

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.,  
AnC BIO VERMONT GP SERVICES, LLC,

Defendants, and

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

Relief Defendants.

Q BURKE MOUNTAIN RESORT, HOTEL  
AND CONFERENCE CENTER, L.P.  
Q BURKE MOUNTAIN RESORT GP SERVICES, LLC,

Additional Receivership Defendants<sup>1</sup>

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**ORDER GRANTING RECEIVER'S MOTION FOR AUTHORIZATION  
TO PARTIALLY PAY UNDISPUTED CONTRACTOR CLAIMS  
ON QBURKE AND STATESIDE PROJECTS**

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<sup>1</sup>See Order Granting Receiver's Motion to Expand Receivership dated April 22, 2016 [D.E. 60].

**THIS MATTER** is before the Court upon the receiver, Michael I. Goldberg's (the "Receiver") Motion for Authorization to Partially Pay Undisputed Contractor's Claims on QBurke and Stateside Projects (the "Motion") [ECF No. 259]. The Court, having reviewed the Motion, being advised that counsel for the Securities and Exchange Commission and Defendants Ariel Quiros and William Sanger have no objection to the relief requested in the Motion, and finding that the Receiver has made a sufficient and proper showing in support of the relief requested,

**IT IS ORDERED, ADJUDGED AND DECREED**, as follows:

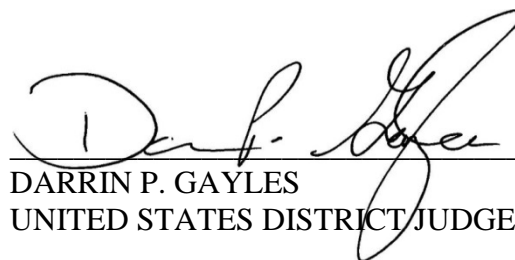
1. The Motion is **GRANTED**.
2. The Receiver is authorized, in his discretion, to utilize a portion of the funds obtained from the Receiver's settlement with Citibank N.A. to partially pay those claims the Receiver does not dispute of the contractors and/or subcontractors who provided labor, material and/or services to the Receivership Entities (as defined in the Motion) relating to the Stateside and QBurke projects as follows: (i) payment of 33% of the net sum (not including late fees, attorney's fees, interest, etc.) owed the contractor with the balance of the net sum (not including late fees, attorney's fees, interest, etc.) due upon sale of the underlying property, when and if the property is sold, to the extent the available sales proceeds are sufficient to satisfy the contractors' claims ("Option 1"); or (ii) a one-time, cash payment of 60% of the net sum (not including late fees, attorney's fees, interest, etc.) owed the contractor as payment in full of any and all claims they may have against the Receivership Entities ("Option 2").
3. The Receiver, in his discretion, may contact each Stateside and QBurke contractor with an undisputed claim to obtain the option it prefers, and upon receiving written confirmation

from each contractor, the Receiver may issue immediate payment based on such chosen option. In the event too large a number of contractors elect Option 2, and the Receiver determines that it is not prudent to expend such a large amount of cash at this time, the Receiver is authorized to pay any contractors he deems advisable pursuant to Option 1.

4. For the contractors who elect Option 2, the Receiver is further authorized to execute a discharge of lien and record it with the local jurisdiction and a General Release pursuant to which the contractor(s) will fully release all claims they have against the Receivership Entities in exchange for their payment.<sup>2</sup> Moreover, the acceptance of Option 2 and the payment of the 60% thereunder shall constitute a full accord and satisfaction of any and all claims the contractor has against the Receivership Entities, and their affiliated entities or their property without further order of the Court.

5. The Receiver shall maintain an accounting of the use of such funds pursuant to this order to be utilized in connection with the “true up” set forth in the Court’s order approving the Receiver’s settlement with Citibank.

**DONE AND ORDERED** in Chambers at Miami, Florida, this 4th day of January, 2017.

  
DARRIN P. GAYLES  
UNITED STATES DISTRICT JUDGE

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<sup>2</sup> Contractors accepting Option 2 will be required to execute these documents as a condition of receiving payment.