

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 16-CV-21301-GAYLES

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

ARIEL QUIROS,
WILLIAM STENGER,
JAY PEAK, INC.,
Q RESORTS, INC.,
JAY PEAK HOTEL SUITES, L.P.,
JAY PEAK HOTEL SUITES PHASE II L.P.,
JAY PEAK MANAGEMENT, INC.,
JAY PEAK PENTHOUSE SUITES L.P.,
JAY PEAK GP SERVICES, INC.,
JAY PEAK GOLF AND MOUNTAIN SUITES L.P.,
JAY PEAK GP SERVICES GOLF, INC.,
JAY PEAK LODGE AND TOWNHOUSES L.P.,
JAY PEAK GP SERVICES LODGE, INC.,
JAY PEAK HOTEL SUITES STATESIDE L.P.,
JAY PEAK GP SERVICES STATESIDE, INC.,
JAY PEAK BIOMEDICAL RESEARCH PARK L.P.,
and AnC BIO VERMONT GP SERVICES, LLC,

Defendants, and

JAY CONSTRUCTION MANAGEMENT, INC.,
GSI OF DATA COUNTY, INC.,
NORTH EAST CONTRACT SERVICES, INC.,
Q BURKE MOUNTAIN RESORT, LLC,

Relief Defendants

RECEIVER'S EMERGENCY MOTION TO EXPAND RECEIVERSHIP

Michael I. Goldberg, in his capacity as receiver (the "Receiver") of Jay Peak, Inc., Q Resorts, Inc., Jay Peak Hotel Suites L.P., Jay Peak Hotel Suites Phase II L.P., Jay Peak Management, Inc., Jay Peak Penthouse Suites L.P., Jay Peak GP Services, Inc., Jay Peak Golf

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and Mountain Suites L.P., Jay Peak GP Services Golf, Inc., Jay Peak Lodge and Townhouse L.P., Jay Peak GP Services Lodge, Inc., Jay Peak Hotel Suites Stateside L.P., Jay Peak Services Stateside, Inc., Jay Peak Biomedical Research Park L.P., AnC Bio Vermont GP Services, LLC (collectively, the “Defendants”) and Jay Construction Management, Inc., GSI of Date County, Inc., North East Contract Services, Inc., and Q Burke Mountain Resort, LLC (collectively, the “Relief Defendants”) (the Defendants and the Relief Defendants shall collectively be referred to as the “Receivership Entities”), by and through undersigned counsel, and pursuant to the Order Granting Plaintiff Securities and Exchange Commission’s Motion for Appointing Receiver, dated April 13 2016 (the “Order”) [ECF No. 13], respectfully requests the Court to expedite the entry of an order expanding the receivership estate to include Q Burke Mountain Resort, Hotel and Conference Center L.P., and Q Burke Mountain Resort GP Services, LLC (collectively, the “Q Burke Entities”). Funds from the Receivership Entities were pledged and ultimately comingled with the Q Burke Entities. Accordingly, it is appropriate to immediately expand the receivership to include the Q Burke entities and give the Receiver control over the Q Burke Entities.¹ In support of this Motion, the Receiver states as follows:

BACKGROUND

The Receivership Estate

1. On April 12, 2016, the Securities and Exchange Commission (“SEC”) commenced this case in the United States District Court for the Southern District of Florida against the Receivership Entities, Ariel Quiros (“Quiros”), and William Stenger (“Stenger”).

2. The SEC alleged that Quiros and Stenger obtained and improperly utilized funds from foreign investors who made investments through the U.S. government’s EB-5 investor

¹ In addition to this Motion, the Receiver is concurrently filing a Motion seeking the Court’s permission to use funds belonging to the Receivership Entities to preserve the Q Burke Entities during the pendency of this receivership.

program. The Receivership Entities provided a front for Quiros and Stenger's mismanagement and misuse of those investor funds.

3. The U.S. government's EB-5 investment program gives foreign investors the opportunity to earn permanent residency in the United States by investing in U.S. projects that are intended to create a certain number of jobs. (ECF No. 1 ¶ 5). Quiros, Stenger and other Defendants deceived those investors and made material misrepresentations to investors about how funds would be used and which projects funds would be diverted to. (*Id.*)

4. The SEC alleged that Quiros and Stenger systematically looted more than \$50 million of the more than \$350 million that was raised from hundreds of foreign investors who pledged investments through the EB-5 investor program to the Receivership Entities. (*Id.* ¶ 1).

5. Quiros and Stenger were able to loot the investments by transferring investors' funds among the Receivership Entities in order to hide the fact that the projects were over budget or experiencing shortfalls, although many of the projects were fully subscribed. (*Id.* ¶ 3).

6. In addition to mismanaging the investment properties, Quiros misappropriated investor funds for his personal use, which occurred in large part due to Stenger's purported failure to properly manage the investor funds he received. (*Id.* ¶ 4-5).

7. The scheme orchestrated by Quiros and managed by Stenger involved securities offerings made on behalf of seven limited partnerships connected to Defendant Jay Peak, Inc. (*Id.* ¶ 3).

8. The first six offerings were all associated with the Jay Peak ski resort and its accompanying facilities. (*Id.* ¶ 6). A seventh offering solicited funds for what was purportedly going to be a biomedical research facility. (*Id.*). That offering was a complete fraud. (*Id.*) Despite, the representations set out in the offering documents, neither Quiros or Stenger had

begun the process of securing the approval of the Food and Drug Administration for the purported products of the biomedical research facility at the time that they were soliciting investor funds. (*Id.* ¶ 6). Tellingly, the offering materials for the biomedical research facility projected significant profits based on FDA approval although no efforts were underway at that time or at any later point to obtain such approval. (*Id.*). As a result, although the Defendants have raised almost three-quarters of the money for the research facility, they have done almost no work on it other than site preparation and ground-breaking, and are years behind their original construction and revenue schedule. Quiros has secretly used most of the money raised for the research facility's construction to pay off and pay down a margin loan and to misappropriate millions of dollars for his own use. (*Id.* at ¶ 7).

9. On April 13, 2016, at the request of the SEC, this Court entered the Order appointing Michael Goldberg as receiver over the Receivership Entities.

10. Pursuant to the Order, the Receiver is authorized to take immediate possession of the property, assets and estates of every kind that either belonged to or were in the possession of the Receivership Entities. (Order ¶ 1). In addition, the Receiver is authorized to investigate the manner in which the Receivership Entities conducted their affairs and to institute any actions or legal proceedings that benefit the Receivership Entities, their investors and other creditors. (*Id.* ¶ 2).

11. Importantly, the Receiver is empowered to take action to reclaim “wrongfully, illegally, or otherwise improperly transferred monies or other proceeds directly or indirectly traceable from investors” in the Receivership Entities, including monies traceable to officers, directors, employees, affiliates, subsidiaries, or other persons purporting to act in concert or participation with the Receivership entities. (*Id.*)

12. Immediately after his appointment, the Receiver commenced investigating the Receivership Entities' affairs and discovered that significant sums of investor money received by Quiros and/or Stenger on behalf of the Receivership Entities were unlawfully pledged and transferred to the Q Burke Entities, including the use of investor funds earmarked for the Receivership Entities that was used to purchase the land where the hotel owned and operated by the Q Burke Entities was built.

13. The Order states that, "in the event the Receiver discovers that investor funds received by the [Receivership Entities] have been transferred to other persons or entities the Receiver shall apply to this Court for an Order giving the Receiver possession of such funds and, if the Receiver deems it advisable, extending the receivership over any person or entity holding such investor funds . . ." (Order ¶ 24).

14. The receivership should be extended over the Q Burke Entities.

The Q Burke Entities Are Owned And Managed by Quiros and Stanger

15. The Q Burke Hotel is owned by Q Burke Mount Resort Hotel and Conference Center, L.P. ("Q Burke LP"). (Kapila Aff. ¶10).²

16. The general partner of Q Burke LP is Q Burke Mountain Resort GP Services, LLC (the "Q Burke GP") (*Id.*)

17. The owners and sole members of the Q Burke GP are Quiros and Stenger, which means that the Q Burke Entities are under the exclusive management and control of Quiros and Stenger (*Id.*).

18. The hotel was built on land purchased with funds that were improperly diverted from the EB-5 offering associated with the Receivership Entities. Quiros improperly used approximately \$7 million from a margin loan that was collateralized with funds pledged to the

² A true and correct copy of the Affidavit of Soneet Kapila (the "Kapila Affidavit") is attached as **Exhibit A**.

Receivership Entities to purchase the land where the hotel that is a part of the Q Burke entities was ultimately built. (Compl. ¶ 31).

19. The majority of the construction of the Q Burke Entities, including the hotel, was completed in February 2016. However, the hotel has not been opened to the public. While the hotel is ready to open, there are no funds available to complete the final steps that precede opening or to operate the hotel after it opens.

20. In addition, the Tennis Facility, Aquatic Center, and Mountain Bike Park have yet to be completed.

21. At this time there are no funds available to complete construction of the above-named facilities.

22. As set forth in Section V of the TRO [ECF No. 11], which restrains the conduct of the individuals in this action, both Quiros and Stenger are prohibited from participating in the management or administration of any commercial enterprise or project that has issued securities through EB-5, which would include the operation of the Q Burke LP hotel.

23. Accordingly, without the expansion of the Receivership, no party may undertake the necessary management and oversight of the property.

Funds Pledged to the Receivership Entities Were Improperly Comingled with the Q Burke Entities

24. Stenger and Quiros promoted the Q Burke Entities as a part of their EB-5 investor offerings.

25. Investor funds transferred to the Q Burke Entities were subject to the same improper uses that transpired during Quiros and Stenger's management of the Receivership Entities, including diverting those funds to projects that they were not pledged to finance and personal use of investor funds by Quiros and/or Stenger.

26. Therefore, it is appropriate to expand the receivership to include the Q Burke Entities.

MEMORANDUM OF LAW

The Receiver seeks to expand the receivership to include the Q Burke Entities, so that the Receiver may take possession and control over their records and assets and commence operation of the hotel. The inclusion of the Q Burke Entities in the receivership estate will facilitate the administration of the assets and, importantly, will allow the Receiver to preserve and improve the assets for the benefit of the investors and creditors who have been victims of the fraudulent scheme carried out by the individual Defendants. Further, by including the Q Burke Entities in the receivership, the Receiver will have standing to address any claims as they may be related to the use of funds diverted from the Receivership Entities to the Q Burke Entities.

ARGUMENT

I. Legal Standard

This Court's equitable powers are broad and, as a result, the Court has "wide discretion to determine relief in an equity receivership." *SEC v. Elliott*, 953 F.2d 1560, 1566 (11th Cir. 1992) (citing *SEC v. Safety Finance Service, Inc.*, 674 F.2d 368, 372 (5th Cir. 1982)). A court-appointed receiver is a well-established equitable remedy available in SEC enforcement proceedings for injunctive relief. *See e.g., SEC v First Financial Group of Texas*, 654 F.2d 429, 438 (5th Cir. 1981). Indeed, the appointment of a receiver is particularly appropriate in cases where a defendant, through its management, has defrauded investors. *Id.* Although this Court has already appointed the Receiver over the Receivership Entities, that appointment should be expanded to include the Q Burke Entities since funds pledged by investors to the Receivership Entities were improperly diverted to the Q Burke Entities and because funds raised in the Q Burke offering

were improperly commingled with funds from earlier capital raises and used to fund the operations of the existing Receivership Entities. The expansion of the receivership estate to include the Q Burke Entities is well within this Court's inherent powers.

II. The Receivership Should Be Expanded Because Investor Funds From the Receivership Entities Were Improperly Comingled With the Q Burke Entities

It is appropriate to expand a receivership and authorize a receiver to take possession of entities that have been purchased or improved with tainted proceeds from an unlawful scheme. *See Securities and Exchange Commission v. Nadel*, No. 8:09-cv-T-26TBM, 2013 WL 2291871, at *2 (M.D. Fla. May 24, 2013) (citing *SEC v. Lauer*, No. 03-80612-Civ., 2009 WL 812719, at *3 (S.D. Fla. Mar. 26, 2009); *In re Fin. Federated Title & Trust, Inc.*, 347 F.3d 880 (11th Cir. 2003); *SEC v. Kirkland*, No. 606-CV183-ORL-28KRS., 2006 WL 2639522, at * 2-3 (M.D. Fla. Sept. 13, 2006)). In the instant case, the Q Burke Entities were indeed purchased and improved with tainted proceeds from the Receivership Defendants and funds raised by the Q Burke Entities were improperly funneled back to Quiros through the Receivership Defendants, thereby creating a web that cannot be untangled without the inclusion of the Q Burke Entities in the receivership.

A. The Q Burke Hotel Land Purchase and Construction

Q Burke LP was established to raise EB-5 investor funds, purportedly to purchase approximately 3 acres of land at the Q Burke ski resort area (which is owned by existing Relief Defendant Q Burke Mountain Resort, LLC) and to develop the hotel and other facilities on the property (Kapila Aff. ¶¶ 9-10). As of September 30, 2015, Q Burke LP raised approximately \$53.5 million from foreign investors to purchase the land and construct the hotel, among other facilities (*see* Kapila Aff. ¶ 10; *see also* Q Burke LP Offering Memorandum³). The Offering

³ *See* Notice of Filing Exhibit List to SEC's Emergency *Ex Parte* Motion and Memorandum of Law for Temporary Restraining Order, Asset Freeze, and Other Relief [ECF No. 5] Ex. 74 .

Memorandum specifically provides that Relief Defendant Q Burke Mountain Resort, LLC was to contribute \$3,155,000.00 towards the build-out of the hotel in exchange for two commercial units in the hotel. There is no evidence that this contribution was made, but rather Q Burke LP investor monies funded the construction (Kapila Aff. ¶ 19). Accordingly, Q Burke LP investor funds were improperly used to satisfy the obligation of Relief Defendant Q Burke Mountain Resort, LLC.

B. Q Burke LP Investor Funds are Commingled and Used as Collateral for Quiros Loan

In or about March, 2015, Quiros engaged in a series of inter-company transactions whereby Q Burke LP investor funds were used to collateralize a \$15,000,000.00 line of credit from Citibank (Kapila Aff. ¶¶ 13-17). Specifically, \$2,470,000 was wired from Q Burke LP to another entity owned by Quiros, which was, in turn, wired to Relief Defendant North East Contract Services, Inc. and thereafter to Relief Defendant Jay Construction Management, Inc. Those funds were commingled with approximately \$10.5 million raised in an earlier offering and ultimately used to secure a \$15 million personal line of credit for Quiros. The personal line of credit was used to pay, among other things: Quiros' personal income taxes; payments to limited partners of unrelated prior offerings; Jay Peak operations; and Stateside construction costs (*Id.*).

C. Q Burke, LP Investor Funds are Improperly Transferred to the Relief Defendants

Between October, 2013 and June 2015, Q Burke LP wired approximately \$1,213,626 to Jay Construction Management, Inc. and approximately \$3.4 million to North East Contract Services, Inc. (Kapila Aff. ¶ 18). Those funds were utilized to pay expenses not associated with the Q Burke Entities or were commingled with funds from an earlier Jay Peak EB-5 offering and

were used, in part, to pay for construction expenses associated with Jay Peak Lodge and Townhouse, LP and Jay Peak Hotel Suites Stateside, LP. (*Id.*).

D. Relief Defendant Q Burke Mountain Resort, LLC's Subsidiary Funds Q Burke Hotel Expenses

As detailed in the Kapila Affidavit (Kapila Aff. ¶ 20), Burke Mountain Operating Company (“BMOC”), a wholly owned subsidiary of Relief Defendant Q Burke Mountain Resort, LLC, regularly received funds flowing through the Relief Defendants to fund operating shortfalls and pay expenses for the hotel on behalf of Q Burke, LP. Although BMOC recorded these transactions, in excess of \$5 million, as inter-company loans payable to Q Burke Mountain Resort, LLC, the funds in many cases came from Relief Defendants GSI of Dade County, Inc. (*Id.*).

What has now become clear to the Receiver is that the Q Burke Entities and their investors have become yet another vehicle used by the Defendants to engage in a series of complicated and convoluted transactions aimed at carrying out the scheme described in the SEC’s Complaint. Accordingly, it is critical that the receivership be expanded to include the Q Burke Entities and protect their investors.

III. The Q Burke Entities Would Be Unable to Operate if the Receivership Is Not Expanded

As discussed, the Q Burke Entities are controlled in their entirety by Quiros and Stenger. Section V of this Court's Order Granting Motion for Temporary Restraining Order, Asset Freeze and Other Emergency Relief [ECF No. 11] imposes a conduct restraining order and explicitly prohibits the Defendants, including Quiros and Stenger, from “participating in the management, administration, or supervision of, or otherwise exercising any control over, any commercial enterprise or project that has issued or is issuing any securities through the EB-5 Immigrant

Investor program.” This, of course, would include the operations of the Q Burke Entities. Accordingly, the Q Burke Entities are essentially a rudderless ship at this point, thus there is a great concern that these assets will languish to the detriment of the victims should the receivership not be expanded.

Moreover, as of the date of this filing, there may be no investor funds available to satisfy the outstanding contract lien, obtain a Certificate Occupancy and open the finished hotel that is a part of the Q Burke Entities. Nor are there funds available to cover the day-to-day operating expenses of the property. Because the facility is located in Northern Vermont where weather conditions are often unfavorable, any shutdown of the systems necessary to maintain the property can impair long term use of the property. It is vital to the preservation and beneficial long-term use of the property that the receivership be expanded so that the Receiver can administer the Q Burke Entities.

IV. The State of Vermont Believes that the Q Burke Entities Should Be Included in the Receivership

Since his appointment, the Receiver has been in contact with various government officials for the State of Vermont, including the Vermont Attorney General’s Office and Governor Peter Shumlin.⁴ In the State of Vermont, the Receivership Entities significantly contribute to the employment of Vermont residents in the area where the facilities are located. The Q Burke Entities are poised to create similar employment opportunities for Vermont residents living in the region where the hotel is expected to operate. To the extent that the assets of the Q Burke Entities can be preserved in a manner that allows the projects to be fully realized, the combined operations of the Receivership Entities and the Q Burke Entities represent an

⁴ In addition to supporting the actions of the Receiver with respect to expanding the receivership to include the Q Burke Entities, the State of Vermont has initiated parallel state proceedings against the Defendants. The action is captioned and styled State of Vermont v. Ariel Quiros, et al., Case No. 217-4-16Wncv pending in the State of Vermont Superior Court-Washington Unit.

important source of employment for Vermont residents. As a result, the undersigned is authorized by the State of Vermont to represent to the Court that an expansion of the receivership is supported by representatives of the state.

V. The Receiver and the Vermont Attorney General's Office are Fielding Investor Complaints

Although this action is in its infancy, both the Vermont Attorney General's Office and the Receiver have been contacted by Q Burke LP investors and their representatives. The evidence previously presented to the Court makes clear that Quiros used the Receivership Defendants and Relief Defendants as the alter-egos of one another and vehicles to carry out his "personal corporate shell-game," at the expense of nearly one-thousand investor victims. The Q Burke entities were operated no differently. Given the commingling of funds between the Receivership Defendants and the need to protect the interests of the Q Burke, LP investors, equity dictates that the receivership be expanded to include the Q Burke Entities

WHEREFORE, the Receiver respectfully requests that this Court enter an order granting the Motion and expanding the receivership to include Q Burke Mountain Resort, Hotel and Conference Center L.P., and Q Burke Mountain Resort GP Services, LLC along with such other relief as this Court deems appropriate.

CERTIFICATE OF GOOD FAITH CONFERENCE

Pursuant to Local Rule 7.1(a)(3), the Receiver has conferred with counsel for the SEC and counsel for Defendants Quiros and Stenger. Counsel for the SEC has no objection to the Motion or the relief sought herein. Counsel for Defendant Stenger has stated that his client does not oppose the Motion. Counsel for Defendant Quiros has been unable to discuss the Motion with his client and, therefore, takes no position on the Motion.

CERTIFICATE OF EMERGENCY

Pursuant to Local Rule 7.1(d), the undersigned hereby certifies that the issues set forth in this Motion constitute a true emergency. The relief sought herein does not arise from any urgency that is the result of the dilatory conduct of the undersigned or the Receiver.

Dated: April 19, 2016

Respectfully submitted,

By: /s Jonathan S. Robbins
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EXHIBIT "A"

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

CASE NO. 1:16-cv-21301-GAYLES

In re:

Securities and Exchange Commission,

Plaintiff,

v.

Ariel Quiros, William Stenger,
Jay Peak, Inc., Q Resorts, Inc., et. al.

Defendants.

_____ /

AFFIDAVIT OF SONEET R. KAPILA

STATE OF FLORIDA)
).ss:
COUNTY OF BROWARD)

BEFORE ME, the undersigned authority, personally appeared, **SONEET R. KAPILA**, who after being duly cautioned and sworn, states upon oath and says:

1. I am over the age of eighteen, and am a founding partner of the forensic consulting and insolvency advisory firm of KapilaMukamal, LLP which has been retained to provide forensic investigation services to Michael Goldberg, the Court-Appointed Receiver (the "Receiver") of the Corporate Defendants¹ and Relief Defendants²

¹ As defined D.E. 13 Order Granting Plaintiff Securities and Exchange Commission's Motion for Appointment of Receiver.

² *Id.*

(collectively the "Receivership Entities").³ I am a Certified Public Accountant, a Certified Fraud Examiner, Certified in Financial Forensics, and a Certified Insolvency and Restructuring Advisor.

2. I have served as a Bankruptcy Trustee, Examiner, Chief Restructuring Officer, S.E.C. Corporate Monitor and Federal and State Court Receiver in numerous matters in the Southern and Middle Districts of Florida. I hold the designations of Certified Public Accountant, Certified Fraud Examiner, Certified Insolvency and Restructuring Advisor, and am Certified in Financial Forensics. I am a Fellow of the American College of Bankruptcy.

3. I have served as a Federal Bankruptcy Trustee on the panel of U.S. Bankruptcy Trustees in the Southern District of Florida from approximately 1992 through current time. I have been appointed as a Chapter 11 and Chapter 7 trustee as well as a Liquidating Trustee or other post confirmation fiduciary roles. In this role I have investigated distressed businesses and their failures, financial affairs of bankruptcy debtors, evaluated asset recoveries and claims against third parties. The role routinely includes tracing assets, assessing for possible fraud and successor businesses. I have investigated frauds, including Ponzi schemes as well as causes of action against management, professionals and under Chapter 5 of the Bankruptcy Code. My duties have extended to evaluating, bringing and overseeing litigation claims. Such claims have included tort litigation against professionals and directors and officers.

4. As a court appointed Examiner, I have reported to the Bankruptcy courts on

³ Receivership Entities includes any subsidiary entities of the Corporate Defendants and Relief Defendants.

issues whose defined scope of the duties is in the Bankruptcy Court's mandate, investigating the conduct of businesses and management and making recommendations to the Bankruptcy Court. As a Federal court approved Corporate Monitor appointed by the SEC, I have operated a public company international business and negotiated its sale to a foreign company, and overseeing the restricting of another healthcare business of multiple entities as an SEC Corporate Monitor.

5. I have been qualified as an expert dozens of times in federal and state courts regarding Ponzi schemes, insolvency, fraudulent transfers, funds and asset tracing, lost profits, damages, and other subject matters as well as a non-testifying expert in many other cases. A true and correct copy of my Resume and Case Experience is attached hereto as **Exhibit A**.

6. This affidavit is made based upon my investigation, review, cash flows tracing and analysis of the available books and records of the Receivership Entities and Q Burke Mountain Resort, Hotel and Conference Center, LP ("Q Burke LP") and certain other documents to date (see ¶ 7). I have been assisted by my professional staff who have worked under my direct supervision.

7. My investigation incorporated reviewing the available bank statements, investment account statements and general ledgers of the Receivership Entities and Q Burke LP as discussed in the sections that follow. I also reviewed the Declaration of Michael Pieciak dated April 1, 2016 and the related exhibits. I reviewed the Q Burke Mountain Resort, Hotel and Conference Center, LP Private Placement Memorandum and the related bank statements for Q Burke LP. I analyzed an organizational chart of the Q Burke entities obtained from corporate records. I traced inflows from investors

and other sources to determine the flow of funds, to quantify funds received by various parties and to illustrate the transactional flow of funds for specific transactions discussed in the following sections.

Q Burke Mountain Resort, Hotel and Conference Center, L.P.

8. Q Burke Mountain Resort, LLC (“Q Burke LLC”) is a Relief Defendant. Q Burke LLC owns Burke 2000, LLC which owns Burke Mountain Operating Company (“BMO”).⁴ **Exhibit B** is a summary of the ownership structure.

9. Q Burke LLC is the Resort Owner as defined in the Q Burke Mountain Resort, Hotel and Conference Center, L.P. Private Placement Memorandum.

10. Q Burke LP was formed to raise funds from investors through the EB-5 investment program.⁵ Its general partner is Q Burke Mountain Resort GP Services, LLC (Q Burke GP).⁶ The owner and sole member of Q Burke GP is Ariel Quiros.⁷ Each investor that invested into Q Burke LP was a limited partner. As of December 31, 2015 Q Burke LP raised approximately \$57.5 million from 115 foreign investors.⁸ Each investor invested \$500,000 plus an administrative fee up to \$50,000.⁹

11. The Q Burke LP investor funds were collected by Q Burke LP and deposited into Q Burke LP bank accounts. The investor funds were used to pay construction costs

⁴ Organizational chart provided by Receivership Entities’ management.

⁵ Q Burke Mountain Resort, Hotel and Conference Center, L.P. Private Placement Memorandum

⁶ *Id.*

⁷ Organizational chart provided by Receivership Entities’ management.

⁸ Summary Trial Balance of Q Burke Mountain Resort, Hotel and Conference Center, LP as of December 31, 2015.

⁹ Q Burke Mountain Resort, Hotel and Conference Center LP’s accounting records indicate that one investor may have only invested \$474,855.

of the Q Burke Hotel and were also transferred to Relief Defendants including Jay Construction Management, Inc. ("JCM") and North East Contract Services, Inc. ("NECS").

Q Burke Hotel Land Purchase

12. On March 11, 2015 Q Burke LP recorded in its books and records the purchase from Q Burke LLC of the land on which the hotel was constructed for \$2,470,000.¹⁰ Quiros, through Burke 2000, LLC originally purchased the land for \$7 million which was sourced from the Biomedical Phase VII offering.¹¹

Q Burke LP's Investor Funds Used as Collateral for Quiros Loan

13. Quiros utilized Q Burke LP investor funds as collateral to secure a \$15 million line of credit from Citibank that he used to pay personal income taxes and to fund other Quiros related entities.¹²

14. On March 13, 2015, Q Burke LLC transferred the \$2,470,000 million of proceeds from the sale of the land to JCM. (**Exhibit C**).

15. On March 3, 2015 Q Burke LP wired \$2,417,300 to NECS. On March 11, 2015 NECS made two wire transfers in the amounts of \$1,643,560 and \$773,440 (totaling \$2,417,300) to Q Resorts, LLC ("Q Resorts"), an entity owned by Quiros. On March 13, 2015 Q Resorts wired \$2,417,000 to JCM. (**Exhibit D**)

¹⁰ Although the land appears to have been owned by Burke 2000, LLC, the purchase price for the land was paid to Q Burke Mountain Resorts, LLC. Information obtained from Q Burke LP 2015 general ledger.

¹¹ SEC v. Ariel Quiros, et. al. Complaint for Injunctive and Other Relief.

¹² SEC v. Ariel Quiros, et. al. Complaint for Injunctive and Other Relief.

16. JCM comingled the \$2,470,000 and \$2,417,000, with approximately \$10.5 million in other funds it had received from the Biomedical Phase VII offering in its Merrill Lynch No. 3534 account.¹³ This comingled money was used to fund a \$15 million account at Citibank which was pledged as security for a \$15 million personal line of credit of Quiros.¹⁴

17. Quiros used the \$15 million personal line of credit to make payments including the following:

- a. \$6 million for payment of personal income taxes;¹⁵
- b. \$1.5 million for payments to limited partnership investors of prior unrelated EB-5 offerings;¹⁶
- c. \$1.4 million to Jay Peak's operating account,¹⁷ and
- d. \$2.1 million in Stateside Construction invoices.¹⁸

Q Burke LP Transfer of Investor Funds to Relief Defendants

18. Q Burke LP transferred investor funds to the Relief Defendants. The funds were utilized to pay expenses unrelated to Q Burke LP, or were commingled with funds from the Jay Peak Biomedical Research Park, L.P. ("Jay Peak Bio") an EB-5 offering. Specifically, I have traced and identified the following transactions:

- a. On April 14, 2014 Q Burke LP wired \$1,213,626 to JCM. On April 14, 2014 JCM used these funds to pay Dew Construction Corporation for

¹³ Jay Construction Management, Inc. Merrill Lynch Account No. 3534 March 2015 Statement; SEC v. Ariel Quiros, et. al. Complaint for Injunctive and Other Relief.

¹⁴ SEC v. Ariel Quiros, et. al. Complaint for Injunctive and Other Relief.

¹⁵ Declaration of Michael S. Pieciak dated April 1, 2016 and related exhibits.

¹⁶ *Id.*

¹⁷ *Id.*; Jay Peak, Inc. Peoples United Bank Account No. 1736 June 2015 bank statement.

¹⁸ Declaration of Michael S. Pieciak dated April 1, 2016 and related exhibits; Jay Construction Management, Inc. July 2015 Citibank Account No. 4166.

expenses associated with Jay Peak Lodge and Townhouse LP and Jay Peak Hotel Suites. (**Exhibit E**)

- b. During the period from October 2013 to June 2015, Q Burke LP transferred an additional \$3.4 million to NECS.¹⁹ These funds were deposited into the NECS bank accounts which were also funded with monies from Jay Peak Biomedical Research Park, L.P.²⁰

Q Burke LP General Partner “Contribution”

19. The Q Burke LP Private Placement Memorandum states that Q Burke LLC was to contribute \$3,155,000 towards the build out of the Q Burke Hotel and Conference Center. Q Burke LP’s trial balance as of December 31, 2015 does not reflect this contribution. The only contribution reflected on the Q Burke LP’s financial records from Q Burke LLC as resort owner was a non-cash amount of \$1,370,000.²¹ The land that Q Burke LLC sold to Q Burke, LP was allegedly valued at \$3,840,000.²² Q Burke LP recorded the land purchase on its financial records for \$2,470,000 based on a cash payment and the difference of \$1,370,000 was recorded as a “contribution” from the resort owner as a book entry.

BMOC Funds Q Burke Hotel Expenses

¹⁹ The total funds transferred from Q Burke Mountain Resort, Hotel and Conference Center, L.P. to North East Contract Services, Inc. totaled \$5.8 million. This includes the \$2,417,300 discussed in paragraph 15.

²⁰ Jay Peak Biomedical Research Park, LP general ledger and bank statements.

²¹ Q Burke Mountain Resort, Hotel and Conference Center, L.P. 2015 general ledger.

²² Q Burke Mountain Resort, Hotel and Conference Center, L.P. Private Placement Memorandum.

20. BMOC regularly received funds from the Relief Defendants to fund its operating shortfalls and pay expenses of the Q Burke Hotel on behalf of Q Burke LP as set forth below. As of March 2016, these transfers exceeded \$5 million.

- a. BMOC paid expenses of the Q Burke Hotel on behalf of Q Burke LP. As of December 31, 2015 the amounts paid and outstanding totaled \$571,636. The expenses included property taxes, payroll expenses, utilities, insurance, electronic equipment, and hotel/resort operations computer software. (**Exhibit F**).
- b. During 2016, this trend of BMOC funding the expenses of Q Burke Hotel continued. As of March 26, 2016 the balance due from Q Burke LP to BMOC had increased to \$1,060,926.

Although BMOC recorded these transaction as an Intercompany Payable to Q Burke, LLC, often the funds received were actually from the G.S.I. of Dade County, Inc.²³

²³ Burke Mountain Operating Company, LLC general ledgers and bank statements.

FURTHER AFFIANT SAYETH NAUGHT.

Soneet Kapila
SONEET R. KAPILÀ

STATE OF FLORIDA)
).ss:
COUNTY OF BROWARD)

Before me the undersigned personally appeared SONEET R. KAPILA being first fully sworn, and who is personally known to me, who did/did not take an oath, deposes and says that the foregoing statements contained herein are true and correct.

Dated: April 19, 2016

Catherine D Murchison
NOTARY PUBLIC
CATHERINE D MURCHISON
PRINT NAME

My commission expires




Exhibit A



Soneet R. Kapila, CPA, CIRA, CFE, CFF

kapila@kapilamukamal.com

Soneet R. Kapila is a founding partner of **KapilaMukamal, LLP**  (formerly Kapila & Company). For over twenty years, he has concentrated his efforts in the areas of consulting in insolvency, fiduciary and creditors' rights matters. Recognized for his acumen as a "business man," he has been appointed in Federal District Court, Bankruptcy Court and Florida State Court and served in the roles of Chief Restructuring Officer, S.E.C. Corporate Monitor, Examiner, Chapter 11 Trustee of Operating Businesses, Liquidating Trustee and Receiver, among others.

Professional Experience

Mr. Kapila's practice is focused on restructuring, creditor's rights, bankruptcy, fiduciary matters and financial transactions litigation. He represents other bankruptcy trustees, debtors and both secured and unsecured creditors in and out of bankruptcy court. He also regularly advises clients about the insolvency implications involved in business transactions and operation of distressed businesses. As a Trustee plaintiff, Mr. Kapila has managed complex litigation in significant cases.

As a fiduciary, he has advised and represented debtors and creditors' committees in formulating, analyzing and negotiating plans of reorganization. Recognized as an expert in fraudulent conveyance, Ponzi Schemes and insolvency issues, Mr. Kapila has provided expert testimony and extensive litigation support services to law firms involving complex insolvency issues and commercial damages. He is a sitting trustee on the panel of U.S. Bankruptcy Trustees (Southern District of Florida) and has served in numerous matters in both the Southern and Middle Districts of Florida.

He has conducted numerous forensic and fraud investigations, and has worked in conjunction with the Securities and Exchange Commission (SEC), Federal Bureau of Investigation (FBI) and the United States Attorney's Office.

Education / Qualifications

Certified Public Accountant (CPA) – Florida

Certified Insolvency and Restructuring Advisor (CIRA)

Certified Fraud Examiner (CFE)

Certified in Financial Forensics (CFF)

Certified in Bankruptcy Mediation – Training – St. John's University (2014)

MBA, Cranfield School of Management Studies, England (1978)

Institute of Chartered Accountants in England and Wales – (1974)

Areas of Expertise

Bankruptcy and Insolvency
Creditors' Rights
Restructuring
Financial Transactions Litigation
Complex Commercial Litigation

Roles

Bankruptcy Trustee - Chapter 7, 11
Liquidating Trustee / Plan Administrator
Chief Restructuring Officer
Corporate Monitor / Examiner
Receiver / Assignee
Creditor Agent



Kapila/Mukamal

Soneet R. Kapila

Accomplishments

- Fellow, American College of Bankruptcy – 2013
- Power Leaders in Law and Accounting – South Florida Business Journal – 2015, 2014
- Best Trustee – Daily Business Review's Best of 2012
- Key Partners Award Honoree – South Florida Business Journal – 2010
- Bronze Medal Award – 3rd highest score, Examination of the Association of Insolvency and Restructuring Advisors – 1996

Speaking Engagements

- American Bankruptcy Institute
- New York Law School
- St. Thomas University Law School
- National Conference of Bankruptcy Judges
- National Association of Bankruptcy Trustees
- Association of Insolvency & Restructuring Advisors
- Bankruptcy Bar Association for the Southern District of Florida
- Central Florida Bankruptcy law Association
- Florida Bankruptcy Bar
- Florida Institute of Certified Public Accountants
- National Business Institute
- Turnaround Management Association
- University of Miami, School of Law
- Florida International University, School of Law
- Stetson College of Law, Insolvency Symposium – Germany
- American Bar Association

Publications

- *"Best Practices in the Treasury Functions of a Chapter 7 Trustee's Office"* – American Bankruptcy Trustee Journal (NABT) (Fall, 2015)
- *"Fraud and Forensics: Piercing Through The Deception In A Commercial Fraud Case"* – American Bankruptcy Institute – 2015
- *"Ponzi Schemes: Fiduciaries May Be The Saving Grace"*, ABI Journal (2014)
- *"A Health Care Fraud and Bankruptcy Primer"*, Southern District of Florida Bankruptcy Bar Association Journal (2014)
- *"Hidden Resources in a Small Business"*

Professional Affiliations

- ✧ American College of Bankruptcy
- ✧ American Institute of Certified Public Accountants
- ✧ Florida Institute of Certified Public Accountants
- ✧ Association of Insolvency & Restructuring Advisors
- ✧ Association of Certified Fraud Examiners
- ✧ American Bankruptcy Institute
- ✧ National Association of Bankruptcy Trustees

Civic, Volunteer and Philanthropic (Past and Present)

- ✧ **The Kapila Family Foundation, Director**
 - ✧ Kapila Family Starting Right Program, Nova Southeastern University Mailman Segal Center (NSU-MSC) [*Benefitting Autistic Children*]
 - ✧ Kapila Family Foundation Student Award, Kapila Family Foundation Scholarship Fund and the Kapila Family Foundation Program Fund [*supporting the Kapila Duberstein Miami Law Moot Court Team and UM law students*]
 - ✧ Broward Center for the Performing Arts Foundation [*benefitting Encore! Building Community through the Arts capital campaign*]
- ✧ Member, Board of Directors of American Bankruptcy Institute - 2016
- ✧ Chairperson, American Bankruptcy Institute Southeast Regional Conference - 2016
- ✧ Advisory Board – American Bankruptcy Institute, Southeast Regional Conference (2012-2014) and co-Chair 2015
- ✧ Association of Insolvency and Restructuring Advisors – Past chairman and Past President
- ✧ Association of Insolvency & Restructuring Advisors – Board of Directors
- ✧ Lecturer to various groups on insolvency and litigation related topics
- ✧ Member, Grievances Committee of The Florida Bar
- ✧ Member of the Board of Directors, Hialeah-Miami Springs – Northwest Dade Chamber of Commerce
- ✧ Chairman – Litigation Support Services Committee of the National Training and Experience Sharing Program of The American Group of CPA Firms
- ✧ Practice Review Committee – FICPA
- ✧ Bankers Cooperation Committee – Connecticut Society of CPA's

Representative Clients

City of Detroit, Michigan – Financial Advisors to Fee Examiner
 SMF Energy Corporation – CRO, Liquidating Trustee
 Fontainebleau Las Vegas, LLC – Chapter 7 Trustee
 Universal Health Care Group, LLC / American Managed Care, Inc.
 – Chapter 11 Trustee / Liquidating Trustee
 Simply Fashion Stores, LLC – Chief Restructuring Officer
 Spear & Jackson, Inc – Corporate Monitor – SEC Appointment
 Pan American Hospital – Examiner / Plan Administrator
 Louis J. Pearlman & TransContinental Airlines, et al –
 Chapter 11 Trustee / Liquidating Trustee
 Levitt & Sons – Chief Administrator
 Planet Hollywood International, Inc. – Examiner
 Banco Latino International – Financial Consultants to Official
 Committee of Unsecured Creditors
 Southeast Bank Corp – Financial Advisors to Chapter 7 Trustee
 Innovida Holdings, LLC et al and Claudio Osorio – Ch 7 Trustee
 Prime Capital Corporation – Chapter 7 Trustee
 GunnAllen Financial, inc.–Chapter 11 Examiner/ Liquidating
 Trustee

Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
19th Hole Discount Golf, Inc.	1997	Expert - Business valuation	T	Retail	Robert Furr, Esq. Furr and Cohen, P.A.
ABC Cellular Services, Inc.		Examiner	X	Wireless communication business	Phillip M. Hudson, III, Esq. Arnstein & Lehr, LLP
Abel & Seiden vs. Keitel vs. Nutter	1999	Expert - damages - lost profits	T	Fast food franchise	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
Advanced Telecommunication Network, Inc. vs. Daniel W. Allen and David D. Allen	2004	Expert - solvency	D, T	Telecommunications	Phillip M. Hudson, III, Esq. Arnstein & Lehr, LLP
Alternative Services, Inc.	1994	Chapter 11 Trustee		Developmentally disabled group homes	Paul Battista, Esq. Genovese, Joblove & Battista
Amazing Flooring Sources, Inc.	2014	Expert Solvency; Equivalent Value	D	Flooring	James B. Miller, Esq.
Frank A. Amelung, Jr. & Eugenia Marie Amelung Michael R. Bakst, Trustee vs. Robert J. Probst	1997	Accountants to the Trustee	D		Michael R. Bakst, Esq. Ruden, McClosky
American Ammunition, F&F Equipment, Inc. & Industrial Plating Enterprises Co.	2009	Examiner	X	Small arms ammunition manufacturer	
American Fiber Optics	1995	Accountants for Trustee - insolvency, preference & fraudulent transfer analysis		Fiber optics	Robert Furr, Esq. Furr & Cohen, P.A.
American Way Services Corp.	1997	Expert - insolvency	T	Credit life insurance	Herbert Stettin, Esq./Herb Stettin, P.A. Paul Battista, Esq./Genovese, Joblove & Battista
Amoco Oil Company	1997	Expert - investigate conduct of corporate management & business, preferences & fraudulent transfers, profitability of business	D/T	Gas stations & franchise	Ron Peterson, Esq./Jenner & Block Craig Rasile, Esq./Holland & Knight
APL Corporation	1993	Expert - conduct of business. Accountant/Financial Advisor to Committee of Unsecured Creditors	T	Manufacturing	Steve Busey, Esq. Smith, Hulsey, Busey
A.R.E. & Overseas, Inc.	1993	Chapter 11 Trustee		Aviation services	David Levine, Esq. Levine, Kellogg, Lehman, Schneider & Grossman
Atlas Environmental, Inc.	1998	Chapter 11 Trustee		Waste management	Steven B. Soll, Esq. Otterbourg, Steindler, Houston & Rosen
ATM Financial Services, LLC	2008	Chapter 7 Trustee	D	Insolvency/PONZI scheme	Patrick Scott, Esq. Gray Robinson
Banco Latino International	1994	Accountant/Financial Advisor to Committee of Unsecured Creditors		Banking	John Genovese, Esq. Genovese, Joblove & Battista
Bankest Capital Corporation	2004	Chapter 7 Trustee	D/T	Factoring	Kenneth Robinson, Esq. Rice Pugatch Robinson & Schiller
Barfield vs. Burns	1997	Expert - contractual dispute/damages	D/T	Real estate	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Bayside Ventures I, LLC, et al. - Soneet Kapila as Plan Administrator vs. Bank One, N.A., Morgan Chase Bank, N.A. & Chase Home Finance, LLC	2008	Plan Administrator	D	Investment venture	Monique Hayes, Esq. Genovese Joblove & Battista
Beal Bank - Americare Retirement Facilities	1997	Financial analysis, plan feasibility, character of income (Judge James D. Gregg)	T	Health care/ALF	James Paul, Esq. Haley Sinagra Paul & Toland
Belvedere Construction Company	1992	Chapter 11 Trustee		Construction	David Profflet, Esq. Profflet & Associates
Bobby Allison, Inc. Bobby Allison Wireless Corp, Inc.	2003	Chapter 11/7 Trustee		Wireless retail stores	Arthur J. Spector, Esq. Berger Singerman
Bray & Gillespie Management, LLC, et al. - surcharge motion	2010	Creditor Agent	T	Hospitality	D. Christopher Carson, Esq. Denise Dell-Powell, Esq. Burr & Forman, LLP
Bray & Gillespie Management, LLC, et al. - motion to remove	2010	Creditor Agent	T	Hospitality	D. Christopher Carson, Esq. Denise Dell-Powell, Esq. Burr & Forman, LLP
Broward County Archeological Society	2004	Chapter 11/7 Trustee		Museum	Michael R. Bakst, Esq. Ruden McClosky
CAC Aggregates vs. Comyns	2000	Expert - lost opportunity damages	D/T	Quarry	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
Calumet/Bayshore Apartments	1995	State Court Receiver		Hospitality/Condominium hotel	Patrick Scott, Esq. Gray Robinson
Calvert Property/Key Largo Limited Partnership	1996	Expert - feasibility of Plan of Reorganization	D/T	Hospitality	Patricia Redmond, Esq. Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson
Calves vs. Lennar Homes, et al.	2001	Damages from accident/lost profits	D/T	Construction - ground work	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
Caribbean Fuels America, Inc. Caribbean Line vs. Drew M. Dillworth	2015	Expert - Insolvency	T	Fuel Brokers	James B. Miller, Esq.
Carpet - Tile Outlet	1996	State Court Receiver		Floor covering	Patrick Scott, Esq. Gray Robinson
Cascade International, Inc., et al., Kenneth A. Welt, Trustee v. Gunster, Yoakley & Stewart	1995	Expert - valuation of business and insolvency.	D	Retail	Dennis Waggoner, Esq. Hill, Ward & Henderson
Cash Today USA, Inc.	2005	Expert - Ponzi/advance pay fraud	T	Advance pay scheme	Jeffrey Kay, AUSA U.S. Attorney's Office
Caulkins Indiantown Citrus Company	1999	Expert - damages - lost profits	D/T	Orange groves	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
Central Cellular Services, Inc.	1997	Examiner - Investigate conduct of business and management	X	Wireless telecommunications	Jose Loreda, Esq. Carlton Fields

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Certified, Inc. Kapila v. Thomas J. McNamara, Inc.	2012	Expert - Ponzi/Insolvency	D	Commodities	Carlos E. Sardi, Esq. Genovese, Joblove & Battista
Cheryl's Day Care Center, Inc.	1995	Chapter 11 Trustee		Day care	Paul Battista, Esq. Genovese, Joblove & Battista
Clybon Corporation	1993	State Court Receiver		Real estate	Patrick Scott, Esq. Gray Robinson
CLSF III IV, Inc. et. al	2013	Expert - Substantive Consolidation	T	Life Settlements	Leslie Gern Cloyd, Esq. Berger Singerman
Columbia Healthcare Partners, I-A, L.P. Valley View Nursing Home	1996	Expert - conduct of Debtor's management, financial analysis & insider transactions (Judge Paine, Middle District of Tennessee)	T	Health care/nursing home	Peyton Inge/Amresco Management, Inc. James Kelley, Esq./Neal & Harwell
Comcoa, Ltd.	1995	Accountants to the SEC Receiver Securities fraud/asset investigation		Wireless telecommunications	David Levine, Esq. Levine, Kellogg, Lehman, Schneider & Grossman
Community Environment, Inc.	1997	Examiner - Investigate conduct of business and management	X	Developmentally disabled group homes	Allison Maggiolo, Esq. Wyatt, Tarrant & Combs
Consolidated Yacht Corporation	2004	Evaluation of settlement		Yachts/boating	Jerry Markowitz, Esq. Markowitz, Davis, Trusty + Hartog, P.A.
Continuum Care Corporation	2005	Chapter 11 Trustee		Healthcare	Scott L. Baena, Esq. Bilzin Sumberg Baena Price & Axelrod
County Collection Services, Inc.	1996	State Court Receiver		Collection	Craig Eller, Esq. Gunster, Yoakley, Valdes-Fauli & Stewart
Soneet R. Kapila, as Trustee, Charles R. Covino and Dorothy J. Covino, Debtors	1995	Expert - proof of insolvency	T		Michael R. Bakst, Esq. Ruden, McClosky
Data Lease	1992	Chapter 7 Trustee	D	Holding company	David Profilet, Esq. Profilet & Associates
Marion Davidson vs. Ortho-McNeil Pharmaceutical, Inc.	2006	Expert - damages/valuation	D		Todd Falzone, Esq./Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
Dean Kretschmar, David Von Allmen, et al. vs. Bank of America, N.A., et al. Don Beverly, et al. vs. Bank of America, N.A., et al.	2015	Expert - Ponzi	D	Ponzi, Fraud	Gail McQuilkin, Esq. Kozyak, Tropin & Throckmorton William Scherer, Esq. Conrad & Scherer
Dedicated Resources, Inc. Dedicated Trustees, Inc.	2002	Examiner	X	Viaticals	Chad Pugatch, Esq. Rice Pugatch Robinson & Schiller
Denison Marine, Inc.	1993	Examiner; testified regarding conduct of business	X	Marine/boat builder	Chad Pugatch, Esq. Rice Pugatch Robinson & Schiller
Design Guild, Inv. Vs. Ashoka Enterprises, et al.	1987	Expert - contractual dispute - damages	T	Design	

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Dolphin Shoe	1995	Consulting to assist in formulating business plan		Soft goods	Rudolfo Pittaluga, Esq. Deloitte Financial Advisory Services, LLP
Domino Investments, Inc.	1985	Expert - preferences, fraudulent transfers, insolvency	D/T		Patrick Scott, Esq. Gray Robinson
Alberto Duque & Domino Investments, Inc.	1986	Special Accountants to the Bankruptcy Trustee Expert - insolvency	D/T		Patrick Scott, Esq. Gray Robinson
Eagle Building Technologies/ Fleming Manufacturing, Inc.	2005	Examiner	X	Heavy machinery for the manufacture of concrete masonry products	
Geoffrey W. Edelsten	2014	Chapter 7 Trustee - Rule 9019 Motion	D	Individual	Patricia Redmond, Esq. Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson
Empire Tile & Marble	2002	Chapter 11 Trustee		Floor covering	Jerry Markowitz, Esq. Markowitz, Davis, Trusty + Hartog, P.A.
Ulrich Engler - Robert E. Tardif, Trustee vs. Fidelity National Financial, Inc.	2009	Expert - Ponzi/Insolvency	D		Robert E. Tardif, Jr., Trustee Robert F. Elgidely, Esq. Genovese, Joblove & Battista
Ulrich Engler - Robert E. Tardif, Trustee vs. Friedrich Herrling	2012	Expert - Ponzi/Insolvency	T		Robert E. Tardif, Jr., Trustee Robert F. Elgidely, Esq. Genovese, Joblove & Battista
Excalibur, Inc.	1994	Chapter 11 Trustee		Marine	David Levine, Esq. Levine, Kellogg, Lehman, Schneider & Grossman
Femri International	1995	Consulting to assist in formulating business plan		Catering equipment	Patricia Redmond, Esq. Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson
Fiddler's Creek, LLC	2010	Expert	T	Golf course/country club	Paul Battista, Esq. Genovese, Joblove & Battista
Financial Federated Title & Trust, Inc. a/k/a Asset Security Corp., a/k/a Viatical Asset Recovery Corp., a/k/a Quad B Ltd., a/k/a American Benefits Services, Inc. - Various adversaries	2001	Preferences, fraudulent transfers, insolvency	D/T	Viaticals/ponzi	John W. Kozyak, Trustee Kozyak, Tropin & Throckmorton
First American Bank vs. Marvin and Marian Penalba	1994	Expert for bank - business valuation	T		Julianne R. Frank, Esq. Julianne R. Frank, P.A.
First American Railway, Morris Berger, Trustee Berger vs. Adorno Zeder	2001	Expert - business valuation	D	Tourism/railway	Kenneth Robinson, Esq. Rice Pugatch Robinson & Schiller
Fontainebleau Las Vegas, LLC	2014	Chapter 7 Trustee - Rule 9019 Motion, D&O Settlement	D/T	Hospitality	Russ Blain, Esq. Paul Battista, Esq.
Anne C. Friedman, Debtor	2001	Expert - damages - compute lost income of trust from erosion of corpus	T		Daniel Bakst, Esq. Adorno & Yoss

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Fundamental Long Term Care, Inc.	2014	Expert - Successor business, fraud, corporate formalities	D/T	Healthcare	Steven Berman, Esq. Shumaker, Loop & Kendrick
Ivonne Aurea Garcia, Debtor	2013	Expert - Plan Confirmation / Feasibility	T	Individual	Richard R. Robles, Esq. Law Office of Richard R. Robles, PA
Gateway Investments Corporation	1992	Chapter 11 trustee	T	Real estate rental	John Genovese, Esq. Genovese, Joblove & Battista
General Coffee Corporation a/k/a Chase & Sanborn Corporation	1985	Preferences, fraudulent transfers tax matters, insolvency	D/T	Coffee importer/distributor	Scott Baena, Esq. Bilzin Sumberg Baena Price & Axelrod
Mark J. Ginsburg	2010	Court's Expert - conduct of business	X		Chad Pugatch, Esq. Rice Pugatch Robinson & Schiller
Goodings Supermarkets, Inc.	2010	Expert - confirmation/feasibility of plan	D/T	Grocery store chain	Henry Wulf, Esq. Carlton Fields
Joan Grande/Hose McCann	2003	Business valuation	D/T	Divorce	Henry B. Handler, Esq. Weiss & Handler, P.A.
Graphic Dynamics, Inc.	1993	Accountants to the Bankruptcy Trustee		Printing	Kenneth Welt, Trustee
GunnAllen Financial, Inc.	2013	Liquidating Agent in a FINRA Arbitration			Robert V. Cornish, Jr. Dilworth Paxson LLP
Soneet R. Kapila, Trustee in Bankruptcy for Stephen B. Gray & Kathleen D. Gray vs. Stephen B. Gray, Kathellen D. Gray & Odis McKinney	1996	Chapter 7 Trustee - expert - insolvency analysis, valuation	T		Michael R. Bakst, Esq. Ruden, McClosky
Great American Farms & Interamerican Farms, LC vs. Proyecto 7 S.A., Milford International, Luis Ortega Flores and Jorge Ortega Flores	1999	Expert - lost profits damages	D/T	Farm	Andy Hellinger, Esq. Mishan, Sloto, Greenberg & Hellinger
Greenwich Insurance Services, Inc.	1990	State Court Receiver		Insurance agency	John Genovese, Esq. Genovese, Joblove & Battista
G-Site Associates	1996	Accountants/financial advisors to Committee of Unsecured Creditors. Expert - insolvency & funds tracing. Post-confirmation President to implement Plan.	D	Real estate construction	Alan Krinzman, Esq. Adorno & Yoss
Guiseppe America, Inc. v. Jan Bell Marketing	1999	Expert - lost profits damages	D/T	Jewelry manufacturing	Jeffrey D. Feldman, Esq. Feldman, Gale & Weber
Halpern et al. v. Retirement Builders	1985	Expert - contractual damages	D	Real estate	Manny Garcia, Esq. Abrams Anton
Haulover Resort Marina	1995	Chapter 11 Trustee		Marina	David Levine, Esq. Levine, Kellogg, Lehman, Schneider & Grossman
BT/SAP Pool C Associates L.P. vs. High Point General Partnership et al.	1996	State Court Receiver		Health care/substance & alcohol abuse facility	Peter Levitt, Esq. Gunster, Yoakley, Valdes-Fauli & Stewart
Home & Housing of Dade, Inc.	1994	Chapter 11 Trustee	T	Low income housing	Paul Battista, Esq. Genovese, Joblove & Battista

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Hussh, Inc.	1992	Expert - preference & fraudulent conveyance law suits	T		Martin Sander, Esq. Sandler & Sandler
International Air Leases, Inc.	1996	Exposure anlysis, fraudulent transfers & preference recoveries; Expert - insolvency	D	Aviation	Scott Baena, Esq. Bilzin Sumberg Baena Price & Axelrod
International Capital Management	1998	Accountant to SEC Receiver; funds tracing/co-mingling	T	PONZI, securities fraud, foreign exchange currency	Craig Rasile, Esq. Holland & Knight
International Capital Management vs. Jose Santiago/MBA	1998	Expert ponzi scheme and insolvency	D	PONZI, securities fraud, foreign exchange currency	Craig Rasile, Esq. Holland & Knight
International Management Associates	2001	Expert - insolvency	T		Paul Battista, Esq. Genovese, Joblove & Battista
Isil v. Gardens Anesthesiology, P.A., et al.	1993	Expert testimony - valuation	T	Health care	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
C. Itoh v. Nordberg, Chase & Sanborn	1995	Fact witness	D	Coffee importer	Michael Pappone, Esq. Goodwin Procter
Jerk Machine, Inc. vs. Ruden, McClosky, Smith, Schuster & russell, P.A. and Robert C. Brighton, Jr., individually	2010	Expert - Business Damages	D	Restaurant	Joel L. Shulman, Esq. Greenspoon Marder, P.A.
Joran Realty NY Corp.	2006	Chapter 11 Examiner	X		Brian Behar, Esq. Behar, Gutt & Glazer
Junction Financial Corporation/U.S. Ostrich Corporation	1994	Chapter 11 Trustee		Securities fraud	David Levine, Esq. Levine, Kellogg, Lehman, Schneider & Grossman
Kaplan International, Inc.	1995	State Court Receiver		Meat purveyor	Marte Singerman, Esq. Tabas, Singerman & Freedman
Keitel v. Wendy's International, Inc.	1997	Expert - damages	E/D	Fast food franchise	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
King No. 16, et al.	1992	Examiner; testified regarding business conduct	X/T	Fast food franchise	Scott Baena, Esq. Bilzin Sumberg Baena Price & Axelrod
Kleinman Trust v. Howard Rosenberg	2001	Expert - partnership allocations	D/T	Real estate	Kenneth R. Hartmann, Esq. Kozyak, Tropin & Throckmorton
Krypton Broadcasting Corporation	1993	Examiner, disbursing agent	X	Broadcast communications	Jerry Markowitz, Esq. Markowitz, Davis, Trusty + Hartog, P.A.
L. Luria & Sons, Inc. vs. Citizens Watch of America, Inc.	1999	Expert - insolvency analysis		Jewelry/general merchandise	Michael D. Seese, Esq. Kluger, Peretz, Kaplan & Berlin, P.A.
L. Luria & Son, Inc. vs. Ilia Lekach	1998	Expert - insolvency analysis - testified at deposition, insolvency expert, ordinary course analysis	E/D	Jewelry/general merchandise	David P. Lemoi, Esq. Genovese, Joblove & Battista
L. Luria & Son., Inc. vs. M. Fabrikant & Sons, Inc.	1999	Expert - insolvency analysis		Jewelry/general merchandise	Michael D. Seese, Esq. Kluger, Peretz, Kaplan & Berlin, P.A.
L. Luria & Son, Inc. vs. Tepito Electronics, Inc.	1998	Expert - ordinary course, new value defense analysis		Electronics	David P. Lemoi, Esq. Genovese, Joblove & Battista

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CPAs, Forensic and Insolvency Advisors

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Lancer Offshore, Inc./The Omnifund, Ltd.	2008	Expert - class action certification	D/T	Hedge funds	David Milian, Esq. Kozyak, Tropin & Throckmorton
Lancer Partners, LP/Lancer Offshore, Inc.	2008	Expert - asset tracing	T	Hedge funds	Securities & Exchange Commission
Lancer Partners, LP vs. Grayhawk Capital Advisors, LLC	2008	Expert - insolvency/valuation	D	Hedge funds	Craig V. Rasile, Esq. Hunton & Williams
LaSalle Bank National Association v. Martin Epstein	2001	Expert - damages	D	Lending	William Zeena, Jr., Esq. Wilson, Elser, Moskowitz, Edelman & Dicker LLP
Neil & Gail Levin/Harry & Marian Epstein vs. Commissioner of Internal Revenue		Expert	T		
Liberty Property Limited Partnership vs. The Panda Project, Delta Capital Services, Jewlett-Packard Company, Ikon Office Solutions & Helix (PEI, Inc.)	1999	Expert witness - solvency analysis	D	Commercial property	Jeff R. Mazor J.R. Mazor & Associates
LP Watch Group, Inc. et al. Watchco Liquidating, Inc. f/k/a LP Watch Group, Inc.; CWLG, LLC, f/k/a Charles Winston Luxury Group, LLC; and A.G. INC., vs. Arnstein & Lehr, LLP	2016	Expert - Damages	D	Jewelry/ Watch	Lou Mrachek, Esq. Alan Rose, Esq.
The Loxcren Company, Inc. vs. Designed Windows, Inc.	1996	Expert testimony - lost profits damages	T	Manufacturers	Michael R. Bakst, Esq. Ruden, McClosky
Dipnarine Maharaj, M.D. v. Tenet Healthcare	2004	Expert - damages breach of contract	D, T	Health care	Lash & Goldberg
Robert C. Malt & Co.	1996	Examiner - construction bankruptcy matters	X	Construction	Robert Furr, Esq. Furr and Cohen, P.A.
Marbledge Group, Inc.	1996	Examiner - conduct of business	X	Marble/construction	Paul J. Battista, Esq. Genovese, Joblove & Battista
Peter Johnson and Nicolas Johnson vs. Mastec, Inc., Jose Mas, Bob Apple, and Pablo Alvarez	2012	Expert - damages	D	Utility/powerlines	Gail McQuilkin, Esq. Kozyak, Tropin & Throckmorton
Med/Waste, Inc.	2002	Receiver		Medical waste management	Arthur Rice, Esq. Rice Pugatch Robinson & Schiller
Metropolitan Life Insurance Company		Expert - tracing of funds & lender liability		Insurance Company	John Hart, Esq./Carlton Fields Max Kunin, Esq./Metropolitan Life Insurance Company Robert Golstein, Esq./Metropolitan Life Insurance Company
MHP Group One, L.C.	2003	Chapter 11 Trustee		Mobile home park	Alan J. Perlman, Esq. Adorno & Yoss

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Michigan National Bank	1997	Debt discharge reporting by financial entity	T	Tax	Patrick Barry, Esq. Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson
Ron Morris	1996	Chapter 11 Trustee	T		Robert Furr, Esq. Furr and Cohen, P.A.
National Fisheries	2002	Assignee - assignment for benefit of creditors		Seafood processing/distributor	Jerry Markowitz, Esq. Markowitz, Davis, Trusty + Hartog, P.A.
National Store Fixture & Display Co. vs. J.R. Wire & Metal Specialty, Ltd.	2001	Expert - new value/ordinary course	D		Chad P. Pugatch, Esq. Rice, Pugatch, Robinson & Schiller
Naturally Beautiful Nails, Inc. vs. Wal-Mart Stores, Inc., d/b/a Sam's Club	2001	Expert - damages - lost profits/valuation	D/T	Retail	Roberta A. Colton, Esq. Trenam Kemker
Noble Trust Company Liquidation State of New Hampshire	2012	Expert - Ponzi/Fraud	D	Ponzi	Abbe Shaine, Esq. Bill Gannon, Esq. William S. Gannon, PLLC
Noble Trust Company Liquidation State of New Hampshire	2014	Expert - Ponzi/Fraud	T	Ponzi	Abbe Shaine, Esq. Bill Gannon, Esq. William S. Gannon, PLLC
Nuevo Mundo Holding - Aldo Fernando Kahan Novoa & Gustavo Kahan Novoa vs. Safra National Bank of New York	2003	Expert - solvency/insolvency analysis	D		Stuart S. Mermelstein, Esq. Herman & Mermelstein
North American Clearing Inc. vs. Richard Goble	2011	Expert	D	Broker/Dealer	Christopher M. Sacco, Esq. Carlton Fields
North American Clearing Inc. vs. Richard Goble	2013	Fact Witness	T	Broker/Dealer	Robert Gilbert, Esq. Christopher M. Sacco, Esq. Carlton Fields
Ocean Bank vs. Tuscany Villages Associates	2009	Expert - forensic accountant		Real estate	Daniel J. Simon, Esq. White & Case
Old Corkscrew Plantation I, II, IV, V, VI	2012	CRO - Liquidation Analysis and Plan Confirmation	D	Orange groves	Debi Evans Galler, Esq. Paul Singerman, Esq.
Orvis vs. Caulkins	2001	Expert - wrongful termination of employment - lost compensatory damages	D/T	N/A	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
Pacific Airline Support Corporation	1996	Examiner - conduct of business	X	Aviation	Chad P. Pugatch, Esq. Rice, Pugatch, Robinson & Schiller
PADC Marketing, LLC. Joel L. Tabas vs. Daniel Grimm	2014	Expert - Insolvency	D	Marketing - Real Estate	Adrian C. Delancy, Esq. Markowitz, Ringel, Trusty & Hartog
PADC Marketing, LLC. Joel L. Tabas vs. R. Donahue Peebles	2016	Expert - Insolvency	D	Marketing - Real Estate	Adrian C. Delancy, Esq. Markowitz, Ringel, Trusty & Hartog

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Pan American Hospital Corporation	2005	Chapter 11 Examiner	X	Hospital/health care	Drew Dillworth, Esq. Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson, P.A.
Peckar & Abramson	2015	Expert - Rebuttal Financial Ability	D		Mary E. Borja, Esq. Wiley Rein LLP
Lakeland Animal Nutrition	2015	Reasonably Equivalent Value and Business Sale Transactions	D	Animal Feed	Edward J. Peterson, Esq. Stichter Riedel Blain & Prosser PA
Louis J. Pearlman	2007	Chapter 11 Trustee		PONZI	Denise Dell-Powell, Esq. Burr and Forman
Louis J. Pearlman	2013	Testimony - Investor Profiteer Case	T	PONZI	Samuel A. Miller, Esq. Akerman Senterfitt
Louis J. Pearlman, Trans Continental Television Productions, Inc. vs. MTV Networks	2011	Rule 30(B)(6) Representative	D	PONZI	James Sammataro, Esq. Kasowitz, Benson, Torres & Friedman Gregory M. Garno, Esq. Genovese, Joblove & Battista
Louis J. Pearlman, Soneet R. Kapila, Trustee vs. Carolina First Bank d/b/a Mercantile Bank	2009	Chapter 11 Trustee	D	PONZI	Gregory M. Garno, Esq. Genovese, Joblove & Battista
Louis J. Pearlman, Trans Continental Television Productions, Inc. vs. MTV Networks	2010	Records Custodian	D	PONZI	James Sammataro, Esq. Kasowitz, Benson, Torres & Friedman Gregory M. Garno, Esq. Genovese, Joblove & Battista
Louis J. Pearlman, Trans Continental Airlines and Louis J. Pearlman Enterprises, Inc. vs. De Beaubien, Knight, Simmons, Mantzaris & Neal, LLP	2013	Chapter 11 Trustee	D	PONZI	Esther A. McKean, Esq. Akerman Senterfitt
Piccadilly Cafeterias, Inc. n/k/a Capital City Cornichon Corp.	2004	Chapter 11 Plan Administrator		Restaurant	Leslie Gern Cloyd, Esq. Berger Singerman
Planet Hollywood International, Inc.	2002	Examiner - Investigate tort liability & insider transactions	X	Celebrity theme restaurants	Denise Dell-Powell, Esq. Burr and Forman
Prime Capital Corporation	1996	Chapter 7 Trustee - Expert - insolvency and Ponzi	D	Accounts receivable/factoring business/Ponzi	Scott Baena, Esq./Bilzin Sumberg Baena Price & Axelrod Patricia Redmond, Esq./Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson
Princeton Dental Management & Subsidiaries	2001	Chapter 11 Trustee		Dental practices	Roberta A. Colton, Esq. Trenam Kemker
PSN USA, Inc.	2007	Examiner	X		
Purity, Inc. of Florida		Examiner	X	Processor & distributor of condiments	
Raben-Pastal v. Peat, Marwick, Mitchell & Co.	1986	Special master report		Accounting	
Razorback Funding, LLC. et al vs. Scott W. Rothstein, et al.	2012	Expert - PONZI/ Damages	D	PONZI	Gail McQuilkin, Esq. Kozyak, Tropin & Throckmorton

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CPAs, Forensic and Insolvency Advisors

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Ready State Bank	1995	Expert - defense of alleged fraudulent transfers/new value analysis		Automotive	Arthur Rice, Esq./Rice Pugatch Robinson & Schiller David Levine, Esq./Levine, Kellogg, Lehman, Schneider & Grossman
Regions Bank vs. First West Cutler Gardens, LLC	2012	Financial Expert	D	Real Estate/ Title Company	Jeffrey C. Schneider, Esq. Amanda Quirke, Esq.
Roof Services, Inc. and Saige, LLC., Assignment for the Benefit of Creditors	2011	Expert - Valuation/Fiduciary for Wells Fargo Bank	T	Roofing	Adam Rabinowitz, Esq./ Broad & Cassel
Rudges v. Rudges	1988	Expert witness - corporate valuation	D		
S & K Air Power, Inc.	1994	Examiner - conduct of business	X	Commercial equipment	Robert Fracasso, Esq. Shutts & Bowen
Securities & Exchange Commission vs. A.B. Financing & Investment, Inc.	2003	Expert - PONZI			Robert K. Levenson, Esq. Securities & Exchange Commission
Securities & Exchange Commission v. Aubrey Lee Price, et al.	2015	Fact Witness - restitution- investor losses	T	Fraud	Sanjay Karnik, Esq. Charles Mulaney, Esq. US Attorneys
Securities and Exchange Commission v. Edward S. Digges, Jr., Nexstar Communications, LLC, TMT Equipment Company, LLC, TMT Management Group, LLC, Posa, LLC, Posa TMT, LLC; Televest Communications, LLC, Televest Group, LLC and Spin Drift, LLC	2006	Expert/Forensic Accountant - asset tracing - contempt hearing	D/T		James D. Silver, Receiver Carlton Fields, P.A.
Securities & Exchange Commission vs. Carol C. Martino and CMA Noel, Ltd., et al.	2003	Receiver			John Nowak, Esq. Securities & Exchange Commission
Securities & Exchange Commission vs. Medco, Inc. & Mark R. Blacher, Defendants & The Hi Lily Company & National Health Services Inc., Relief Defendants	1997	Expert witness & accountants to the SEC Receiver - securities fraud, tracing of funds & assets.		Securities fraud/Ponzi	David Levine, Esq. Levine, Kellogg, Lehman, Schneider & Grossman
Securities & Exchange Commission vs. Mark David Shiner, Leon Swichkow, Timothy Wetherald, and Telecom Advisory Services, Inc. and Louis Stinson, Jr., P.A., Equity Service Administration, Inc., Marketing Media, Inc., and USA Media Group Inc.	2006	Forensic analysis	T		Roger Steffin, Esq. Securities & Exchange Commission
Securities & Exchange Commission vs. Tel-One, Inc., et al.	2002	Claims Administrator			Ivan Harris, Esq./Securities & Exchange Commission Kerry Zinn, Esq./Securities & Exchange Commission
Securities & Exchange Commission vs. Transamerica Wireless Systems, Inc., Intercontinental Telecommunications Corporation and Danny Sterk	1994	Expert witness & accountant to the SEC receiver - securities fraud, tracing of funds & assets.	T	Wireless communications	David Levine, Esq. Levine, Kellogg, Lehman, Schneider & Grossman

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CPAs, Forensic and Insolvency Advisors

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Irvine J. Sherman Recovable Trust vs. Prime Hospitality Corp.		Expert witness - percentage rent on lease	T	Hospitality	Cynthia Carson Jackson, Esq. Smith, Hulsey & Busey
Shubitz & Rosenbloom, P.A.	1999	Examiner - investigate conduct of specific transactions - report	X	Certified public accountants	Jeff Kucera, Esq. Kirkpatrick & Lockhart, LLP
Simply Fashion Stores, LTD.	2015	Chief Restructuring Officer - twice	T	Retail	Paul Singerman, Esq. Christopher A. Järvinen, Esq. Berger Singerman
Smith International Enterprises, Inc.	2002	Examiner - investigate conduct of the acquiring corporation	X	Printing	Peter N. Hill, Esq. Wolff, Hill, McFarlin & Herron
Softouch	1995	Disbursing Agent/Special Accountant to the Debtor		Apparel	Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson
South Andrews Realty Association, Inc.	1991	Examiner	X	Real estate	David Profilet, Esq. Profilet & Associates
South Stevedoring, Inc.	2004	Chapter 11/7 Trustee		Stevedoring/freight	James H. Fierberg, Esq. Berger Singerman
Southeast Banking Corporation	1998	Accountants & financial consultants to Chapter 7 Trustee		Banking	Jeffrey Beck Chapter 7 Trustee
Southern Gun & Tackle, Inc.	1990	Expert - business conduct & corporate transactions. Accountant/financial advisor to Committee of Unsecured Creditors	D	Sporting goods distributor	Scott Baena, Esq. Bilzin Sumberg Baena Price & Axelrod
SouthTrust Bank - A-1 Specialty Gasolines, Inc.	2000	Expert witness - erosion of cash collateral	T	Gas station	Scott Baena, Esq. Bilzin Sumberg Baena Price & Axelrod
Spears & Jackson, Inc.	2004	Corporate Monitor - appointed by Federal District Court and Securities and Exchange Commission		Hand, garden, agricultural, horticultural & engineering tools for professional & handyman use	Robert Levenson, Esq. Securities & Exchange Commission
State Farm Mutual Automobile Insurance Company, et al. vs. John Romano, D. C. et al	2013	Expert	T	Insurance Fraud	David Spector, Esq. Akerman Senterfitt
State of Texas vs. Edward S. Digges, Jr.	2009	Expert - PONZI	T		Robert K. Gordon, Esq. U.S. Securities & Exchange Commission
Stock Electronics v. Viatch Industries, LLC	2002	Expert - business valuation - fraudulent transfer under State Statute	D	Computers	Edward J. Jennings, Esq. Jennings, Valancy & Edwards
Suncruz Casinos, LLC, JAB America, Inc.	2002	Expert - computation of distributable earnings under Joint Venture Agreement	D	Cruise casino	Patrick Scott, Esq. Gray Robinson
Supra Telecommunications & Information Systems, Inc. v. BellSouth Telecommunications - bankruptcy	2004	Expert - conduct of business and management	D	Telecommunications	Paul S. Singerman, Esq. Berger & Singerman
Supra Telecommunications & Information Systems, Inc. v. BellSouth Telecommunications - Mara	2003	Expert - financial reporting	D	Telecommunications	Paul S. Singerman, Esq. Berger & Singerman

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CPAs, Forensic and Insolvency Advisors

Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
Systems of Excellence	1997	Chapter 7 Trustee		Video teleconference/ securities fraud	Rudolfo Pittaluga, Esq. Deloitte Financial Advisory Services, LLP
T/F Systems, Inc. vs. Southeast Capital Financing, Inc., Fu Sheng Industrial Co., Ltd., Purifiner Distribution Corporation	1994	Expert on lost profits, damages from patent & license rights infringement.	T		Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
Ticofrut, S.A. vs. E.I. Du Pont de Nemours & Company, Inc.	2003	Damages expert regarding lost profits	D, T	Citrus	Janet Humphreys, Esq. Kozyak, Tropin & Throckmorton, P.A.
Topp, Inc. v. Uniden American Corporation	2006	Damages expert - lost profits	D, T	Communications equipment	Stanley H. Wakshlag, Esq. Kenny Nachwalter, P.A.
Tradecom, Inc.	1991	Examiner - business conduct.	X	Commodities broker	Scott Baena, Esq. Bilzin Sumberg Baena Price & Axelrod
Trafford Distributing Center, Inc., Soneet R. Kapila as Trustee vs. Barbara Wortley	2008	Expert - insolvency	T		Michael R. Bakst, Esq. Ruden McClosky
Transamerica Wireless Systems, Inc. Intercontinental Telecommunications Co.	1994	Accountants to the SEC Receiver - securities fraud		Securities fraud	David Levine, Esq. Levine, Kellogg, Lehman, Schneider & Grossman
Triad v. Southwest Direct	2001	Expert - ordinary course and new value analysis			Jack Shawdee Steel, Hector & Davis
Tsunami of Palm Beach, LLC	2005	Expert - business trend	D	Restaurant	Thomas Messana, Esq. Ruden McClosky Smith, Schuster & Russell, P.A.
Raymond A. Tubbs vs. RC Highlands Holdings of Florida, Inc., et al. Michael L. Tubbs vs. RC Highlands Holdings of Florida, Inc. et al.	2010	Receiver	T	Peat farm mining operation	Rhett Traband, Esq./Broad & Cassel Michelle Visideo-Hidalgo, Esq./Broad & Cassel
Gloria Singer a/k/a Gary Singer v. Unibilt Development Co., Williamsburg Developers Ltd. Partnership, Williamsburg-Biltmore, Inc., and Williamsburg-Zlotoff, Inc.	2012	Expert - shareholder dispute - damages	D	Real Estate	Samuel A. Miller, Esq. Akerman Senterfitt
Gloria Singer a/k/a Gary Singer v. Unibilt Development Co., Williamsburg Developers Ltd. Partnership, Williamsburg-Biltmore, Inc., and Williamsburg-Zlotoff, Inc.	2012	Expert - shareholder dispute - damages	T	Real Estate	Samuel A. Miller, Esq. Akerman Senterfitt
USA Airmobile, Inc., & Michael Kurtgis v. Haverfield Corp. & Scott Yenzler	1995	Expert - patent infringement damages			Patrick Barry, Esq. Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson, P.A.
W.B. Care Center, LLC d/b/a/ West Broward Care Center	2009	Examiner	X	Nursing home	
Wachovia Bank of Florida Continuum Care Corporation	2004	Expert - conduct of business		Bank fraud	Stephen C. Coates, Esq. Wachovia Bank
Wachovia Bank of Florida Lover's Key Development	1994	Expert for secured lender - consultants on feasibility and workouts	E	Hospitality	Irene Marshall Wachovia Bank
Wachovia Bank of Florida National Recovery Institute Group	1997	Expert - conduct of business & Management, ability to restructure; management compensation	T	abuse recovery/health care	Hal Moorefield, Esq. Stearns, Weaver, Miller, Weissler, Alhadeff & Sitterson

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Soneet R. Kapila
Case Experience - 1985 to Present

Case Name	Approximate Date	Role/Testimony	Deposition / Trial / Other	Industry	Attorney / Contact Firm Name
John Wagstaff-Callahan vs. Northern Trust Investment, Inc., et al.	2002	Expert - damages, wrongful dismissal, lost earnings	D		Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley
Thomas Aloysius Warmus	1995	Accountants & financial advisors to Committee of Unsecured Creditors	T		David Profflet, Esq. Profflet & Associates
Thomas Aloysius Warmus Richard Langhorne, Liquidating Trustee	1997	Expert witness in adversarial proceedings - insolvency (Judge Francis G. Conrad)	T		James Leshaw, Esq. Greenberg, Traurig
Wayne Blackwell & Co., Inc.	1996	Expert - viability of business and ability to rehabilitate	T	Environment - asbestos abatement	Wayne Blackwell Wayne Blackwell & Co., Inc.
Weinberg Tubbs & Company, CPAs	1993	Examiner	X	Accounting firm	Jack Weins, Esq. Abrams, Anton, Robbins, Resnick, Schneider & Mager
John F. Weir vs. The Club at St. Lucie West, Ltd., The Club at St. Lucie West, Inc., Creative Homes, Inc., Naimisha Construction, Inc. and Dilip Barot	2010	Expert - damages, breach of contract	D	Damages relating to a partnership agreement in a construction development	Jack Scarola, Esq. Searcy, Denney, Scarola, Barnhart & Shipley, P.A.
Ronald Ziegler, D.O., P.A. and Javery & Strum, D.O., P.A. v. Humana	1994	Expert - damages, breach of contract	D	Health care	David Sales, Esq. Searcy, Denney, Scarola, Barnhart & Shipley, P.A.
Zingg Homes, L.C.	2002	Examiner	X	Residential home developer	
Over 10,000 matters	Various	Chapter 11 and Chapter 7 Trustee		Various	Steven R. Turner Office of the U.S. Trustee

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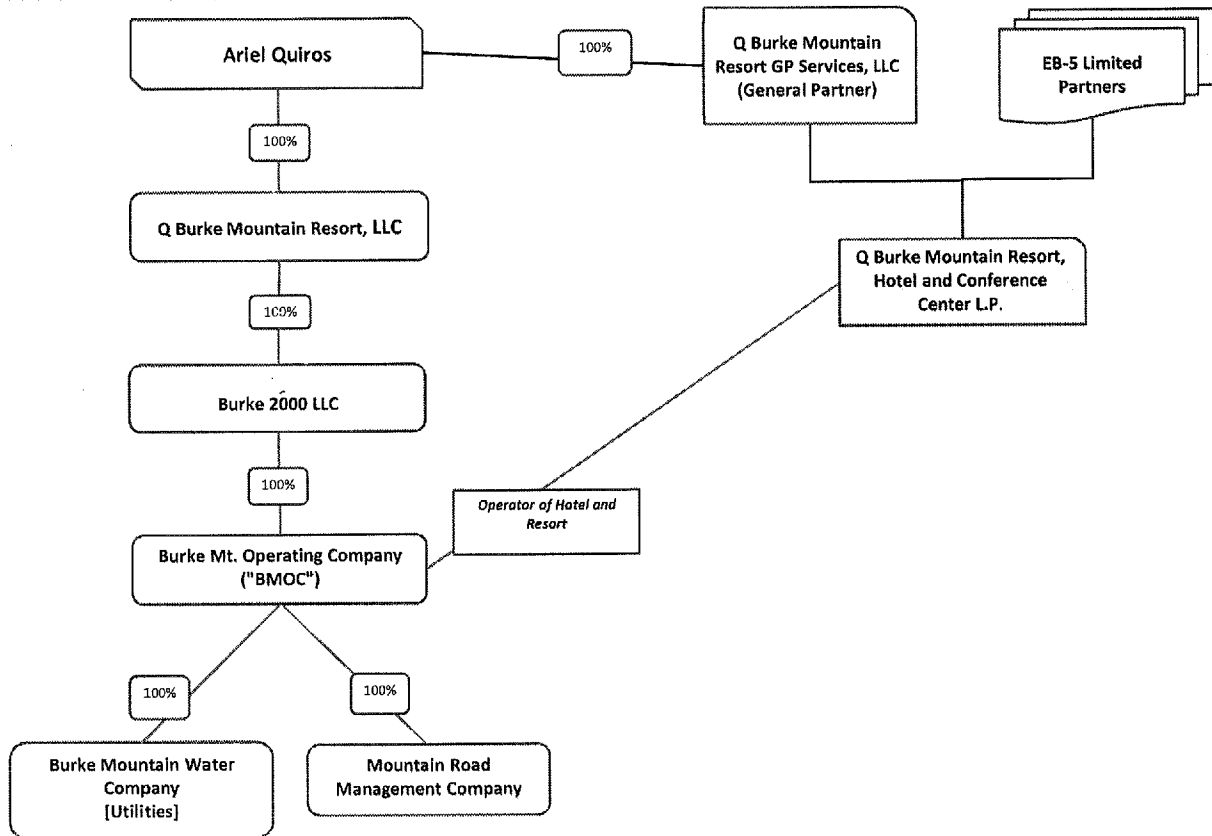
Exhibit B

Exhibit B

Securities and Exchange Commission, Plaintiff
 v.
 Ariel Quiros, William Stenger, Jay Peak, Inc., Q Resorts, Inc., et al Defendants
 Case No. 16-CV-21301-DPG
 United States District Court
 Southern District of Florida

Q Burke Ownership Structure

Source: Organizational charts provided by management, discussions with management personnel and the Private Placement Memorandum.



SEE ACCOMPANYING AFFIDAVIT DATED 4/19/2016

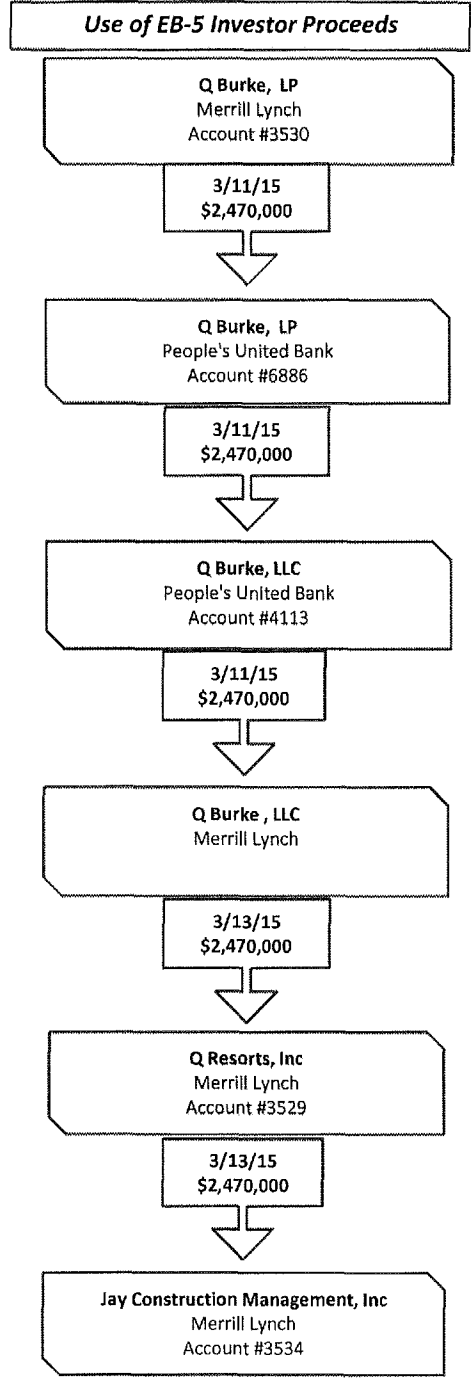
Exhibit C

Exhibit C

Securities and Exchange Commission, Plaintiff
v.
Ariel Quiros, William Stenger, Jay Peak, Inc., Q Resorts, Inc., et al, Defendants
Case No. 16-CV-21301-DPG
United States District Court
Southern District of Florida

The \$2,470,000 Transfer From Q Burke Entities to Jay Construction Management, Inc

Source: Bank and Investment Account Statements, Wire Transfer Confirmations



SEE ACCOMPANYING AFFIDAVIT DATED 4/19/2016

Exhibit D

Securities and Exchange Commission, Plaintiff
 v.
 Ariel Quiros, William Stenger, Jay Peak, Inc., Q Resorts, Inc., et al, Defendants
 Case No. 16-CV-21301-DPG
 United States District Court
 Southern District of Florida

The \$2,417,000 Transfer From Q Burke Mountain Resort, LP to Jay Construction Management, Inc

Source: Bank and investment Account Statements, Wire Transfer Confirmations

Use of EB-5 Investor Proceeds

Q Burke Mountain Resort, Hotel and
 Conference Center, L.P.
 People's United Bank
 Account #6886

3/3/15
 \$2,417,300

North East Contract Services, Inc
 People's United Bank
 Account #0221

3/5/15
 \$2,417,300

North East Contract Services, Inc
 People's United Bank
 Account #3588

3/11/15
 \$773,440
 \$1,643,560
 Total
 \$2,417,000

Q Resorts, Inc
 Merrill Lynch
 Account #3516

3/13/15
 \$2,417,000

Q Resorts, Inc
 Merrill Lynch
 Account #3529

3/13/2015
 \$2,417,000

Jay Construction Management, Inc
 Merrill Lynch
 Account #3534

SEE ACCOMPANYING AFFIDAVIT DATED 4/19/2016

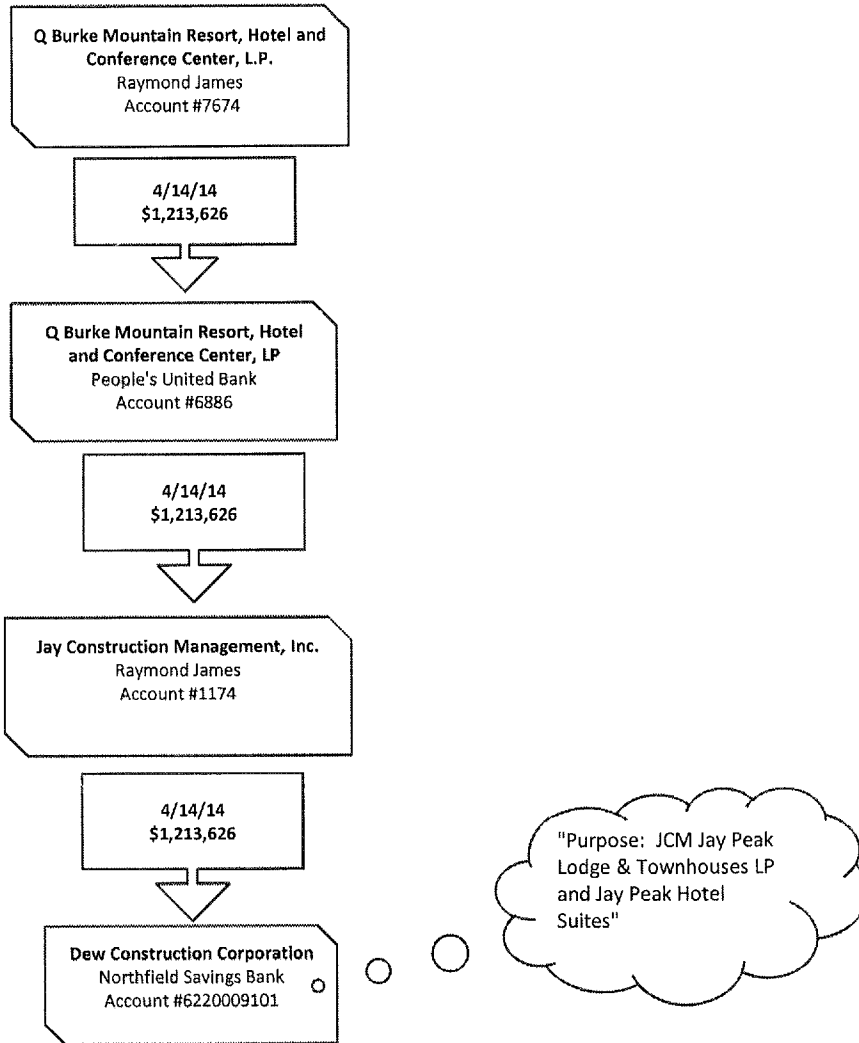
Exhibit E

Exhibit E

Securities and Exchange Commission, Plaintiff
v.
Ariel Quiros, William Stenger, Jay Peak, Inc., Q Resorts, Inc., et al, Defendants
Case No. 16-CV-21301-DPG *SEALED*
United States District Court
Southern District of Florida

Transfer of \$1,213,626 from Q Burke, LP to Jay Construction Management, Inc

Source: Bank and Investment Account Statements and Wire Transfer requests and confirmations



SEE ACCOMPANYING AFFIDAVIT DATED 4/19/16

Exhibit F

EXHIBIT F



Q BURKE MOUNTAIN RESORT LLC

223 Sherburne Lodge Rd
East Burke, VT 05832
p: 802.626.7300
www.qburke.com

INVOICE

Date: March 24, 2016

To: Q Burke Mountain Resort Hotel & Conference Center LP

From: Burke Mountain Operating Company

Total pages including this invoice: 166

Payroll and Expenses incurred by
Burke Mountain Operating Company through 12.26.15
on behalf of Q Burke Mountain Resort & Conference Center LP,
as summarized on the following page, and supported by attached
detailed invoices and internal documents.

\$ 571,653.81

EXHIBIT F

Burke Mountain Operating Company
Reconciliation of GL # 380-0101-151850
Intercompany - Q Burke Mountain Resort & Conference Center LP (EB-5)
12.26.15

GL Balance **\$ 571,653.81**

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
10/23/2013	BMOC/EB5	W/O EB5 Wire variance	\$ (0.05)
5/30/2015	Burke Mountaing Operating Co	May 2015 - Hotel Pre-Opening Payroll reclass	11,137.00
5/30/2015	Burke Mountaing Operating Co	May 2015 - Hotel Pre-Opening Expense reclass	7,158.23
5/31/2015	R.C. Brayshaw & Co. Inc	Inv #59407	3,273.82
5/31/2015	R.C. Brayshaw & Co. Inc	Inv #59407 tax	171.82
6/27/2015	Burke Mountaing Operating Co	Jun 2015 - Hotel Pre-Opening Payroll reclass	9,526.95
6/27/2015	Burke Mountaing Operating Co	Jun 2015 - Hotel Pre-Opening Expense reclass	909.49
6/27/2015	Burke Mountaing Operating Co	June 2015 - Hotel Pre-Opening Additional Payroll Fringe reclass	2,208.60
7/3/2015	Burke Mountaing Operating Co	Food Used for Hotel F&B R&D Tasting	44.23
7/31/2015	Burke Mountaing Operating Co	2015 Property Tax Due	79,805.62
7/8/2015	Businesscard Svcs.	Hcareers - Online Job opening site	1,925.00
7/31/2015	Burke Mountaing Operating Co	Jul 2015 - Hotel Pre-Opening Payroll reclass	12,662.62
7/31/2015	Burke Mountaing Operating Co	Jul 2015 - Hotel Pre-Opening Expense reclass	2,007.80
8/2/2015	Origin Designs & Communications	INV - 13697	9,297.50
8/3/2015	Pan-American Pest Control	Inv 08739 - GM Lodging Cost	350.00
8/10/2015	Maestro PMS	Inv NC12582	23,860.52
8/10/2015	Maestro PMS	Inv NC12582 - VT Sales Tax	692.87
8/15/2015	Comcast	Aug 2015 - Lake Road House	149.61
8/29/2015	Burke Mountaing Operating Co	Aug 2015 - Hotel Pre-Opening Payroll reclass	12,622.92
8/29/2015	Burke Mountaing Operating Co	Aug 2015 - Hotel Pre-Opening Expense reclass	6,329.47
9/15/2015	Comcast	Sep 2015 - Lake Road House	149.61
8/31/2015	Morrison, Brown, Argiz, Farra, LLC	Partnership Tax Return Prep	3,500.00
9/1/2015	Origin Designs & Communications	Inv 13876	31,987.75
9/30/2015	Maestro PMS	Inv NC13831	348.00
9/30/2015	Burke Mountaing Operating Co	Sep 2015 - Hotel Pre-Opening Payroll reclass	18,126.34
9/30/2015	Burke Mountaing Operating Co	Sep 2015 - Hotel Pre-Opening Expense reclass	3,464.82
10/1/2015	Origin Designs & Communications	Inv 13948 incl sales tax	30,686.23
10/7/2015	Pan American Pest Control	Inv 08760 - Oct15	180.00
10/15/2015	Comcast	Inv Oct15-9666	149.59
10/31/2015	Maestro PMS	Inv NC13756	174.00
10/31/2015	Burke Mountaing Operating Co	Oct 2015 - Hotel Pre-Opening Payroll reclass	41,566.60
10/31/2015	Burke Mountaing Operating Co	Oct 2015 - Hotel Pre-Opening Expense reclass	48,707.22
11/28/2015	Burke Mountaing Operating Co	Nov 2015 - Hotel Pre-Opening Payroll reclass	36,765.62
11/28/2015	Burke Mountaing Operating Co	Nov 2015 - Hotel Pre-Opening Expense reclass	12,001.49
11/28/2015	Burke Mountaing Operating Co	Nov 2015 - Hotel Pre-Opening P/R reclass - Housekpng/Laundry	449.34
11/15/2015	Comcast	Inv Nov2015	158.55
11/10/2015	Acadia Insurance Company	Insurance Policy on Hotel	5,000.00
11/1/115	Maestro PMS	Inv NC13523	536.50
11/28/2015	Agilysys	Inv 12366689964	9,517.36
12/26/2015	Burke Mountaing Operating Co	Dec 2015 - Hotel Pre-Opening Payroll reclass	38,999.47
12/26/2015	Burke Mountaing Operating Co	Dec 2015 - Hotel Pre-Opening Expense reclass	2,192.01
12/26/2015	Burke Mountaing Operating Co	Dec 2015 - Hotel Front Desk Pre-Opening Payroll allocation	182.64
12/26/2015	Burke Mountaing Operating Co	Dec 2015 - Hotel Housekeeping Pre-Opening Payroll allocation	1,986.39
12/26/2015	Burke Mountaing Operating Co	Dec 2015 - Hotel Laundry Desk Pre-Opening Payroll allocation	683.09
12/1/2015	Essex Agency	Inv 430582 - Hotel Insurance Premium	14,916.00
12/10/2015	Essex Agency	Inv 433712 - Hotel Insurance Premium	31,722.00
12/1/2015	Bytespeed LLC	Inv 0099147	3,279.64
12/1/2015	Bytespeed LLC	Inv 0099069	3,260.56
12/1/2015	Bytespeed LLC	Inv 0099069	1,755.36
12/1/2015	Bytespeed LLC	Inv 0098928	17,285.42
12/1/2015	Bytespeed LLC	Inv 0098927	919.02
12/1/2015	Bytespeed LLC	Inv 0098615	2,617.14
12/1/2015	Bytespeed LLC	Inv 0098734	2,757.06
12/1/2015	Bytespeed LLC	Inv 0100042	8,673.98
12/1/2015	Bytespeed LLC	Inv 0099868	12,497.40
11/30/2015	Maestro PMS	Inv NC13981	174.00
12/15/2016	Comcast	Inv Dec2015-9666	149.59

Total Activity as of 12.26.15 **\$ 571,653.81**

Variance **_____**