

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

CASE NO. 16-21301-CIV-GAYLES

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

ARIEL QUIROS, *et al*,

Defendant.

_____ /

**DEFENDANT ARIEL QUIROS'S RESPONSE TO MOTION BY LEON COSGROVE
AND MITCHELL SILBERBERG & KNUPP TO MODIFY ASSET FREEZE THAT THE
SEC AND THE RECEIVER DO NOT OPPOSE**

Defendant Ariel Quiros, through undersigned counsel, files this Response to Motion by Leon Cosgrove and Mitchell Silberberg & Knupp to Modify Asset Freeze that the SEC and the Receiver Do Not Oppose and states:

As stated in Mr. Quiros's Response to Mitchell Silberberg & Knupp and Leon Cosgrove's Motion to Modify Asset Freeze (ECF No. 408), Mr. Quiros agrees that payment of defense costs under an insurance policy may be made free of the asset freeze. However, those law firms are not entitled to any payment under Ironshore's contract with Mr. Quiros, and, therefore, the issue of whether any such payments are subject to the asset freeze should not be before this Court. As also stated in Mr. Quiros's Response, Mr. Quiros opposes the payment of any fees to those law firms pursuant to the IFA on the grounds, *inter alia*, that the fees sought by those firms are unreasonable.

Accordingly, Mr. Quiros does not oppose the law firms' dismissal of their appeal nor their withdrawal of their pending Motion to Modify Asset Freeze (ECF No. 284). Mr. Quiros does oppose the entry of the proposed order submitted to the Court to the extent that the proposed order

states, in paragraph 2, that Ironshore Indemnity, Inc. (“Ironshore”) is allowed to pay any amount to LC and MSK under the IFA. Mr. Quiros submits the attached alternative proposed order addressing the foregoing issue, attached hereto as **Exhibit A**.

WHEREFORE, Defendant Ariel Quiros respectfully requests grant the Motion solely to the extent that it permits dismissal of the appeal and withdrawal of the pending Motion to Modify Asset Freeze (ECF No. 284), deny the Motion to the extent it requests any ruling from this Court regarding payment of fees to the law firms pursuant to the Agreement between Ironshore and Mr. Quiros, and enter the attached proposed order.

Respectfully submitted,

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/s/ Melissa D. Visconti
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served via e-mail via CM/ECF, on this 22nd day of September, 2017, to all counsel of record.

/s/ Melissa D. Visconti
Melissa Damian Visconti

EXHIBIT A

(Proposed Order)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

CASE NO. 16-21301-CIV-GAYLES

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

ARIEL QUIROS, *et al*,

Defendant.

**ORDER ON MOTION BY LEON COSGROVE AND MITCHELL SILBERBERG &
KNUPP TO MODIFY ASSET FREEZE THAT THE SEC AND THE
RECEIVER DO NOT OPPOSE**

THIS CAUSE came before the Court on León Cosgrove, LLC (“LC”) and Mitchell, Silberberg & Knupp, LLP’s (“MSK”) Motion to Modify Asset Freeze. It is **ORDERED AND ADJUDGED** as follows:

1. LC and MSK’s Motion to Modify Asset Freeze is GRANTED IN PART.
2. This Court acknowledges the Agreement among LC, MSK, the Plaintiff, and the Receiver that, in the event funds are paid pursuant to the Interim Funding Agreement between Defendant Ariel Quiros and Ironshore, such funds may be paid without being subject to the asset freeze.
3. LC and MSK’s Motion to Modify the Asset Freeze [ECF No. 284] is hereby withdrawn by LC and MSK with prejudice.

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4. LC and MSK shall not file any further motions in this case seeking to modify the asset freeze to authorize payment of their attorney's fees.

DONE AND ORDERED in Chambers at Miami-Dade County, Florida, this ____ day of _____, 2017.

HONORABLE DARRIN P. GAYLES
UNITED STATES DISTRICT JUDGE

cc: All Counsel of Record