

**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

**ORDER APPROVING RECEIVER'S TEMPORARY AND
PARTIAL USE OF FUNDS FROM SETTLEMENT BETWEEN
RAYMOND JAMES & ASSOCIATES, INC. AND THE STATE
OF VERMONT FOR OPERATION OF RECEIVERSHIP ESTATE**

THIS MATTER came before the Court upon the Receiver’s Motion to Approve Temporary and Partial Use of Funds from Settlement Between Raymond James & Associates, Inc. and the State of Vermont for Operation of Receivership Estate [ECF No. 197] (the “Motion”). For the reasons cited in the Motion, the Motion is **GRANTED**. Further,

1. Under the terms of the settlement between Raymond James and the Securities Division of the State of Vermont Department of Financial Regulation (the “DFR”), memorialized in an Administrative Consent Order, Raymond James paid the sum of \$4.5 million (the “Funds”) to the Receiver to be held to satisfy any valid claims of EB-5 investors and to be distributed in accordance with further orders of this Court. [ECF No. 191]. The Receiver currently holds the Funds in Akerman LLP’s trust account (the “Akerman Trust Account”).

2. The Receiver may use up to \$1.5 million of the Funds to pay expenses associated with the Receivership Estate’s operations (the “Borrowed Amount”). To be clear, the Borrowed Amount will only be used for payroll expenses incurred in the ordinary course for day-to-day operations. No portion of the Borrowed Amount will be used for any other purpose associated with the administration of the Receivership Estate including, but not limited to, the Receiver’s fees or the Receiver’s professionals’ fees.¹

3. The Receiver will repay the Borrowed Amount on or before April 1, 2017 by replenishing the Trust Account in the amount of the Borrowed Amount.

4. In the event the Receiver fails to replenish the Trust Account, the Borrowed Amount will be afforded priority over all claims of investors and pre-receivership trade creditors. Moreover, the Borrowed Amount will be superior to all administrative claims, including but not limited to, those of the Receiver and any professionals and will be repaid before any funds are

¹ No portion of the Borrowed Amount will be used to pay any salary to William Stenger.

distributed to investors or used to satisfy any pre-receivership debts. The Borrowed Amount will not be superior to the claims of any secured creditors.

5. The Borrowed Amount will be repaid into the Akerman Trust Account from the first available funds generated in the Receivership Estate (either by settlement, profitable operations of the Receivership Estate, sale of cell tower leases, or otherwise).²

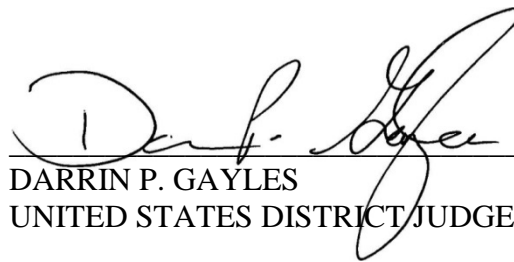
6. In the event the Receiver is unable to repay the Borrowed Amount for any reason, Raymond James will still receive a credit for the full amount of the Funds against any judgment entered against Raymond James in the action the Receiver has brought against Raymond James, without prejudice to any and all set off rights to which it may be entitled. Under no circumstances will Raymond James be required to replenish the Funds in the Akerman Trust Account in the amount of the Borrowed Amount or otherwise. Paragraph 21 of this Court's Order Granting Plaintiff Securities and Exchange Commission's Motion for Appointment of Receiver [D.E. 13] is hereby modified to include Raymond James' rights to a credit or setoff against any judgment entered against it in favor of the Receiver as provided for herein.

7. In the event that any of the Receivership Entities go into bankruptcy, the priority afforded the Borrowed Amount pursuant to paragraph 4 above shall apply in bankruptcy court as well.

² The Receiver need not repay the Borrowed Amount from the loan proceeds of the secured line of credit referred to in paragraph 4 of the Motion.

8. None of the advances of funds contemplated hereunder can be made unless (i) the Receiver and Raymond James receive a letter from DFR which acknowledges that such advances shall not be deemed to constitute a breach or violation of the Administrative Consent Order, and (ii) the necessary approvals to modify the Administrative Consent Order have been obtained and the Administrative Consent Order has been modified to allow for the advancement of the Borrowed Funds as provided for herein.

DONE AND ORDERED in Chambers at Miami, Florida, this 11th day of August, 2016.



DARRIN P. GAYLES
UNITED STATES DISTRICT JUDGE