receiver's Motion for Order (I) Setting Claims Bar Date; (II) Authorizing Receiver to Treat Investor Claims Filed in Probate Action as Claims "Filed" in the Receivership Proceeding; and (III) Approving a Claims Administration Procedure. A copy of the Order is attached hereto as Exhibit "H".

26. Petitioner, in his capacity as Curator, hereby files this Motion for an Order approving the transfer of creditors who filed Receivership Claims to the Receivership Proceedings and to limit recovery from the Probate Estate to claimants who filed Personal Claims.

27. The Decedent's Probate Estate has limited assets, with a combined value of approximately \$15,000, as of August 2011.

28. It appears some or all of the Decedent's personal effects may have been acquired with monies stolen from his Investors. However, the Petitioner believes there is some reasonable rationale for transferring part of the proceeds from the recent sale of the Decedent's personal property in the Receivership Proceedings to the Probate Estate.

29. Accordingly, the Petitioner, in his dual capacities as Curator and Receiver, also proposes to split the proceeds derived from the sale of the Decedent's personal assets equally between the Probate and Receivership Estates. Petitioner, in his capacity as Receiver, filed the

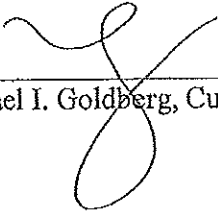
⁵ The Receiver also proposed a claims bar date of October 31, 2011 (the "Claims Bar Date") in the Receivership Proceedings. The Receiver proposed to send a letter and claim form to each known creditor of the Receivership Entities' providing them with notice of the Claims Bar Date. Moreover, the Receiver shall publish notice of the Claims Bar Date and a copy of the claim form on his website set up for this Receivership at www.febginfo.com. All claims not filed on or before the Claims Bar Date that have not previously been filed in the Probate Proceedings should be forever barred, unless otherwise ordered by this Court. After the expiration of the Claims Bar Date, the Petitioner, in his capacity as Receiver, shall review all claims filed, and compare them to each Receivership Entities' books and records (the "Recovered Records") in an attempt to verify the accuracy of the claim.

Receiver's Second Status Report on August 23, 2011, seeking in part to divide the proceeds from the sale of such personal property between the Probate Estate and Receivership. A copy of the Motion is attached hereto as Exhibit "I".

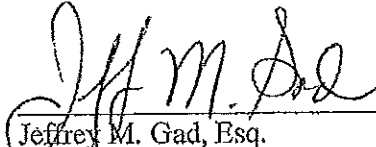
30. The Petitioner, in his capacity as Curator, files this Motion seeking to obtain an Order from the Probate Court approving such allocation of proceeds from the sale of Decedent's personal effects equally between the Receivership and Probate Estate. The assets are currently estimated to range in value from \$50,000 to \$75,000, exclusive of auctioneer's fees and expenses. The Petitioner believes this treatment is equitable to both the Receivership and Probate Estates as it would be impossible to accurately determine which Estate is rightfully entitled to the Decedent's personal assets which were paid for, at least in part, with money stolen from Investors. Therefore, when combined with the approximately \$15,000 already available for distribution in the Probate Proceedings, it is estimated that between \$40,000 and \$52,500 will be available for distribution in the Probate Proceedings.

WHEREFORE, the Petitioner respectfully requests this Court enter an Order: (i) authorizing and approving a Claims Administration Procedure transferring the Investor Claims, Business Claims, and the Capital Analysts, Inc. Claim (filed as Exhibits "D," "E" and "F") for administration and resolution solely before the Receivership Proceedings and maintaining jurisdiction over the remaining Probate Claims filed by Personal Creditors; (ii) authorizing the allocation of proceeds from the sale of Decedent's personal effects equally between the Receivership and Probate Estate; and (iii) granting such further relief as is just and proper.

Dated this 6 day of October, 2011.



Michael I. Goldberg, Curator



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EXHIBIT "A"

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
(Miami Division)
CASE NO.: 10-22078-CV-MORENO/TORRES

SECURITIES & EXCHANGE COMMISSION,

Plaintiff,

vs.

ESTATE OF KENNETH WAYNE MCLEOD,
F&S ASSET MANAGEMENT GROUP, INC. and
FEDERAL EMPLOYEE BENEFITS GROUP, INC.

Defendants.

RECEIVER'S MOTION FOR ORDER
APPROVING SETTLEMENT WITH SUSAN MCLEOD AND
DIRECTING DISBURSEMENT OF LIFE INSURANCE PROCEEDS

Michael I. Goldberg (the "Receiver"), in his capacity as Receiver of Federal Employee Benefits Group, Inc. ("FEBG"), F&S Asset Management Group, Inc. ("FSAMG") and the Estate of Kenneth Wayne McLeod (collectively, the "Receivership Entities"), files this Motion for Order Approving Settlement with Susan McLeod and Directing Disbursement of Life Insurance Proceeds ("Motion"). In support of this Motion, the Receiver states as follows:

I. Background

1. On June 24, 2010, the United States Securities and Exchange Commission ("SEC") initiated these proceedings. In its complaint, the SEC alleged that the Receivership Entities, along with Kenneth Wayne McLeod ("McLeod") perpetrated a Ponzi scheme defrauding approximately \$35 million from nearly 300 victims and sought the appointment of a receiver over the Receivership Entities. On even date, the Court appointed Michael I. Goldberg as receiver for the Receivership Entities.

2. Just prior to the filing of the SEC's complaint, McLeod died from a self-inflicted gunshot wound to the head. The Receiver learned that McLeod had at least three life insurance policies on his life. The Receiver traced the premiums paid by McLeod to the monies stolen from his victims, and therefore, has claimed an interest in the policies. McLeod's wife, Susan McLeod, contends that her interest as beneficiary of the policies is superior to the Receiver's interest in the policies.

3. Notwithstanding their dispute, the Receiver and Susan McLeod agreed it was in their best interests to obtain the life insurance proceeds ("Insurance Proceeds") from the insurance companies, place them in an interest bearing escrow account, and litigate who is legally entitled to the Insurance Proceeds. Accordingly, upon an unopposed motion filed by the Receiver, on October 4, 2010, this Court entered an Order approving procedures to escrow the Insurance Proceeds in an interest bearing account overseen by Joseph Hatchett, Esq. of Akerman Senterfitt pending further order of the Court directing the disbursement of the Insurance Proceeds. (*See* D.E. 41.)

4. The Receiver also asserted an interest in other real and personal property ("Property") in Susan McLeod's possession, which the Receiver claimed were also purchased with or otherwise derived from victims' funds. Susan McLeod claims that her interest in the Property as surviving spouse is superior to the Receiver's interest in the Property.

II. Settlement Agreement

5. The Receiver and Susan McLeod have subsequently resolved their dispute over the Insurance Proceeds and the Property. A true and correct copy of the Agreement is attached hereto as Exhibit A.

A. Insurance Proceeds

6. The sum of \$1,750,000 representing the Insurance Proceeds is presently held in escrow. The parties have agreed that Susan McLeod shall be paid the sum of \$437,500 from the Insurance Proceeds and \$5,000 from the proceeds of the Aetna insurance policy, when received.

7. In the event other policies are discovered in which Susan McLeod is the named beneficiary, Susan McLeod shall be paid 25% of the proceeds of such policies. Additionally, Susan McLeod shall also be given 25% of the interest that has accrued on the Policies. These sums shall be free and clear of any and all claims, liens or encumbrances of McLeod's or the Receivership Entities' creditors.

8. The Receiver shall be paid the remaining amount of the Insurance Proceeds, plus the remaining interest that has accrued on the Insurance Proceeds. The Receiver shall also be entitled to receive the total amount of proceeds of any additional life insurance policies purchased by McLeod, regardless of the beneficiary, less 25% of the proceeds to be paid to Susan McLeod.

B. Real and Personal Property

9. A complete listing of Susan McLeod's jewelry (the "Jewelry") is attached to the Agreement as Exhibit 1. Susan McLeod shall deliver her Jewelry to the Receiver, who shall obtain at least two bids to purchase the Jewelry. In the event the highest bid for the Jewelry is less than or equal to \$200,000.00, Susan McLeod shall direct the Receiver to either sell the jewelry or to deliver it to Susan McLeod.

10. In the event the highest bid is greater than \$200,000, then the Receiver shall sell the jewelry to the highest bidder(s) and remit \$200,000 of the proceeds to Susan McLeod and keep the excess proceeds for the benefit of the receivership estate.

11. Any transfer of Jewelry or funds derived from the sale of the Jewelry shall be free and clear from the claims of any creditors and/or third parties.

12. Susan McLeod shall turnover to the Receiver McLeod's jewelry as more fully described in Exhibit 2 of the Agreement. The receiver shall be entitled to retain such jewelry for the benefit of the receivership estate.

13. Susan McLeod shall be entitled to retain the furniture and other household goods set forth on Exhibit 3 of the Agreement for her own benefit.

14. The Receiver shall be entitled to possession of all assets set forth on Exhibit 4 of the Agreement as well as any other asset not listed in the schedules, including any real property in Susan McLeod's and/or McLeod's name or possession. Notwithstanding the foregoing, the Receiver agrees to work with Susan McLeod in order to provide her a reasonable time to obtain a new residence.

15. It is the intent of the parties that Susan McLeod be entitled to keep the assets specifically being transferred to her under the Agreement free and clear of the claims of any third party in consideration of her giving up any claims, entitlement or ownership interest in any other assets to the Receiver.

16. Susan McLeod has represented to the Receiver that she has no interest in any real property or personal property (including but not limited to any life insurance policies, bank accounts or brokerage accounts) or any other asset other than the assets disclosed in the schedules attached to the Agreement.

17. To the extent this representation is false, the Receiver shall be given immediate possession of such undisclosed assets. To the extent Susan McLeod disposes of any undisclosed assets prior to the Receiver being given possession, the Receiver shall have a claim against Susan

McLeod for the value of any such undisclosed assets, notwithstanding any release being given pursuant to this Agreement.

18. On October 6, 2010, upon motion of the SEC, this Court entered an Order Granting the SEC's Motion to Stay Proceeding and Closing Case for Statistical Purposes. (See D.E. 44.) However, the Court retained jurisdiction over the parties and the Receiver.

INCORPORATED MEMORANDUM OF LAW

The district court has broad powers and wide discretion to determine relief in an equity receivership. *SEC v. Elliott*, 953 F.2d 1560, 1566 (11th Cir. 1992). The power of courts over receivers, including their authority to control them "in the settlement of all demands against the property held by them in their capacity as receivers, is well established..." *Bancroft v. Allen*, 138 Fla. 841, 190 So. 885 (Fla. 1939). It is equally the duty of the court appointing a receiver to compel the settlement of claims against the property in his possession in the most expeditious manner, so as to avoid litigation and expense to the fund in charge of the court. *Id.* 138 Fla. at 854; *Fugazy Travel Bureau, Inc. v. State*, 188 So.2d 842, 843 (Fla. 4th DCA 1966).

The right of a receiver to settle claims and compromise actions with the approval of the court is well recognized. *Id.*; *O'Neal v. General Motors Corporation*, 841 F. Supp. 391, 398 (M.D. Fla. 1993). Moreover, the Receivership Order entered in this case, specifically authorizes the Receiver to, among other things: "[D]efend, compromise or settle legal actions...in which the Defendants or the receiver is a party, commenced either prior to or subsequent to this Order, with authorization of this Court..." See ¶ 6 of the Receivership Order. Accordingly, the Receiver seeks approval of this Court to enter into the Agreement.

The Receiver believes the settlement is in the best interest of the parties and the Receivership Estate. The Receiver enters into the settlement only after extensive negotiations

with Susan McLeod's counsel and a thorough review of the property in Susan McLeod's possession. To the extent Susan McLeod failed to disclose an interest in any real or personal property other than the assets disclosed in the schedules attached to the Agreement, the Receiver will be entitled to immediate possession of such undisclosed assets. To the extent Susan McLeod disposes of any undisclosed assets prior to the Receiver being given possession, the Receiver shall have a claim against her for the value of any such undisclosed assets, notwithstanding any release given pursuant to the Agreement. The Receiver also believes the settlement is in the best interest of the receivership estate because without entering into the settlement, the Receiver could incur significant litigation costs which reduce funds available for the benefit of the Receivership Entities and investors.

WHEREFORE, the Receiver respectfully requests this Court enter an order in the form of Exhibit B, approving the Agreement; reserving jurisdiction to enforce the terms of the settlement; and granting such other relief as is just and proper.

LOCAL RULE 7.1 CERTIFICATION OF COUNSEL

Pursuant to Local Rule 7.1, undersigned counsel hereby certifies that the Receiver has conferred with counsel for the United States Securities and Exchange Commission and Susan McLeod who have no objection to the relief requested herein.

AKERMAN SENTERFITT
350 East Las Olas Boulevard
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Fort Lauderdale, FL 33301
Telephone: (954) 463-2700
Facsimile: (954) 463-2224
Attorneys for Receiver

By: /s/ Joan M. Levit
Joan M. Levit
Florida Bar No.: 987530

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on December 10, 2010, I electronically filed the foregoing document with the Clerk of Court using CM/ECF. I also certify that the foregoing document is being served on this day on all counsel of record or pro se parties identified on the attached Service List in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel or parties who are not authorized to receive electronically Notices of Electronic Filing.

/s/ Joan M. Levit

1:10-cv-22078-FAM

Notice has been electronically mailed to:

C. Ian Anderson andersonci@sec.gov, jacqmeinv@sec.gov, landaul@sec.gov

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Tamara Jill Savin tamara.savin@akerman.com

Notice has been mailed to

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215 Washington Street
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Elizabeth L. White
Sheppard White Thomas & Kachergus PA
215 Washington Street
Jacksonville, FL 32202

EXHIBIT A

AGREEMENT

This Agreement is entered into this ____ day of December, 2010 by and between Michael I. Goldberg, in his capacity as the court-appointed Receiver for Federal Employee Benefits Group, Inc. ("FEBG") and F&S Asset Management Group, Inc. ("FSAMG"), and Susan McLeod, (jointly, the "Parties"), who stipulate and agree as follows:

RECITALS

WHEREAS, on June 24, 2010, the United States Securities and Exchange Commission ("SEC") filed a Complaint in the U.S. District Court for the Southern District of Florida (the "Court"), styled *SEC v. McLeod, et al.*, and assigned Case No.: 10-22078-CV-MORENO/TORRES.

WHEREAS, in the complaint, the SEC alleged that Defendants, FEBG and FSAMG (jointly, the "Receivership Entities"), along with Defendant, Kenneth Wayne McLeod ("McLeod"), perpetrated a Ponzi scheme defrauding approximately \$35 million from nearly 300 victims, by diverting the victims' investment funds from FEBG's accounts to McLeod's personal accounts for his own personal use and benefit.

WHEREAS, upon the request of the SEC, on June 24, 2020, the Court entered an Order appointing Michael I. Goldberg as the receiver ("Receiver") over the Receivership Entities and the assets of the Receivership Entities.

WHEREAS, just prior to the filing of the SEC's Complaint, McLeod died from a self-inflicted gunshot wound to the head.

WHEREAS, McLeod previously purchased multiple life insurance policies on his life, including Policy No. 2444098J in the amount of \$1,000,000 with ING Life Insurance Corporation and Policy No. V6 012 949 in the amount of \$750,000 with the Prudential Life Insurance Corporation, (collectively, with any additional life insurance policies, the "Policies").¹

WHEREAS, the Receiver traced the premiums paid by McLeod for the Policies to the monies stolen from his victims, and therefore, the Receiver claimed an interest in the Policies.

WHEREAS, McLeod's wife, Susan McLeod, contends that her interest as beneficiary of the Policies is superior to the Receiver's interest in the Policies.

WHEREAS, notwithstanding their dispute over the Policies and the proceeds derived therefrom, the Receiver and Susan McLeod agreed to obtain the life insurance proceeds from the insurance companies, place them in an interest bearing escrow account, and litigate who is legally entitled to the life insurance proceeds.

¹ Other life insurance policies on McLeod's life may exist. To the extent any such policies are located, the Receiver proposes that they be included in the definition "Policies" and treated the same way as the Policies as defined herein.

WHEREAS, on October 4, 2010, the Court entered an Order Granting Unopposed Motion for Order Approving Procedure to Escrow Disputed Life Insurance Proceeds, which directed the disbursement of the life insurance proceeds and appointed Joseph Hatchett and Akerman Senterfitt to serve as escrow agent ("Escrow Agent") of the life insurance proceeds ("Insurance Proceeds") to be held in an interest bearing escrow account, pending further order of the Court.

WHEREAS, the Receiver has also asserted an interest in other property in Susan McLeod's possession such as jewelry, household furnishings and other personal property (including cash, bank accounts and brokerage accounts)("Personalty"), which the Receiver claims were also purchased with or otherwise derived from victims' funds.

WHEREAS, the Receiver also asserts an interest in all real property owned or otherwise in Susan McLeod's possession which the Receiver claims was also purchased with victims' funds.

WHEREAS, Susan McLeod contends that her interest in the real property and Personalty as surviving spouse is superior to the Receiver's interest.

WHEREAS, the Receiver has no knowledge whatsoever that Susan McLeod had any knowledge of or involvement in the misconduct alleged to have been committed by Kenneth Wayne McLeod giving rise to the claims by the Receiver.

WHEREAS, in order to avoid the costs, risk and uncertainty attendant to any litigation, the Parties have agreed to resolve their disputes as set forth herein:

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and undertakings contained herein and other good and valuable consideration, which is hereby acknowledged by the Parties, the Parties agree to the following terms in full and complete of their disputes.

1. Representations and Warranties. Susan McLeod represents and warrants to the Receiver that she has no interest in any real property or personal property (including but not limited to any life insurance policies, bank accounts or brokerage accounts) or any other asset other than the assets disclosed in the attached schedules. This representation shall not apply to any individual asset with a value less than \$250 or all assets in the aggregate value of less than \$10,000, Susan McLeod recognizes that the Receiver is relying on this representation in entering into this Agreement. To the extent this representation is false, the Receiver shall be given immediate possession of such undisclosed assets. To the extent Susan McLeod disposes of any undisclosed assets prior to the Receiver being given possession, the Receiver shall have a claim against Susan McLeod for the value of any such undisclosed assets, notwithstanding any release being given pursuant to this Agreement.

2. Insurance Proceeds. The sum of \$1,750,000 representing the Insurance Proceeds is presently held in escrow.

{FT730785;1}

(a) Susan McLeod shall be paid the sum of \$437,500 from the Insurance Proceeds. Susan McLeod shall also be paid \$5,000 from the proceeds of the Aetna insurance policy, when received. In the event other policies are discovered in which Susan McLeod is the named beneficiary, Susan McLeod shall be paid 25% of the proceeds of such policies. Additionally, Susan McLeod shall also be given (twenty five percent) (25%) of the interest that has accrued on the Policies. These sums shall be free and clear of any and all claims, liens or encumbrances of McLeod's or the Receivership Entities' creditors.

(b) The Receiver shall be paid the remaining amount of the Insurance Proceeds, plus the remaining interest that has accrued on the Insurance Proceeds.

(c) The Receiver shall also be entitled to receive the total amount of proceeds of any additional life insurance policies purchased by McLeod, regardless of the beneficiary, less twenty five percent (25%) of the proceeds to be paid to Susan McLeod.

3. Personal Property, Bank Accounts, Brokerage Accounts and Cash.

(a) Susan McLeod shall deliver to the Receiver possession of her jewelry. A complete listing of Susan McLeod's jewelry (the "Jewelry") is attached hereto as Schedule "A". The Receiver shall obtain at least two bids to purchase the Jewelry. In the event the highest bid for the Jewelry is less than or equal to \$200,000.00, Susan McLeod shall direct the Receiver to either sell the jewelry or to return it to Susan McLeod. In the event the highest bid is greater than \$200,000, then the Receiver shall sell the jewelry to the highest bidder(s) and remit \$200,000 of the proceeds to Susan McLeod and keep the excess proceeds for the benefit of the receivership estate. Any transfer of Jewelry or funds derived from the sale of the Jewelry shall be free and clear from the claims of any creditors and/or third parties.

(b) Susan McLeod shall turnover to the Receiver McLeod's jewelry as more fully described in Schedule "B", attached hereto and the receiver shall be entitled to retain such jewelry for the benefit of the receivership estate.

(c) Susan McLeod shall be entitled to retain the furniture and other household goods set forth on Schedule "C" for her own benefit.

(d) The Receiver shall be entitled to possession of all assets set forth on Schedule "D" as well as any other asset not listed in the attached schedules, including any real property in Susan McLeod's and/or McLeod's name or possession. Notwithstanding the foregoing, the Receiver agrees to work with Susan McLeod in order to provide her a reasonable time to obtain a new residence. It is the intent of this Agreement that Susan McLeod be entitled to keep the assets specifically being transferred to her under this Agreement free and clear of the claims of any third party in consideration of her giving up any claims, entitlement or ownership interest in any other assets to the Receiver.

2. Court Approval.

(FT730785;1)

- (a) The Parties agree that this Agreement is subject to approval by the Court.
- (b) The Receiver shall file a motion with the Court seeking approval of this Agreement.
- (c) The Order shall provide that upon ten days after entry of a final Order approving this Agreement:
 - (i) The Escrow Agent shall release the Insurance Proceeds as required hereunder.
 - (ii) Susan McLeod shall turnover McLeod's jewelry and other assets required under this Agreement to the Receiver.
 - (iii) The Court shall retain jurisdiction to enforce the terms of this Agreement.

3. Mutual Releases. Except as provided in this Agreement, upon compliance by all of the Parties to the terms of this Agreement, each of the Parties, on their own behalf and on behalf of their successors, assigns, and related corporate entities, hereby releases and forever discharges the other Parties, their affiliates, subsidiaries, parents, related corporate entities, officers, directors, employees, agents, owners, shareholders, insurers, attorneys, predecessors, successors, assigns from any and all actions (whether in contract, tort or otherwise), potential causes of action, suits, debts, dues, sums of money, accounts, bills, invoices, covenants, contracts, controversies, agreements, promises, damages (including punitive damages), costs, attorneys' fees, interest, expenses and other compensation, warranties, representations, claims, and demands, whether known or unknown, foreseen or unforeseen, economic or otherwise, in law or equity, which each Party or anyone claiming by, through or under him, ever had or now has against the releasees based upon any facts or events, known or unknown, which have occurred at any time prior to and including the date of the execution of this Agreement.

4. No Admission of Liability. Each of the Parties understands and agrees that this Agreement is a compromise of disputed claims and does not constitute, nor shall it be construed as, an admission of liability by any of the Parties.

5. Choice of Law. This Agreement shall be construed in accordance with and all disputes hereunder shall be controlled by the laws of the State of Florida without regard to its conflict of laws provision. Should any provision of this Agreement be declared unenforceable or illegal by any court of competent jurisdiction, such provision shall immediately become null and void, leaving the remainder of this Agreement in full force and effect.

6. Single Agreement. This Agreement constitutes the entire understanding between the Parties, and no other promises or agreements shall be binding unless signed by all Parties. All prior representations regarding this Agreement are expressly disclaimed by all Parties unless incorporated in this Agreement. This Agreement may only be modified in writing signed by the party against whom such modification is to be construed.

7. Capacity. The individuals whose signatures are affixed to this Agreement in a representative capacity represent that they are authorized to execute the Agreement on behalf of and to

bind the entity (and any successors and assigns, including, but not limited to a subsequent trustee, receiver or assignee) on whose behalf the signature is affixed, to the terms of this Agreement.

8. Counterparts. This Agreement may be executed in a number of counterparts, each of which shall be deemed an original, and said counterparts may be delivered by facsimile, but all of which shall constitute one and the same Agreement.

9. Additional Actions. The Parties agree to take such additional action, including the execution and delivery of any additional documents, reasonably necessary to effectuate the provisions of the Agreement.

10. Waiver of Trial by Jury. The Parties hereby knowingly, voluntarily and intentionally waive the right they may have to a trial by jury with respect to any litigation based hereon, or arising out of, under or in connection with this Agreement, any document contemplated to be executed or any action of the Parties.

11. Attorneys' Fees. The Parties to this Agreement shall bear their own costs and attorneys fees associated with the drafting, negotiation and execution of this Agreement. However, in the event any of the Parties institutes legal proceedings in connection with, or for the enforcement of this Agreement or any provision hereof, the prevailing party shall be entitled to recover from the losing party, its costs, including reasonable attorneys' fees, at both trial and appellate levels.

12. Neutral Interpretation. The Parties have had an opportunity to review the terms and conditions of this Agreement with legal counsel and are entering into this Agreement fully informed of all duties obligations and ramifications of all terms and conditions contained herein, and agree to abide by all terms and conditions. Since this Agreement is the result of the joint effort of the Parties to resolve their dispute and the Parties have had the benefit of counsel, the Agreement should not be construed more strictly against any one party.

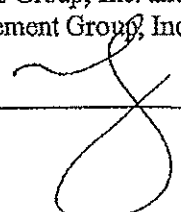
13. No Interpretation of Captions or Headings. The captions and headings within this Agreement are for ease of reference only and are not intended to create any substantive meaning or to modify the terms following them or contained in any other provision of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth below.

IN WITNESS WHEREOF, the parties hereto evidence their agreement and have executed this Agreement as of the day and year first below written.

Date Executed: 12/6/10

Michael I. Goldberg, in his capacity as
Receiver for Federal Employee
Benefits Group, Inc. and F & S Asset
Management Group, Inc.

Sign:  _____

Date Executed: 12-2-2010

SUSAN MCLEOD

Sign: Susan McLeod

Exhibit 1: Jewelry of Susan McLeod

1. Rolex: Yachtmaster, gold with stainless steel, dark face with white number dials
2. Rolex: Oyster perpetual Lady datejust watch, 26 mm, 18kt yellow gold, bezel set with 42 diamonds, case lugs with 24 diamonds and 10 diamonds set on white mother-of-Pearl dial, 31 jewel chronometer movement, synthetic sapphire crystal with President bracelet, Style #17915889UB8313, Serial #K579586
3. Rolex: stainless steel, with diamonds on the face
4. 1 lady's Craig Drake designed emerald and diamond 18kt yellow gold and white gold bracelet. Total emerald weight of 6.80 ct. and 2.87 ct.t.w. in diamonds
5. 1 lady's NEI House of Fashion emerald and diamond 3 stone ring, center emerald has a total weight of 1.17 ct. and the 2 diamonds have a total weight of .34 ct.
6. 14K gold round diamond stud earrings, 1.0 ct tdw
7. Emerald/Diamond Earrings: drop emeralds surrounded by smaller diamonds
8. Gold/Diamond Jaguar Bracelet: gold link bracelet, two diamond jaguar heads with gemstone eyes that are connected at a diamond ring
9. 18k gold and platinum ring with 3 round diamonds (.95ct tw)
10. Less than 1 carat wedding band: yellow gold with diamond solitaire
11. Carat Solitaire wedding band: yellow gold with diamond solitaire
12. 1 lady's 18kt white gold Robert Coin diamond circle pendant on chain with total weight of 1.33ct.
13. Diamond Solitaire with two adjoining baguette diamonds: original engagement band
14. 2 ladies' platinum five (5) diamond bands, each diamond band weighs 2.10 ct.
15. Platinum wedding band with one large diamond with 2 smaller diamonds on the side

Exhibit 2: Jewelry of Kenneth Wayne McLeod

1. Rolex Watch, GMT Master II
2. Rolex Watch, Submariner
3. David Yurman Cross Necklace

Exhibit 3: Personal Property retained by Susan McLeod

Personal Property at 1543 Wentworth Avenue, Jacksonville, Florida 32259

1. Large Sony Flat Screen TV
2. Pioneer DVD Player
3. King size bed
4. 2 end tables
5. 2 dressers
6. Bunk bed
7. End table
8. Large dresser
9. Small dresser
10. Sylvania TV
11. 2 small couches
12. Chair
13. Large china hutch
14. Dining room table with 8 chairs
15. 2 end tables
16. Small hutch
17. Stainless steel profile refridgerator/freezer
18. Small Phillips TV
19. Profile Wine Cooler
20. Large Samsung TV
21. 2 Five persons couch
22. 2 end tables
23. Denon DVD Player
24. Kitchen Table with 4 chairs
25. Queen size bed
26. 2 end tables
27. Long table/stand
28. Samsung Flat Screen TV
29. Fuz Ball Table
31. Budweiser Blimp Light
32. Game Time Mega Touch
33. Queen size bed
34. 1 end table
35. Dresser
36. 2 twin beds
37. Samsung Flat Screen TV
38. Dresser
39. Twin bed
40. Dresser
41. End table
42. Small Phillips Flat Screen TV

43. Desk with chair
44. Small filing cabinet
45. Large Phillips Flat Screen TV
46. Hoshizaki Ice/Water Dispenser
47. 2 Maytag refrigerator/freezers
48. Large GE storage freezer
49. Toro Twister
50. Kenmore Freezer
51. Hoshizaki Ice Maker
52. Large playground set with tree house
53. Shuffle Board table
54. Precor Treadmill and Elliptical
55. Used video games
56. Precor Ab Machine
57. Paramount Cable Crossover Bar
58. Pull down machine
59. Squat machine
60. Miscellaneous dumbbells/weight stuff
61. Miscellaneous yard equipment

Personal Property at 1657 Yachtsman's Court, Amelia Island, Florida 32034:

1. Two wood end tables
2. Matching dresser
3. King size bed
4. Kitchen table with 4 chairs
5. Brother Fax/Copy Machine
6. 2 Queen size beds
7. Stainless steel Kenmore Elite Outdoor Grill
8. Kitchen table and 4 chairs
9. Miscellaneous dishes, pots and pans, silverware
10. Living room couch
11. Coffee table
12. Love seat and chair
13. Miscellaneous small beach equipment and towels
14. Personal clothing of Mrs. McLeod and daughter
15. Brother Fax/Copy Machine

Bank Accounts

1. Vystar Credit Union Primary Savings Account No. 0702826123, Account Balance of \$15.00 as of November 30, 2010
2. Vystar Credit Union Regular Checking Account No. 7502588065, Account Balance of \$2,345.63 as of November 30, 2010

Exhibit 4: Property to be Surrendered to Receiver

Property located at 1543 Wentworth Avenue, Jacksonville, Florida 32259:

1. Pool Table
2. Miscellaneous Georgia Football pictures and paintings
3. Moomba Ski Boat
4. 2 Sea-Doo Jetskis
5. Freedom Grill Tailgate Trailer with 2 coolers and attached grill
6. Haulmark Tailgater Trailer with bathroom, flat screen tv, radio, etc.
7. Carry on Trailer cargo

Property located at 1657 Yachtsman's Court, Amelia Island, Florida 32034:

1. Large Sony Flat Screen TV
2. Sony DVD player
3. Denon multizone entertainment component
4. Whirlpool Washer/Dryer
5. Stainless Steel Profile refrigerator/freezer
6. Precor Treadmill
7. Precor Elliptical Machine
8. Inspire workout machine set
9. 2 Sony Flat Screen TVs
10. 2 Phil Mickelson Tournament pictures with frames
11. Sony DVD Player
12. Small Sony Flat Screen TV
13. Maytag Stainless Steel refrigerator/freezer
14. Tomberlin Red Deluxe Golf Cart
15. Battery Power Golf Cart

Vehicles

jd[mcleod - inventory exhibits sm]

EXHIBIT "B"

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
(Miami Division)
CASE NO.: 10-22078-CV-MORENO/TORRES

SECURITIES & EXCHANGE COMMISSION,

Plaintiff,

vs.

ESTATE OF KENNETH WAYNE MCLEOD,
F&S ASSET MANAGEMENT GROUP, INC. and
FEDERAL EMPLOYEE BENEFITS GROUP, INC.

Defendants.

**ORDER GRANTING RECEIVER'S MOTION FOR ORDER
APPROVING SETTLEMENT WITH SUSAN MCLEOD AND
DIRECTING DISBURSEMENT OF LIFE INSURANCE PROCEEDS**

THIS MATTER came before the Court without hearing upon the Motion for Order Approving Settlement with Susan McLeod and Directing Disbursement of Life Insurance Proceeds ("Motion") filed by Michael I. Goldberg (the "Receiver"), in his capacity as Receiver of Federal Employee Benefits Group, Inc. ("FEBG"), F&S Asset Management Group, Inc. ("FSAMG") and the probate estate of Kenneth Wayne McLeod (collectively, the "Receivership Entities"). The Court, having reviewed the Motion, being advised that the Securities and Exchange Commission and counsel for Susan McLeod have no objection to the relief requested, and being otherwise fully advised in the premises, it is

ORDERED AND ADJUDGED that:

1. The Motion is Granted.
2. The settlement agreement ("Agreement"), a copy of which is attached to the Motion, is incorporated herein, ratified, approved and adopted by this Court. The Receiver is

authorized to enter into the Agreement, execute any documents and take any actions reasonably necessary to consummate the transactions contemplated therein.

3. Upon ten days after the entry of this Order, Akerman Senterfitt and Joseph Hatchett, Esq., as escrow agent over the Insurance Proceeds (as defined in the Motion), shall disburse the Insurance Proceeds, as follows:

(a) Susan McLeod shall be paid the sum of \$437,500 from the Insurance Proceeds. Susan McLeod shall also be paid \$5,000 from the proceeds of the Aetna Life Insurance Company insurance policy, when received.

(b) In the event other policies are discovered in which Susan McLeod is the named beneficiary, Susan McLeod shall be paid 25% of the proceeds of such policies.

(c) Additionally, Susan McLeod shall also be given 25% of the interest that has accrued on the Policies.

(d) These sums paid to Susan McLeod shall be free and clear of any and all claims, liens or encumbrances of Wayne McLeod's or the Receivership Entities' creditors. As the term is used herein, creditors shall not include any governmental agency.

(e) The Receiver shall be paid the remaining amount of the Insurance Proceeds, plus the remaining interest that has accrued on the Insurance Proceeds.

4. Susan McLeod has represented and warranted to the Receiver that she has no interest in any real property or personal property (including but not limited to any life insurance policies, bank accounts or brokerage accounts) or any other asset other than the assets disclosed in the exhibits attached to the Agreement.¹ To the extent this representation is false, the Receiver shall be given immediate possession of such undisclosed assets. To the extent Susan McLeod

¹ This representation does not apply to any individual asset with a value less than \$250 or all assets in the aggregate value of less than \$10,000.

disposes of any undisclosed assets prior to the Receiver being given possession, the Receiver shall have a claim against Susan McLeod for the value of any such undisclosed assets, notwithstanding any release being given pursuant to the Agreement.

5. Susan McLeod shall be entitled to retain the furniture and other household goods set forth on Exhibit 3 of the Agreement for her own benefit.

6. The Receiver shall be entitled to possession of all assets set forth on Exhibit 4 of the Agreement, as well as any other asset not listed in the attached schedules, including any real property in Susan McLeod's and/or Wayne McLeod's name or possession.

7. Susan McLeod shall turnover to the Receiver Wayne McLeod's jewelry and other assets required under the Agreement.

8. Susan McLeod shall deliver to the Receiver possession of her jewelry (the "Jewelry") set forth on Exhibit 1 of the Agreement. The Receiver shall obtain at least two bids to purchase the Jewelry. In the event the highest bid for the Jewelry is less than or equal to \$200,000.00, Susan McLeod shall direct the Receiver to either sell the jewelry or to deliver it to Susan McLeod. In the event the highest bid is greater than \$200,000, then the Receiver shall sell the jewelry to the highest bidder(s) and remit \$200,000 of the proceeds to Susan McLeod and keep the excess proceeds for the benefit of the receivership estate.

9. Susan McLeod shall be entitled to keep the assets specifically being transferred to her under the Agreement, including any transfer of Jewelry or funds derived from the sale of the Jewelry, free and clear of the claims of any of McLeod's creditors and the Receivership Estates' creditors. As the term is used herein, creditors shall not include any government agency.

10. In the event that any terms of this Order conflict with the Agreement, the terms of the Agreement shall control.

11. The Court shall retain jurisdiction to enforce the terms of the Agreement.

DONE AND ORDERED in Miami-Dade County, Florida on this ^{March 8} ~~February~~, 2011.


FEDERICO A. MORENO
CHIEF UNITED STATES DISTRICT JUDGE

Conformed copies to:
All counsel of record

EXHIBIT "C"

Rene & Simone Alvarez 5084 West Monterey St. Chandler, AZ 85226	Capital One Bank 2323 Lake Club Dr, Ste. 300 Columbus, OH 43232	Weston Shaw Davis 835 Hueguinea Road Richmond Hill, GA 31324	Wilfred Fruge, Jr. PO Box 126 Evangeline, LA 70537
Anthony Anglada 136 E. Armitage Avenue NorthLake, IL 60164	Michael & Julie Cashman 7 Humes Court Stratham, NH 03885	Lori Morgan Davis 835 Hueguinea Road Richmond Hill, GA 31324	Wilfred Fruge, Sr. P.O. Box 8 2717 Evangeline Hwy Evangeline, LA 70537
Adam R. Arbitman 2858 SW 180 Terrace Miramar, FL 33029	Bettina S. Catalano 201 Heritage Farm Dr. Mount Airy, MD 21771	James T. & Mary Beth Davidson 3732 Lake Park Douglasville, GA 30135	Milton G. & Kelly Galanos 3903 Lake Ridge Court Crestwood, KY 40014
Peter T. Ausili 3 S. 627 Behr Circle Drive Warrenville, IL 60555	Thomasa Cindric, Executor Estate of Mary Cindric 205 Heritage Farm Drive Mt. Airy, MD 21771	Colette Dennehy 1900 S. Eads St, Apt 1118 Arlington, VA 22202	Douglas K. Garner 584 Batterson Dr. St. Augustine, FL 32095
Bank of America Estate Dept 1000 Samoset Drive Wilmington DE 19884	Thomas & Gena Cindric 205 Heritage Farm Drive Mt. Airy, MD 21771	Beverly A. Derouin PO Box 977 Folkston, GA 31537	Harold E. Garner 584 Batterson Dr. St. Augustine, FL 32095
Joseph W. Begley 7 Andover Road Mountain Top, PA 18707	BBVA Compass Bank c/o Geraldine Cooper, Authorized Agent Weltman, Weinberg & Reis CO LPA 323 W. Lakeside Ave.	Marcus Brown PO Box 2167 San Juan, PR 00922-2167	Gladys Crespo 35 Davenport Way Hillsborough, NJ 08844
Joseph & Donna Bendig 18069 Benton Oak Drive Noblesville, IN 46062	Kurt & Clara Coront 8768 Stone Harbour Loop Bradenton, FL 34212	Tom & Cynthia Bush 1403 Briarwood Road Bridgeport, WV 26330	David L. & Davalu Cummings 8208 Grape Vine Court NE Albuquerque, NM 87122
Dolores A. Benson 474 NE Stillwater Cove Port Saint Lucie, FL 34983	Clara D. Cosgrove Attn: Debra M. Horn, Agent 38529 Broadoak Place Hamilton, VA 20158	Patrick & Kelly Campbell 4341 Lollingtree Drive Rockledge, FL 32955	Scott & Montye Crawford 1402 SW Summerfield Avenue Bentonville, AR 72712
Brian & Maura Bonifant P.O. Box 231076 San Diego, CA 92193	John B. & Wanda M. Cox 28092 Davidon PL Hilliard, FL 32046	Laura L. Cannon 1504 Eagles Circle Sebastian, FL 32958	Barbara & Robert Devine 916 East Florida Saddle Drive Green Valley, AZ 85614
Lana G. Botelho 362 Peachtree Ave NE Atlanta, GA 30305	Kyle B. Craig 8713 Democracy Rd NE Albuquerque, NM 87109	Rachel J. Cannon 1504 Eagles Circle Sebastian, FL 32958	James F. DiCaprio 7624 Dunbridge Drive Odessa, FL 33556
Ronald V. Branch 12114 Cattail Drive W. Jacksonville, FL 32223	Michael & Sharon A. Craw 316 Commons Road St. Simons Is, GA 31522	Capital Analysis, Inc. 303 Broadway, Ste. 1500 Cincinnati, OH 45202	Tracy & Susan Donahue 42811 Conquest Circle Ashburn, VA 20148
Rebecca Brunnum 4250 N. Marine Dr., # 2602 Chicago, IL 60613-1736	Frank R. Doyle, Jr. 716 Acorn Court San Ramon, CA 94583	Elaine G. Morgan 835 Hueguinea Road Richmond Hill, GA 31324	Brian S. & Kryssa M. Miller 44734 Pride Mountain Street Temecula, CA 92592
Riley G. & C. Joan Breedlove 1040 Bonita Drive Pensacola, FL 32507	Gail Pagan 7233 N. 13th Way Phoenix, AZ 85020	Walter & Elaine Morrison 43735 Tolamac Drive Ashburn, VA 20147	Jerry L. Miller 10871 Shadow Creek Dr Pensacola, FL 32514
Daniel & Martha Brown 352 Farwood Road Haddenfield, NJ 08033	Joe Figueroa PSC 61 Box 1403 APO AE 09642	Sean O'Brien 1433 W. Loop South Houston, TX 77027	Carlos L. Mitchem, II 431 Howard Street Detroit, MI 48226-2507
Jimmie C. & Nancy L. Garza 17797 S. Placita Del Mago Sahuarita, AZ 85629	Jacqueline E. Fruge 10097 Cleary Blvd, # 369 Plantation, FL 33324	Ocean Cove Condo Assn, Inc. c/o John G. Wilbanks, Jr., President 4933 Peach Mountain Dr Gainesville, GA 30507	Keith G. & Gladys Lillian Kruskall 35 Davenport Way Hillsborough, NJ 08844
Sandra S. Gilley 3113 N. Westwind Bay Street Wichita, KS 67205	Gary J. & Karyn V. Lang 10 Mugford St. Marblehead, MA 01945	Carolyn B. Olah 1148 S. Hillclagh Rd Chesapeake, VA 23323	J. Andrew Rosenhamer 77 Thornhill Dr. Brunswick, GA 31525
Hugh Franklin Goben 6638 Bent Trail Corpus Christi, TX 78413-4821	Margaret E. Lang 42 Farmers Avenue Belhpage, NY 11714	Michael Parra 9 Mills Lane Los Lunas, New Mexico 87031	Michael R. Russo, Jr. 5904 Worthington Way Prospect, KY 40059
Sandra L. Goetz 8114 SW 82nd Ct Miami, FL 33143	Larry & Phyllis Latoeki 9468 Palomino Ridge Dr. Lakeside, CA 92040	Justin Peterson PO Box 9003 Brownsville, TX 78520	Mary C. Salazar 12 Sunset Rock Ln Reading, MA 01867

Lisa Goodwin 3320 Country Mill Run Chesapeake, VA 23322	Joey A. Lenseigne 2209 Pow Wow Leander, TX 78641	Kimberly D. Pribble 6721 B. Barwick Drive Cave Creek, AZ 85331	San Jose Country Club 7529 San Jose Blvd Jacksonville, FL 32217
David & Lisa Grant 1137 Equestrian Drive So. Lyon, MI 48178	Deborah Loftus-Errthum 25046 Sandra Lane Plainfield, IL 60544	Mitchell L. Price 443 NW 38th Avenue Cape Coral, FL 33993	Vivian Schiffer 2394 Fernview Drive Orange Park, FL 32065
Ronald R. Grimes PSCF-115, Box 1020 DPO AE 09213-5000	Robert M. Marehi 21874 Salt Creek Road Grass Valley, CA 95949	Brian & Victoria Quirk PSC 817, Box 36 APO, AE 09622	Albert R. & JoAnne Schreiber 369 Oak Grove Island Drive Brunswick, GA 31523
Mark W. & Theresa Hamlet 14001 Carlsmore Court Haymarket, VA 20169-3286	Anthony C. & Jean M. Marotta 8180 Davington Drive Dublin, OH 43017	Beverly Rambo 17127 Bernardo Oaks Dr. San Diego, CA 92128	Rick Sell 848 N. Rainbow Blvd, #3245 Las Vegas, NV 89107
Sandra L. Hill 1199 Blue Heron Lane W. Jacksonville Beach, FL 32250	Julia Marotta 617 Abbey Lane Baldwin, NY 11510	Derek & Jennifer Ranger 112 Old Wharf Rd Brunswick, GA 31523	Seven Bridges Radio, LLC 9090 Hogan Road Jacksonville, FL 32216
Joseph D. & Nancy J. Keefe 13753 Laurel Rock Dr. Clifton, VA 20124	Phillip M. Martin 1354 Witherspoon Path The Villages, FL 32162	Richard & Carol Reck 981 Washington Avenue Williamstown, NJ 08094	David J. & Bonnie S. Sheehan 3252 Shiloh Circle Fairfax, VA 22030
John Kelley 900 Army Navy Dr., #1515 Arlington, VA 22202	Thomas B. & Karen S. Martin 128 Newfield St. St. Simons Island, GA 31522	Harry G. Richards 247 Silver Sunset Lane Kimberling City, MO 65686	Larry S. & Leanne M. Klumb 14733 Heron Glen Drive Lithia, FL 33547
John C. (Jr.) & Kristine M. Kelley 4504 155th Avenue S.E.	Billy D. & Frances B. McLeod 4739 Burgundy Road, North Jacksonville, FL 32210	John J. & Monica S. Riley 1405 Beauville Dr. St. Louis, MO 63122	Edward J. Kohn, Jr. 1199 Blue Heron Lane W. Jacksonville Beach, FL 32250
Robert Michelotti 1816 Cherry St. Jacksonville, FL 32205	Robert Vance 1624 Roberts Drive Jacksonville Beach, FL 32250	Andrew & Olivia Thompson 712 Knight Rd Penlynn, PA 19422	Michael Stanlon 1606 Plantation Oaks Lane Fernandina Beach, FL 32034
Victoria J. Michelotti 709 Adams St., #4 Hoboken, NJ 07030	William & Pat Waddell 1501 Langford Dr. West Palm Beach, FL 33406	Kristine Tierney PO Box 51 West Newbury, MA 01985	Candice Teresi 21938 Bramblebush Terrace Broadlands, VA 20148
James J. (Sr.) & Elsa Krutak 8234 Regiment Court Colorado Springs, CO 80920	Wells Fargo Bank, N.A. c/o Denise E. Lea Mac Z0307-090 100 South Ashley Dr, Ste 830 Tampa, FL 33602	Kathy Railford Tilley 11407 Sedgemore Dr. W Jacksonville, FL 32223	James & Debra Wright Sourini 2250 Donato Drive Belleir Beach, Florida 33786
Mark D. Lacey 12238 Nobelman Dr. Jacksonville, FL 32223	W.H. & Diane Williams c/o Poole & Poole, P.A. PO Box 1280 Fernandina Beach, FL 32035	Total Office Products 9452 Philips Hwy, Ste. 7 Jacksonville, FL 32256	Benjamin M. Perkins, Esq. c/o Weston Shaw & Lori Davis Oliver Maner LLP 218 W. State Street Savannah, GA 31401
Donald K. & Kimberly Shruhan 41C Stubbs Rd., Apt. 45B The Summit Mid-Levels Hong Kong	James A. & Nancy I. Woolley 6 Long Cove Drive Lemont, IL 60439-7730	Mark & Mary Ellen Trouville 359 McHard Road Weston, FL 33327	Julie P. Thomas, Esquire c/o Gary J. & Karyn V. Lang 10150 Highland Manor Drive, #200 Tampa, FL 33610-9712
Patrick J. & Linda L. Stines 11581 Hamden Court Fishers, IN 46037	John & Miriam Yera 38556 Millstone Drive Purcellville, VA 20132	Lisa DiSalle, Esq. c/o San Jose Country Club Rolfc & Lobello, P.A. P.O. Box 40546 Jacksonville, FL 32203-0546	Gary J. Lang and/or Karyn V. Lang Attorneys-In-Fact c/o Margaret E. Lang 10 Mugford Street Marblehead, MA 01945
Ivey L. & Donald Vance Smith 2212 Harton Lane Chesapeake, VA 23323	Steven S. & Ruth A. Zellers 4403 Titeist Drive Fernandina Beach, FL 32034	William J. Sheppard, Esq. Betsy White, Esq. Matt Kachergus, Esq. Sheppard, White, Thomas & Kachergus, P.A. 215 Washington Street Jacksonville, Florida 32202	Musa K. Farmand, Esq. c/o Brian & Victoria Quirk 200 E. Forsyth St. Jacksonville, FL 32202
William L. & Cynthia J. Smith 95029 Village Drive Fernandina Beach, FL 32034	Adam Zirkelbach Unit 3480, Box 47 DPO, AA 34022-0047	Susan Marie McLeod 1543 Wentworth Ave. Jacksonville, Florida 32259-3833	Ryan Austin McLeod c/o Cody E. McLeod, USC Student Box 88715 1400 Greens Street Columbia, SC 29225

Summer Beach II Community Assn. PO Box 1987 Yulee, FL 32041	Jason Haselkorn, Esquire c/o William & Pat Waddell CaseyCiklin 515 No. Flagler Dr., 20th FL West Palm Beach, FL 33401	Cody Ethan McLeod USC Student Box 88715 1400 Greene Street, Clumbia, SC 29225	AnnaMarie Kelani McLeod c/o Susan M. McLeod as Natural Guardian 1543 Wentworth Avenue St. Johns, FL 32259
Scott Snyder 15550 S. 5th Avenue, #116 Phoenix, AZ 85045	James H. Cummings, Esq. c/o Wells Fargo Bank, N.A. Smith Gambrell & Russell, LLP 50 No. Laura St., Ste. 2600 Jacksonville, FL 32202	Malorie Renea McLeod PO Box 11045 Tuscaloosa, AL 35486	Stephen P. Snyder 6319 Farmington Lane Woodbine, MD 21797
Daniel Wayne McLeod 1600 Old Bain Bridge Road, Apt. 912 Tallahassee, FL 32303	Wesley R. Poole, Esq. c/o W.H. & Diane Williams P.O. Box 1280 Fernandina Beach, FL 32035-1280		

EXHIBIT "D"

**"INVESTOR" CLAIMS FILED IN PROBATE CASE
TO BE TRANSFERRED TO THE RECEIVERSHIP CASE**

	Last Name	First Name	Claim Type	Amount Claimed As Invested	Amount Claimed As Received
1	Alvarez	Rene & Simone	Investor	\$ 115,000.00	\$ -
2	Anglada	Anthony	Investor	\$ 100,000.00	\$ -
3	Arbitman	Adam R.	Investor	\$ 45,000.00	\$ -
4	Ausill	Peter T.	Investor	\$ 100,000.00	\$ -
5	Begley	Joseph W.	Investor	\$ 5,050.00	\$ -
6	Bendig	Joseph & Donna	Investor	\$ 200,000.00	\$ 114,227.00
7	Benson	Dolores A.	Investor	\$ 4,414.84	\$ -
8	Bonifant	Brian & Maura	Investor	\$ 128,000.00	\$ -
9	Botelho	Lana G.	Investor	\$ 150,963.00	\$ -
10	Branch	Ronald V.	Investor	\$ 110,000.00	\$ -
11	Branum	Rebecca	Investor	\$ 35,000.00	\$ -
12	Breedlove	Riley G. & C. Joan	Investor	\$ 40,085.59	\$ -
13	Brown	Daniel & Martha	Investor	\$ 7,000.00	\$ -
14	Brown	Marcus	Investor	\$ 70,000.00	\$ -
15	Bush	Tom & Cynthia	Investor	\$ 137,542.00	\$ 28,850.00
16	Campbell	Patrick & Kelly	Investor	\$ 246,661.62	\$ 112,470.25
17	Cannon	Laura L.	Investor	\$ 277,055.00	\$ 122,500.00
18	Cannon	Rachel J.	Investor	\$ 304,000.00	\$ 55,590.00
19	Cashman	Michael & Julie	Investor	\$ 1,264,862.00	\$ 60,000.00
20	Catalano	Bettina S.	Investor	\$ 75,000.00	\$ 6,147.05
21	Cindric (Executor)	Thomas	Investor	\$ 282,000.00	\$ -
22	Cindric	Thomas & Gena	Investor	\$ 48,000.00	\$ -
23	Coront	Kurt & Clara	Investor	\$ 458,500.00	\$ -
24	Cosgrove	Clara D.	Investor	\$ 85,000.00	\$ -
25	Cox	John B & Wanda M.	Investor	\$ 22,850.00	\$ -
26	Craig	Kyle B.	Investor	\$ 40,262.75	\$ -
27	Craw	Michael J. & Sharon A.	Investor	\$ 265,253.00	\$ -
28	Crawford	Scott & Montye	Investor	\$ 85,000.00	\$ 25,000.00
29	Crespo	Gladys	Investor	\$ 100,347.00	\$ -
30	Cummings	David L. & Davalu	Investor	\$ 156,403.07	\$ -
31	Davis	Weston Shaw	Investor	\$ 133,000.00	\$ -
32	Davis	Lori Morgan	Investor	\$ 763,550.10	\$ -
33	Davidson	James T & Mary Beth	Investor	\$ 34,403.16	\$ 18,000.00
34	Dennehy	Colette	Investor	\$ 50,000.00	\$ -
35	Derouin	Beverly, A.	Investor	\$ 38,800.00	\$ -
36	Devine	Barbara & Robert	Investor	\$ 60,000.00	\$ -
37	DiCaprio	James F.	Investor	\$ 95,000.00	\$ -
38	Donahue	Tracy & susan	Investor	\$ 36,000.00	\$ -
39	Doyle	Frank R., Jr.	Investor	\$ 100,000.00	\$ -
40	Fagan	Gail	Investor	\$ 518,000.00	\$ 36,000.00
41	Figueroa	Joe	Investor	\$ 176,000.00	\$ -
42	Fruge	Jacqueline E.	Investor	\$ 30,000.00	\$ -
43	Fruge	Wilfred, Jr.	Investor	\$ 500,000.00	\$ -

**"INVESTOR" CLAIMS FILED IN PROBATE CASE
TO BE TRANSFERRED TO THE RECEIVERSHIP CASE**

	Last Name	First Name	Claim Type	Amount Claimed As Invested	Amount Claimed As Received
44	Galanos	Milton G. & Kelly	Investor	\$ 32,549.02	\$ -
45	Garner	Douglas Keith	Investor	\$ 170,000.00	\$ -
46	Garner	Harold Eugene	Investor	\$ 599,728.00	\$ -
47	Garza	Jimmie C. & Nancy L.	Investor	\$ 20,936.63	\$ -
48	Gilley	Sandra S.	Investor	\$ 98,000.00	\$ 17,840.40
49	Goben	Hugh Franklin	Investor	\$ 150,000.00	
50	Goetz	Sandra L.	Investor	\$ 100,000.00	\$ 10,363.20
51	Goodwin	Lisa	Investor	\$ 6,500.00	\$ -
52	Grant	David & Lisa	Investor	\$ 40,000.00	\$ -
53	Grimes	Ronald R.	Investor	\$ 145,500.00	\$ -
54	Hamlet	Mark W. & Theresa	Investor	\$ 300,000.00	\$ 30,000.00
55	Hill	Sandra L.	Investor	\$ 100,000.00	\$ -
56	Keefe	Joseph D. & Nancy J.	Investor	\$ 64,000.00	\$ -
57	Kelley	John	Investor	\$ 95,000.00	\$ -
58	Kelley	John C Jr. & Kristine M.	Investor	\$ 338,000.00	\$ -
59	Klumb	Larry S. & Leanne M.	Investor	\$ 100,000.00	\$ -
60	Kohn	Edward J. Jr.	Investor	\$ 675,000.00	\$ -
61	Kruskall	Keith G. & Gladys Lilliana	Investor	\$ 520,821.00	\$ -
62	Krutak	James J Sr. & Elsa	Investor	\$ 179,375.00	\$ -
63	Lang	Gary J. & Karyn V.	Investor	\$ 209,366.30	\$ -
64	Lang	Margaret E.	Investor	\$ 157,441.36	\$ -
65	Latocki	Larry & Phyllis	Investor	\$ 112,000.00	\$ 44,000.00
66	Lenseigne	Joey A.	Investor	\$ 20,000.00	\$ -
67	Loftus-Errthum	Deborah	Investor	\$ 800,000.00	\$ -
68	Marchi	Robert M.	Investor	\$ 418,165.98	\$ -
69	Marotta	Anthony C & Jean M.	Investor	\$ 243,869.00	\$ -
70	Marotta	Julia	Investor	\$ 50,000.00	\$ -
71	Martin	Phillip M.	Investor	\$ 190,574.72	\$ -
72	Martin	Thomas B. & Karen S.	Investor	\$ 225,000.00	\$ 12,700.00
73	McLeod	Billy D. & Frances B.	Investor	\$ 200,000.00	\$ -
74	Michelotti	Robert	Investor	\$ 75,000.00	\$ -
75	Michelotti	Victoria J.	Investor	\$ 50,000.00	\$ -
76	Miller	Brian S. & Kryssa M.	Investor	\$ 250,000.00	\$ -
77	Miller	Jerry L.	Investor	\$ 100,000.00	\$ -
78	Mitchem, II	Carlos L.	Investor	\$ 300,000.00	\$ -
79	Morgan	Elaine G.	Investor	\$ 1,075,000.00	\$ -
80	Morrison	Walter & Elaine	Investor	\$ 35,815.30	\$ -
81	O'Brien	Sean	Investor	\$ 6,800.00	\$ -
82	Olah	Carolyn B.	Investor	\$ 271,450.11	\$ -
83	Parra	Michael	Investor	\$ 515,487.20	\$ -
84	Peterson	Justin	Investor	\$ 100,000.00	\$ -
85	Pribble	Kimberly D.	Investor	\$ 40,262.75	\$ -
86	Price	Mitchell L.	Investor	\$ 43,355.00	\$ -

**"INVESTOR" CLAIMS FILED IN PROBATE CASE
TO BE TRANSFERRED TO THE RECEIVERSHIP CASE**

	Last Name	First Name	Claim Type	Amount Claimed As Invested	Amount Claimed As Received
87	Quirk	Brian & Victoria	Investor	\$ 82,000.00	\$ -
88	Rambo	Beverly	Investor	\$ 83,000.00	\$ -
89	Ranger	Derek & Jennifer	Investor	\$ 200,000.00	\$ -
90	Reck	Richard & Carol	Investor	\$ 160,000.00	\$ 50,000.00
91	Richards	Harry G.	Investor	\$ 390,000.00	\$ -
92	Riley	John J & Monica S.	Investor	\$ 400,000.00	\$ -
93	Rosenhamer	J. Andrew	Investor	\$ 180,000.00	\$ -
94	Russo	Michael R., Jr.	Investor	\$ 60,828.58	\$ -
95	Salazar	Mary C.	Investor	\$ 604,424.89	\$ 216,629.51
96	Schiffer	Vivan	Investor	\$ 80,000.00	\$ -
97	Schreiber	Albert R. & JoAnne	Investor	\$ 95,000.00	\$ -
98	Sell	Rick	Investor	\$ 350,000.00	\$ -
99	Sheehan	David J. & Bonnie S.	Investor	\$ 70,000.00	\$ -
100	Shruhan	Donald K. & Kimberly	Investor	\$ 200,000.00	\$ -
101	Stines	Patrick J. & Linda L.	Investor	\$ 116,533.59	\$ -
102	Smith	Ivey L. & Donald Vance	Investor	\$ 76,517.00	\$ -
103	Smith	William L. & Cynthia J.	Investor	\$ 150,000.00	\$ -
104	Snyder	Scott	Investor	\$ 90,000.00	\$ 30,000.00
105	Snyder	Stephen P.	Investor	\$ 50,000.00	\$ -
106	Sourini	James & Debra Wright	Investor	\$ 1,470,604.00	\$ 1,157,923.51
107	Stanton	Michael	Investor	\$ 100,000.00	\$ -
108	Teresi	Candice	Investor	\$ 133,956.76	\$ -
109	Thompson	Andrew & Olivia	Investor	\$ 80,000.00	\$ 48,840.80
110	Tierney	Kristine	Investor	\$ 95,000.00	\$ -
111	Tilley	Kathy Railford	Investor	\$ 98,500.00	\$ -
112	Trouville	Mark & Mary Ellen	Investor	\$ 75,000.00	\$ 55,200.00
113	Vance	Robert	Investor	\$ 100,000.00	\$ -
114	Waddell	William & Pat	Investor	\$ 8,200,000.00	\$ -
115	Woolley	James A & Nancy I	Investor	\$ 157,660.00	\$ -
116	Yera	John & Miriam	Investor	\$ 100,000.00	\$ -
117	Zellers	Steven S. & Ruth A.	Investor	\$ 100,000.00	\$ -
118	Zirkelbach	Adam	Investor	\$ 26,573.00	\$ -
			Total:	\$ 30,894,378.32	\$ 2,252,281.72

EXHIBIT "E"

**"BUSINESS" CLAIMS FILED IN PROBATE CASE
TO BE TRANSFERRED TO THE
RECEIVERSHIP CASE**

	Name	Claim Type	Claim Amount	Description
1	BBVA Compass Bank	Business	\$ 103,329.85	FEBG Loan
2	Capital One Bank - #0319	Business	\$ 2,238.01	Business Credit Card
3	Capital One Bank - #9534	Business	\$ 1,200.43	Business Credit Card
4	Mark D. Lacey (Former Employee)	Business	\$ 12,044.09	Claim for Wages
5	Seven Bridges Radio LLC	Business	\$ 15,203.00	Advertising for FSAMG
6	Total Office Products	Business	\$ 310.30	Vendor for Business
7	Wells Fargo Bank, N.A.	Business	\$ 202,579.43	FEBG Loan
8	Wells Fargo Bank, N.A.	Business	\$ 200,390.09	FEBG Loan
		Total:	\$ 537,295.20	

EXHIBIT "F"

**CLAIM FILED BY "CAPITAL ANALYSTS, INC." IN PROBATE
CASE TO BE TRANSFERRED TO THE
RECEIVERSHIP CASE**

	Name	Claim Type	Claim Amount	Description
1	Capital Analysts, Inc. 303 Broadway, Ste. 1500 Cincinnati, OH 45202	Receivership	\$ 15,000,000.00	Contingent Claim. Capital Analysts, Inc. is being sued by numerous Investors in FINA Arbitration proceedings based upon its affiliation with the the Receivership Entities.

EXHIBIT "G"

Last Name	First Name	Claim Type	Claim Amount
Bank of America		Personal	\$ 38,744.68
Ocean Cove Condo Assn, Inc.		Personal	\$ 2,907.28
San Jose Country Club		Personal	\$ 13,162.54
Summer Beach II Community Assn.		Personal	\$ 1,144.95
Wells Fargo Bank, N.A.		Personal	\$ 783,157.15
Williams	W.H. & Diane	Personal	\$ 200,000.00

EXHIBIT "H"

UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF FLORIDA
Miami Division

Case Number: 10-22078-CIV-MORENO

SECURITIES & EXCHANGE COMMISSION,

Plaintiff,

vs.

ESTATE OF KENNETH WAYNE MCLEOD,
F&S ASSET MANAGEMENT GROUP INC. and
FEDERAL EMPLOYEE BENEFITS GROUP,
INC.,

Defendants.

**ORDER GRANTING RECEIVER'S MOTION FOR ORDER (I) SETTING CLAIMS
BAR DATE; (II) AUTHORIZING RECEIVER TO TREAT INVESTOR CLAIMS FILED
IN PROBATE ACTION AS CLAIMS "FILED" IN THE RECEIVERSHIP
PROCEEDING; AND (III) APPROVING A CLAIMS ADMINISTRATION PROCEDURE**

THIS CAUSE came before the Court upon Receiver's Motion for Order (I) Setting Claims Bar Date; (II) Authorizing Receiver to Treat Investor Claims Filed in Probate Action as Claims "Filed" in the Receivership Proceedings; and (III) Approving a Claims Administration Procedure ("Motion") (D.E. No. 68), filed on July 25, 2011.

THE COURT has considered the motion and the pertinent portions of the record, and is otherwise fully advised in the premises. The Court has noted that no Response was filed. Therefore it is

ADJUDGED that the motion is **GRANTED**.

ADJUDGED that the Receiver, Michael I. Goldberg, is authorized to accept as "filed" in the Receivership Case, the Investor Claims as they are listed in Exhibit A of his Motion, (D.E. No. 68,

pp. 13-15), the Business Claims as they are listed in Exhibit B of his Motion, (D.E. No. 68, p. 17) and the Capital Analysts, Inc. Claim as it is listed in Exhibit C of his Motion (D.E. No. 68, p. 19).

ADJUDGED that these probate claims are not to be deemed allowed claims in the Receivership Case until the Receiver has the opportunity to review and object to any claim he believes is incorrect or unsubstantiated against the Receivership Entities.

ADJUDGED that the Claims Bar Date in the Receivership Case is October 31, 2011.

ADJUDGED that the Receiver shall undertake the following claims administrative procedure. The Receiver shall send a letter and claim form to each known creditor of the Receivership Entities, providing them with notice of the Claims Bar Date. The Receiver shall publish notice of the Claims Bar Date and a copy of the claim form on the website set up for this receivership at www.febginfo.com. The Receiver shall not accept any claims filed after the Claims Bar Date. After expiration of the Claims Bar Date, the Receiver shall review all claims filed and compare them to each Receivership Entities' books and records to verify the accuracy of the claim. Receiver shall mail each individual who filed a claim a letter indicating the suggested amount of their claim, if any. The Receiver shall allow each claimant thirty days from the date of the claim amount letter to object in writing to the amounts proposed therein. Any objecting claimant seeking a higher claim amount than proposed by the Receiver, shall provide along with their written objection, documentation to support the higher claimed amount. In the even such claimant sends timely notice and documentation to the Receiver that substantiates a higher claim amount, the Receiver may agree in his sole discretion to increase a claim based on the supplemental documentation. If a claimant fails to provide the Receiver with written notice and documentation by the deadline, and the Receiver and the claimant are unable to agree on the claim amount, the

Receiver shall file with the Receivership Court a Motion to Set Claim Amount. The Motion to Set Claim Amount shall set forth the dispute over the claim and provide the Receivership Court with the documents in the Receiver's possession justifying the Receiver's position. The claimant can then file a response to the Receiver's motion pursuant to the Receivership Court's local rules. After review and verification of all filed claims, the Receiver shall file a motion with the Receivership Court, with notice to all claimants, setting forth the Receiver's determination of what each claimant's allowed claim amount, if any, should be. The Receiver shall seek authorization from the Receivership Court to make an initial distribution to the claimants, on a pro-rata basis, based on their allowed claim.

DONE AND ORDERED in Chambers at Miami, Florida, this 22nd day of August, 2011.


FEDERICO A. MORENO
UNITED STATES DISTRICT JUDGE

Copies provided to:

Counsel of Record

EXHIBIT "I"

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
(MIAMI DIVISION)

CASE NO.: 10-22078-CIV-MORENO

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

ESTATE OF KENNETH WAYNE
MCLEOD, F&S ASSET MANAGEMENT
GROUP, INC., AND FEDERAL
EMPLOYEE BENEFITS GROUP, INC.

Defendants.

**RECEIVER'S SECOND STATUS REPORT AND
SECOND INTERIM APPLICATION FOR ALLOWANCE
AND PAYMENT OF FEES AND REIMBURSEMENT OF EXPENSES
FOR AKERMAN SENTERFIT FOR OCTOBER 1, 2010 - JUNE 30, 2011,
INCLUDING PAYMENT OF HOLDBACK OF FEES
FROM THE RECEIVER'S FIRST INTERIM FEE APPLICATION**

The Receiver, Michael I. Goldberg (the "Receiver"), by and through his attorneys, files his second status report and second interim application for allowance and payment of fees and reimbursement of expenses incurred by Akerman Senterfitt ("Akerman") for the period of October 1, 2010 - June 30, 2011 (the "Application"), including payment of holdback of a portion of the Receiver's fees from his first interim fee application.

In accordance with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission, the following information is provided:

A. INFORMATION ABOUT APPLICANT AND APPLICATION

1. Name of Applicant: Akerman Senterfitt
2. Role of Applicant: Receiver and Receiver's Counsel
3. Name of Certifying Professional: Michael Goldberg, Esq.
4. Date Receiver was Appointed: June 24, 2010

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5. Date of Order Approving Employment: June 24, 2010
6. Date Services Commenced: June 24, 2010
7. Status of Application: Second Interim
8. Dates of Services Covered: October 1, 2010 – June 30, 2011
9. Total Receivership Fees Requested for this Period: \$99,114.50
10. Total Receivership Expense Reimbursement Requested for this Period: \$4,228.63
11. Subtotal of Receivership Fees and Expenses: \$103,343.13
12. Total Probate Fees Requested for this Period: \$34,815.50
13. Total Probate Expense Reimbursement Requested for this Period: \$279.15
14. Subtotal of Probate Fees and Expenses \$35,094.65
15. Total Fees and Expenses Award Requested: \$138,437.78

B. HISTORY OF FEES AND EXPENSES

First Interim Fee Application

15. Dates covered by first application: June 24, 2010 - September 30, 2010
16. Date of first award: December 7, 2010

Amount of fees requested	\$99,336.50
Amount of expenses requested	\$9,592.44
Amount of fees awarded:	\$50,000.00
Amount of expenses awarded	\$9,592.44
Total Amount Awarded	\$59,592.44
Amount of fees actually paid	\$50,000.00
Amount of expense reimbursement actually paid	\$9,592.44
Amount of fees requested which remain unpaid	\$49,336.50
Amount of expenses requested which remain unpaid	\$0.00
Amount of fees denied	\$0.00
Amount of expenses denied	\$0.00

C. RECORDS SUPPORTING FEE APPLICATION

In accordance with the Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission, the following exhibits are attached:

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- Exhibit 1: Receiver's Certification;
- Exhibit 2: Summary of Professional and Paraprofessional Time by Attorney;
- Exhibit 3: Summary of Professional and Paraprofessional Time By Activity Code Category;
- Exhibit 4: Summary and Breakdown of Requested Reimbursement of Expenses;
- Exhibit 5: Applicant's complete time by Activity Code Category for the time period covered by this application sorted in chronological order for the time period covered by this motion; and.
- Exhibit 6: Standardized Fund Accounting Report.
- Exhibit 7: Proposed Order

D. NARRATIVE

1. Case Background

On June 24, 2010, the United States Securities and Exchange Commission ("SEC") initiated these proceedings (the "Receivership Case") in the United States District Court for the Southern District of Florida (the "Receivership Court"). In its complaint, the SEC alleged that F&S Asset Management Group, Inc. ("FSAMG") and Federal Employee Benefits Group, Inc. ("FEBG" and jointly with FSAMG, the "Receivership Entities"), along with Kenneth Wayne McLeod ("McLeod"), perpetrated a Ponzi scheme by defrauding nearly 300 investors (the "Investors") out of more than \$34 million.

The SEC also sought the appointment of a receiver over the Receivership Entities. On that same date, the Court entered an Order (the "Receivership Order") appointing Michael I. Goldberg, Esq. as receiver over the Receivership Entities. On October 6, 2010, upon the unopposed motion filed by the SEC, the Court entered an Order Granting Unopposed Motion to Stay Proceedings, and Closing Case for Statistical Purposes (D.E. 44).¹

¹ The SEC acknowledged that "in light of the appointment of the Receiver as Curator there is no reason to keep the case on the Court's active trial calendar and requests that this matter be stayed for 120 days to allow the SEC time to (FT788110;3)

On June 22, 2010, after he learned that the SEC was investigating him, McLeod committed suicide. McLeod leaves behind his wife of approximately 8 years and six children from current and previous marriages. On September 22, 2010, the Receiver was appointed Curator of McLeod's intestate estate (the "Probate Case") filed in the Probate Division of the Circuit Court of St. Johns County, Florida, File No. CP 10-375 (the "Probate Court"). The Receiver intends to coordinate the disposition of assets between the Receivership and Probate Cases.

2. The Efforts of the Receiver

Under the terms of the Receivership Order, the Receiver is authorized to investigate the Defendants' financial affairs and to marshal and safeguard the Receivership Entities' assets for the benefit of defrauded investors. Since his appointment, the Receiver has sought to: (1) identify, locate, and secure the Defendants' assets; (2) identify, locate, and secure the Receivership Entities' records; (3) commence liquidation of the Receivership Entities' assets; (4) identify the investors who invested with the Receivership Entities to apprise them of the nature of these proceedings and the fraud which has been perpetrated against them; (5) identify claims and develop legal theories for recovery against parties whose actions may have caused injury to the Receivership Entities and their victims; and (6) assist federal and state authorities in their finalization of their investigation into the Defendants' fraudulent conduct. The Receiver has also established a toll-free investor hotline at 1-800-223-2234 to keep victims informed as to the progress of the Receivership proceedings and created a website at www.febginfo.com to advise investors of developments in the case.

3. Asset Status Report

Since his prior Application, the Receiver has taken possession of additional assets, and reached a global settlement with McLeod's spouse, whereby Mrs. McLeod agreed to turnover

seek authorization to dismiss certain claims against the Defendants and to allow the Receiver to carry out his court-appointed responsibilities."

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McLeod's jewelry, vehicles, residential real property and certain personal property. Mrs. McLeod and the Receiver also resolved their dispute over the proceeds of McLeod's life insurance policies ("Life Insurance Proceeds"). Moreover, the Receiver and his staff have spoken with dozens of investors, interviewed numerous witnesses, and worked closely with federal authorities to help unwind the fraud and trace the Investors' money.

a. Real Estate

The Receiver has identified and located five parcels of real property (the "Properties") owned by the Defendants:

- 1543 Wentworth Ave., St. Johns, FL 32559 ("Primary Residence").
- 1657 Yachtsman Court, Amelia Island, FL 32034 ("Yachtsman Property").
- 2690 Port Industrial Dr., Jacksonville, FL 32226 ("Port Industrial Property").
- 2640 Ocean Cove Dr., Unit 7, Fernandina Beach, FL 32034.
- 2644 Ocean Cove Dr., Unit 8, Fernandina Beach, FL 32034.

Mrs. McLeod has relinquished any interest she may have in the Properties, including the Primary Residence. The Receiver continues to work with the lenders whose liens are secured by mortgages on the Properties to determine whether any equity exists that may be captured for the benefit of the Investors. Thus far, the Receiver has determined that the Primary Residence and the Yachtsman Property have no equity above the amounts of the loans. The Duval County Property Appraiser estimates the value of the Port Industrial Property at \$560,000. Wells Fargo Bank, N.A. f/k/a Wachovia Bank, N.A. holds a recorded mortgage on the Port Industrial Property in the principal sum of \$237,500. Wachovia filed a claim in the Probate Case in the sum of \$202,579.43. In addition to the mortgage, there are outstanding property taxes owed in the amount of \$17,000. The Receiver believes that equity exists in the Port Industrial Property, however, still needs time to obtain a broker's opinion and to complete an environmental and lien analysis before he can determine the actual benefit to the receivership estate.

The Ocean Cove Properties are jointly pledged for one loan in the sum of \$200,000. The Nassau County Property Appraiser's office estimates the just value of the Ocean Cove Properties

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at \$161,500 each. In addition to the mortgage, 2010 property taxes are owed for each unit in the amount of \$3,484.45, totaling \$6,968.90. On February 4, 2011, the Court approved the Receiver's request to enter into an exclusive listing agreement with ERA Fernandina Beach Realty to market and sell the Ocean Cove Properties. Multiple offers have been made to the Receiver, however, the offers were significantly below the Property Appraiser's estimated market value and would offer little, if any, value to the estate after payment of the outstanding mortgage, delinquent taxes and realtors' commissions. The Receiver and the lender are exploring other possible options for the sale of the Ocean Cove Properties which would benefit the receivership estate.

b. Bank and Brokerage Accounts

A significant portion of the Receiver's efforts have been devoted to locating bank and brokerage accounts into which victims' funds have been diverted. To date, the Receiver had not uncovered any bank accounts with available funds, other than the approximate sum of \$1,300 in various accounts at Compass Bank. It appears that McLeod's Ponzi scheme was suffering severe liquidity issues at the time it was discovered. The Receiver was able to recover two FSAMG brokerage accounts at Fidelity in the sum of \$74,805.25 and the accounts have been liquidated. The Receiver will continue to analyze the Receivership Entities' bank records in an effort to locate additional assets which may be used to satisfy investor claims.

c. Personal Property

The Receiver recovered and auctioned several computers, memorabilia, and some used office furniture from FSAMG's offices. The Receiver also liquidated other property of the Receivership Entities' which include, among other things, Georgia Bulldog Football Tickets. These monies, in the amount of \$16,467.75 are also being held in trust. The Receiver recently filed a motion with the Receivership Court seeking authority to retain an auctioneer to sell the personal property acquired from Mrs. McLeod pursuant to the terms of the settlement. The

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auctioneer estimates that the value of the personal property between \$50,000 and \$75,000. The Receiver is in the process of finalizing the appraisals of Mrs. McLeod's jewelry. Pursuant to the settlement with Mrs. McLeod, the receivership estate will only recover the value of Mrs. McLeod's jewelry over the sum of \$200,000.

d. Life Insurance Proceeds

The Receiver claimed an interest in various life insurance policies purchased by McLeod utilizing funds stolen from Investors. After months of negotiation with Mrs. McLeod, the parties settled the Receiver's claim to the Life Insurance Proceeds and the Receiver now holds the sum of \$1,367,348.38 (plus interest) from the Life Insurance Proceeds.

e. Claims Against Third Parties

Numerous victims have contacted the Receiver to discuss potential claims against third parties that may have inadvertently or intentionally assisted McLeod in committing his fraud. Some of these investors have already retained counsel to pursue claims against financial institutions that did business with McLeod or otherwise handled investor monies. These causes of action most likely "belong" to investors and investors are encouraged to communicate with their own counsel in the event they wish to pursue any such claims. The Receiver is cooperating with all counsel representing victims by attempting to supply available documents and information concerning the fraud, the Receivership Entities and their affairs. The Receiver is also exploring whether the Receivership Entities have independent causes of action against these financial institutions. To the extent the Receiver determines that such causes of action exist, he will pursue them for the benefit of the victims. Moreover, the Receiver has been unable to reach a consensual resolution with the government in connection with McLeod's fraud, and is proceeding of finalizing the retention of outside counsel to pursue claims against them. The Receiver, through his counsel, will report on this matter separately as it progresses.

f. Claims Process

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The Receiver has reviewed the claims 133 claims filed in the Probate Case (the "Probate Claims") and has determined that 118 of the Probate Claims, totaling approximately \$31 million, were filed by Investors. The Receiver believes that these claims are more properly claims against the receivership estate and intends to seek authority from the Receivership Court to transfer the Investors' Probate Claims from the Probate Case to the Receivership Case (and reserving the right to object to said claims during the claims review period). Allowing the Receiver to recognize the Investors' Claims as if filed in the Receivership Case will save the Investors time and expense of filing what the Receiver believes will be essentially identical claims in both cases.

4. The Probate Case

The Probate Case has limited assets. As of July 2011, there is approximately \$14,065.97 available for distribution in the Probate Case. Subject to the approval of the Receivership Court and the Probate Court, the Receiver expects that the majority of assets will be distributed through the Receivership Case and will be funded from the Life Insurance Proceeds.

The Receiver believes that some of the proceeds from the sale of McLeod's personal property in the Receivership Estate should be distributed to McLeod's creditors in the Probate Case. To that end, the Receiver proposes to evenly divide the proceeds derived from the sale of McLeod's personal assets between the Probate and Receivership Estates. The assets are currently estimated to range in value from \$50,000 to \$75,000, exclusive of auctioneer's fees and expenses. The Receiver intends to file a motion seeking approval from the court to evenly distribute those sale proceeds. The Receiver believes this treatment is equitable to both the Receivership and Probate Estates as it would be impossible to accurately determine which estate is rightfully entitled to McLeod's personal assets, when the assets were purchased at least in part, with money stolen from Investors. Therefore, when combined with the approximately

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\$14,000 already available for distribution in the Probate Case, it is estimated that between \$39,000 and \$51,000 will be available for distribution in the Probate Case.

The Receiver has incurred attorneys' fees and costs in the Probate Estate for the preparation of the Petition, compliance with probate procedures, review of claims and respond to inquiries. The Receiver has not yet sought payment for his fees and costs. Due to interconnection of the cases, the duplication of claims and the anticipated sharing of the proceeds of the receivership assets, through this Motion, the Receiver also seeks payment of the attorneys' fees and costs incurred in the Probate Estate.

E. REQUEST FOR HOLDBACK

On December 7, 2010, the Court granted the Receiver's First Interim Fee Application, but required the Receiver to holdback \$49,336.50 in fees due to the lack of liquidity in the estate. Since such time, the estate has become sufficiently liquid and can pay the holdback amount. Accordingly, the Receiver also seeks authorization to pay this holdback amount at this time. The SEC supports this request.

F. RECEIVER'S PLANNED COURSE OF ACTION

In the upcoming months, the Receiver intends to continue to: (a) determine the exact amount of money raised by the Defendants from victims; (b) determine the amount of money still due and owing to victims; (c) determine how the Defendants spent or diverted the money raised from victims; (d) trace victims' funds; and (e) explore potential causes of action against third parties that may have inadvertently or intentionally assisted the Defendants in carrying out the Ponzi scheme and (f) and carrying out various administrative duties to liquidate the personal property.

G. FACTORS SUPPORTING FEE APPLICATION

Although this case is a federal court equity receivership and not a bankruptcy proceeding, the Receiver believes there are many similarities between the two and that the Court may

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evaluate the Professionals' applications in light of the factors set forth in *In re First Colonial Corp. of America*, 544 F.2d 1291 (5th Cir. 1977). For the Court's convenience, these factors are discussed below.

1. The Novelty and Difficulty of the Services Rendered

Although, unfortunately, these types of cases are all too common, serving as a receiver in a securities fraud case is not a simple task. At the outset, the Receiver and his staff were faced with the arduous task of understanding the businesses of the Receivership Entities, taking control of the Receivership Entities' books and records and locating and securing physical assets. To properly perform these various duties, the Receiver initially devoted substantial resources to the Receivership including numerous attorneys and para-professionals.

2. The Skill Requisite to Perform the Services Properly

a. Akerman Senterfitt

Michael Goldberg is the Receiver and is primarily responsible for handling the matters described in this Application. Mr. Goldberg is an attorney licensed to practice law in the State of Florida and the State of New York and is a member of the Bar of the United States District Courts for the Southern and Middle Districts of Florida. Mr. Goldberg has been practicing for twenty years and his practice concentrates primarily on litigation within Bankruptcy and District Courts in Florida.

Mr. Goldberg is a Shareholder in the Fort Lauderdale office of Akerman Senterfitt, a firm consisting of approximately 450 attorneys which maintains offices throughout the State of Florida, Washington D.C. and New York. Mr. Goldberg received his law degree, *magna cum laude*, from Boston University. Mr. Goldberg also holds a Masters in Business Administration and Finance from New York University where he studied, among other topics, corporate reorganizations. Mr. Goldberg is AV rated by Martindale Hubbell Attorney Directory.

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Mr. Goldberg currently serves as the Receiver in other U.S. District Court cases, including *Securities and Exchange Commission v. John P. Utsick, et al.*, Case No. 06-20975-CIV-HUCK. He also currently serves as counsel for the Official Committee of General Unsecured Creditors in *In re Rothstein, Rosenfeldt and Adler*, Case No. 09-34791-RBR. Mr. Goldberg has represented receivers in some of the most complicated and infamous Ponzi scheme cases in this jurisdiction.

3. The Preclusion of Other Employment by the Professional Due to the Acceptance of the Case

The Receiver and Akerman attorneys have not been precluded from accepting other employment by virtue of this case.

4. The Customary Fee

The Receiver has voluntarily reduced his billing rate from \$615.00 to \$395.00 and had reduced the rates of his attorneys and para-professionals. As a result, the hourly rates sought by Akerman attorneys and para-professional in connection with this case are well below the rate they charge other clients and lower than the customary hourly rates charged by other experienced professionals and litigators in the Southern District of Florida.

5. Whether the Fee is Fixed or Contingent

The fees are not fixed or contingent. However, no retainer was provided, so the chances of receiving payment is not guaranteed. Therefore, in a sense, the Receiver is employed on a contingency basis.

6. Time Limitations Imposed by the Client or Other Circumstances

The Receiver and his staff initially needed to devote significant time to the Receivership in order to secure offices and, review and organize files and financial information.

7. The Experience, Reputation, and Ability of the Professional, The Undesirability of the Case

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Akerman is one of the largest law firms in the State of Florida, with more than 450 attorneys located throughout the State of Florida. As a large, statewide law firm, Akerman is one of the few law firms in South Florida that would be able to devote the attorney time and resources needed for this case and to, in essence, finance the estate during the initial months. Akerman's attorneys are well known throughout the state and federal courts of the State of Florida. Akerman has a good reputation in the legal profession in the Southern District of Florida in general and in receivership and securities matters in particular. The experience, reputation and Akerman's ability are appropriate matters for consideration in determining the fee to be awarded.

8. The Nature and Length of the Professional Relationship With the Client

The Receiver is a shareholder of Akerman.

9. Awards in Similar Cases

The awards sought in connection with this case are consistent with the fees sought and awarded in similar receivership cases.

10. Benefit to the Estate

As is more fully detailed, *supra*, the efforts to date have conferred a substantial benefit on this estate. Moreover, Akerman has been financing the receivership.

11. Sharing of Compensation

There is no agreement for the sharing of any compensation which may be awarded in connection with this case.

WHEREFORE, the Receiver seeks entry of a Order granting this motion and (1) awarding the Receiver his second interim fees incurred in the Receivership Case of \$99,114.50 and \$4,228.63 in expenses, for a total of \$103,343.13; (2) awarding the Receiver his first interim fees incurred in the Probate Case of \$34,815.50 and \$279.15 in expenses, for a total of \$35,094.65; (3) permitting the Receiver to pay the holdback amount of \$49,336.50 from the First

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Interim Fee Application (for a total payment of \$187,774.28); and (4) for such other relief that is
just and proper.

LOCAL RULE CERTIFICATION

Pursuant to Local Rule 7.3, the Receiver hereby certifies that he has conferred with
counsel for Plaintiff, Securities and Exchange Commission ("SEC"). The SEC has no objection
to the Application and the payment of the holdback amount. A hearing is requested only in the
event that someone files an objection thereto.

Respectfully submitted,
AKERMAN SENTERFITT
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Email: joan.levit@akerman.com

By: Joan M. Levit
Joan M. Levit, Esquire
Florida Bar No. 987530

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished by U.S.

Mail on this 23rd day of August, 2011, to all counsel on the Service List below.

By: Joan M. Levit
Joan M. Levit, Esquire

Service List: 1:10-cv-22078-FAM

Notice has been electronically mailed to:

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EXHIBIT 1: CERTIFICATION

STATE OF FLORIDA)
) SS:
COUNTY OF BROWARD)

BEFORE ME, the undersigned authority, personally appeared **MICHAEL I. GOLDBERG** (the "Applicant"), who, after first having been duly sworn, deposes and says:

1. The Applicant is a shareholder in the law firm of Akerman Senterfitt ("Akerman") and the Receiver in this action. This Certification is based on the Applicant's first-hand knowledge of and review of the books, records and documents prepared and maintained by Akerman in the ordinary course of its business. The Applicant knows that the facts contained in this motion regarding work performed by the Receiver and his staff and the facts contained in this Certification are true, and the Applicant is authorized by Akerman to make this Certification. Having reviewed the time records and data which support the motion, the Applicant further certifies that said motion is well grounded in fact and justified.

2. The billing records of Akerman which are attached to this Application are true and correct copies of the records maintained by Akerman. These records were made at or near the time the acts, events, conditions or opinions described in such records occurred or were made. The Applicant knows that the records were made by persons with knowledge of the transactions or occurrences described in such records or that the information contained in the records was transmitted by a person with knowledge of the transactions or occurrences described in the records. The records were kept in the ordinary course of the regularly conducted business activity of Akerman and it is the regular business practice of Akerman to prepare these records.

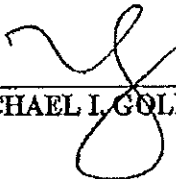
3. To the best of the Applicant's knowledge, information and belief formed after reasonable inquiry, this motion and all fees and expenses herein are true and accurate and comply with the Billing Instructions for Receivers in Civil Actions Commenced by the SEC.

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4. All fees contained in this Application are based on the rates listed in the fee schedule attached hereto and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. The Applicant has not included in the amount for which reimbursement is sought the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the permitted allowable amounts set forth herein for photocopies and facsimile transmission).

6. In seeking reimbursement for a service which Akerman justifiably purchased or contracted for from a third party, the Applicant requests reimbursement only for a service which the Applicant justifiably purchased or contracted for from a third party, the Applicant requests reimbursement only for the amount billed to the Applicant by the third-party vendor and paid by the Applicant to such vendor. If such services are performed by the Applicant, the Applicant will certify that he is not making a profit on such reimbursable service.


MICHAEL I. GOLDBERG

The foregoing instrument was acknowledged before me this 23rd day of August 2011, by Michael I. Goldberg, who is personally known to me or who has produced _____ (type of identification) as identification.


NOTARY PUBLIC, STATE OF FLORIDA
(Print, Type or Stamp Commissioned Name of Notary Public)



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