

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
(Miami Division)

SECURITIES & EXCHANGE COMMISSION,

Plaintiff,

CASE NO.: 10-22078-CV-MORENO/TORRES

vs.

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

Defendants.

**RECEIVER'S AMENDED MOTION FOR AUTHORIZATION TO SELL
RECEIVERSHIP ENTITY'S PERSONAL PROPERTY**

Michael I. Goldberg (the "Receiver"), in his capacity as Receiver of F&S Asset Management Group, Inc. ("FSAMG") files this Amended Motion for Authority to Sell Receivership Entity's Personal Property. In support of this Motion, the Receiver states as follows:

1. On June 24, 2010, the United States Securities and Exchange Commission initiated these proceedings and, in connection therewith, sought the appointment of a receiver. That same day, the Court entered an Order appointing Michael I. Goldberg as the Receiver for the Defendants, FSAMG and Federal Employee Benefits Group, Inc. ("FEBG") (the "Receivership Order").

2. The Receivership Order instructs the Receiver, in pertinent part, to take immediate possession of all property of FSAMG and FEBG, including but not limited to the offices maintained by FSAMG and FEBG and all property found therein, and to administer such assets as required in order to comply with the directions of the Order. *See* Receivership Order, ¶ 1.

3. Prior to these proceedings, FSAMG and FEBG carried on business as a purported investment firm at premises located in Jacksonville, Florida.

4. Immediately upon his appointment, the Receiver traveled to Jacksonville to secure the offices. All of the Receivership Entities' business has ceased. Certain used personal property belonging to FSAMG, such as chairs, desks and miscellaneous equipment, remains in FSAMG's offices.

5. The Receiver has solicited bids for the property and has received two bids – one for \$2,500 and the other for \$2,600.

6. Pursuant to the Receivership Order, the Receiver seeks authority from this Court to sell the used office furniture for \$2,600. The Receiver has consulted with an experienced auctioneer who has been authorized to sell property in other receivership cases. The auctioneer has confirmed that the bids are consistent with the market value for such property.

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). These powers include the authority to approve the sale of property of the Receivership Entities. Clark on Receivers § 482 (3d ed. 1992) (citing *First Nat'l Bank v. Shedd*, 121 U.S. 74, 87, 7 S.Ct. 807, 814, 30 L.Ed. 877 (1887)) (A court of equity having custody and control of property has power to order a sale of the property in its discretion). Moreover, 28 U.S.C. § 2004 provides procedures for the sale of personalty under any order or decree of any court of the United States.

The landlord has demanded that the Receiver vacate the premises by August 15, 2010. The Receiver therefore must remove all property as soon as possible so as not to incur rent. Removal of the personal property, if not sold, will end up costing the estate charges by the landlord for not fully vacating the offices. Due to the de minimis value of the property, the Receiver requests that this Court modify the requirements of 28 U.S.C. § 2004. The proposed sale will save the estate

removal and storage costs, and bring minimal funds into the estate. Accordingly, the Receiver believes it is in the best interests of the estate to sell the property on the terms set forth herein.

WHEREFORE the Receiver respectfully requests that this Court enter an order granting the Receiver authority to sell the personal property belonging to FSAMG for \$2,600 and for such other relief this Court may deem 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 with counsel for the Estate of Kenneth Wayne McLeod who have no objection to the relief requested herein.

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By: /s/ Tamara J. Savin
Tamara J. Savin, Esq.
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on August 4, 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/ Tamara J. Savin
Tamara J. Savin, Esquire

SERVICE LIST

1:10-cv-22078-FAM

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