

**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,

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

Relief Defendants, and

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

Additional Defendants

**FINAL ORDER (I) APPROVING SETTLEMENT BETWEEN RECEIVER, INTERIM
CLASS COUNSEL, AND RAYMOND JAMES & ASSOCIATES, INC.; AND
(II) BARRING, RESTRAINING, AND ENJOINING CLAIMS AGAINST
RAYMOND JAMES & ASSOCIATES, INC.**

THIS MATTER came before the Court on the Motion for Approval of Settlement between the Receiver, Interim Class Counsel, and Raymond James & Associates, Inc. [ECF No. 315] (the “**Motion**”) filed by Michael I. Goldberg, as the Court-appointed receiver (the “**Receiver**”) of the entities set forth on Exhibit A to this Order (the “**Receivership Entities**”) in the above-captioned civil enforcement action (the “**SEC Action**”). Pursuant to the Order (I) Preliminarily Approving the Settlement between Receiver, Interim Class Counsel, and Raymond James & Associates, Inc.; (II) Temporarily Staying Related Litigation Against Raymond James & Associates, Inc.; (III) Approving Form and Content of Notice, and Manner and Method of Service and Publication; (IV) Setting Deadline to Object to Approval of Settlement and Entry of Bar Order; and (V) Scheduling a Hearing [ECF No. 318] (the “**Preliminary Approval Order**”), the Court held a hearing on June 30, 2017, to consider the Motion and hear objections, if any.

By way of the Motion, the Receiver requests final approval of the proposed settlement with Interim Class Counsel and Raymond James & Associates, Inc. (“**Raymond James**”) set forth in the Settlement Agreement dated April 13, 2017 (the “**Settlement Agreement**”) attached as Ex. A to the Motion, executed by the Receiver on behalf of each of the Receivership Entities, by Raymond James, and by Interim Class Counsel on behalf of all investors in the eight limited partnerships that are included in the Receivership Entities (the “**Investors**”) (collectively, the “**Settling Parties**”); and for entry of a bar order (the “**Bar Order**”) enjoining any and all persons (excluding any federal or state governmental bodies or agencies) from commencing or continuing litigation or other pursuit of any and all claims against any the Raymond James Released Parties that relate in any manner to those events, transactions and circumstances alleged in the SEC Action; *Goldberg v. Raymond James & Associates, Inc. et al.*, Case No. 16-CV-21831-JAL (S.D. Fla.) (the “**Receiver’s Action**”); *Daccache v. Raymond James & Associates,*

Inc. et al., Case No. 16-CV-21575-FAM (the “**Class Action**”); or *Zhang v. Raymond James & Associates, Inc. et al.*, Case No. 16-CV-24655-KMW (S.D. Fla.); *Gonzalez et al. v. Raymond James & Associates, Inc. et al.*, Case No. 16-17840-CA-01 (11th Jud. Cir. Miami-Dade Cty); and *Waters v. Raymond James & Associates, Inc. et al.*, Case No. 11-2016-CA-001936-0001-XX (20th Jud. Cir. Collier Cty) (the Class Action and the *Zhang*, *Gonzalez* and *Waters* actions are collectively referred to as the “**Investor Actions**”).

The Court’s Preliminary Approval Order preliminarily approved the Settlement Agreement, approved the form and content of the Notice, and set forth procedures for the manner and method of service and publication of the Notice to affected parties. The Preliminary Approval Order and related documents were served by email on all identifiable interested parties and publicized in an effort to reach any unidentified persons.

The Preliminary Approval Order set a deadline for affected parties to object to the Settlement Agreement or the Bar Order, and scheduled the hearing for consideration of such objections, as well as the Settling Parties’ argument and evidence in support of the Settlement Agreement and Bar Order. That deadline has passed, and no formal objections were filed.

The Receiver filed a Declaration with the Court in which he detailed his compliance with the notice and publication requirements contained in the Preliminary Approval Order [ECF No. 338].

This Court is fully advised of the issues in the various actions, as it has previously received evidence and heard argument concerning the events, circumstances, and transactions in the SEC Action, which resulted in the appointment of the Receiver and the issuance of the Preliminary Injunction [ECF No. 238], the Permanent Injunction [ECF No. 260], and the Asset Freeze Order [ECF No. 11]. In addition, the Court has read and considered the Motion, the

Settlement Agreement, other relevant filings of record, and the arguments and evidence presented at the hearing; therefore, the Court **FINDS AND DETERMINES** as follows:

A. The Court has jurisdiction over the subject matter, including, without limitation, jurisdiction to consider the Motion, the Settlement Agreement and the Bar Order, and authority to grant the Motion, approve the Settlement Agreement, enter the Bar Order, and award attorneys' fees. *See* 28 U.S.C. § 1651; *SEC v. Kaleta*, 530 Fed. Appx. 360 (5th Cir. 2013) (affirming approval of settlement and entry of bar order in equity receivership commenced in a civil enforcement action). *See also Matter of Munford, Inc.*, 97 F.3d 449 (11th Cir. 1996) (approving settlement and bar order in a bankruptcy case); *In re U.S. Oil and Gas Lit.*, 967 F.2d 480 (11th Cir. 1992) (approving settlement and bar order in a class action).

B. The service or publication of the Notice as described in the Receiver's Declaration is consistent with the Preliminary Approval Order, constitutes good and sufficient notice, and is reasonably calculated under the circumstances to notify all affected persons of the Motion, the Settlement Agreement and the Proposed Bar Order, and of their opportunity to object thereto, of the deadline for objections, and of their opportunity to appear and be heard at the hearing concerning these matters. Accordingly, all affected parties were furnished a full and fair opportunity to object to the Motion, the Settlement Agreement, the Bar Order and all matters related thereto and to be heard at the hearing; therefore, the service and publication of the Notice complied with all requirements of applicable law, including, without limitation, the Federal Rules of Civil Procedure, the Court's local rules, and the due process requirements of the United States Constitution.

C. The Court has allowed any investors, creditors, objectors, and parties to the SEC Action, the Receiver's Action, and the Investor Actions to be heard if they desired to participate. Each of these persons or entities has standing to be heard on these issues.

D. The Settling Parties negotiated over a period of several months; their negotiations included the exchange and review of documents, multiple in-person meetings, numerous depositions, many telephone conferences, and a two-day mediation at which Class Counsel was also present.

E. The Settlement Agreement was entered into in good faith, is at arm's length, and is not collusive. The claims the Receiver brought against Raymond James involve disputed facts that would require substantial time and expense to litigate, with significant uncertainty as to the outcome of such litigation, the measurement of damages, the allocation of benefits to each relevant Receivership Entity, and any ensuing appeal. The Receivership Estate is limited and needs to be able to pay creditors, complete construction, as well as to focus on the operations and sale of the Estate assets. Litigation with Raymond James is costly and burdensome, with more than 100,000 pages of Raymond James' documents to review, complex transactions to understand, multiple witnesses, and substantial legal arguments to address.

F. The Receiver has a present and immediate need for the majority of the funds he is receiving pursuant to the settlement so as to distribute funds to those Investors who are unlikely to receive any significant benefits from their investments and to preserve and maximize the value of the assets in the Receivership Entities for the benefit of the remaining Investors and other creditors and stakeholders. Without immediate payment of these portions of the Settlement Payment, the ability of certain Investors to apply for residency may expire, rights of other

Investors may never come into being, and assets of the Receivership Estate will be wasted and have diminished value.

G. The Settlement Agreement provides for Raymond James to pay the Receiver a total Settlement Amount of One Hundred and Fifty Million Dollars (\$150,000,000.00) (the “Settlement Payment”) —a recovery for the Receivership Entities of, in absolute terms, One Hundred and Twenty-five Million Dollars (\$125,000,000.00)—which permits the Receiver to begin the process of immediately returning Sixty Seven Million Dollars (\$67,000,000.00) to some investors (comprising their principal investment, not including their administrative fee payment) and to protect and substantially increase the value of the assets for the remaining Investors. The remainder of the Settlement Payment (Twenty-Five Million Dollars) relieves Investors from the obligation to pay attorneys’ fees and costs out of their own recoveries with respect to claims against Raymond James.

H. The Settlement Agreement provides for payments to the Investors and creditors, enhanced value for the Investors, and offsets to liability, if any, of other defendants in the Receiver’s Action and the Investor Actions which are pending or may later be brought. The Court finds that the allocations and consideration for each phase of investors are fair and reasonable, both individually and as a whole.

I. Based upon the foregoing findings, the Court further finds and determines that entry into the Settlement Agreement is a prudent exercise of business judgment by the Receiver, that the proposed settlement as set forth in the Settlement Agreement is fair, adequate and reasonable, that the interests of all affected persons were fairly and reasonably considered and addressed, and that the Settlement Amount provides a recovery to the Receiver for the benefit of the Receivership Entities and the Investors that is well within the range of reasonableness. *See*

Sterling v. Stewart, 158 F.3d 1199 (11th Cir. 1996) (settlement in a receivership may be approved where it is fair, adequate and reasonable, and is not the product of collusion between the settling parties).

J. The Court also finds that the provisions of Section 11 of the Settlement Agreement fairly and equitably address the Receiver's need for immediate funds and fairly and equitably compensate Raymond James for the risks of making immediate payment of the Initial Settlement Payment, without waiting for relevant appellate periods to expire or appellate proceedings to be concluded.

K. Raymond James has conditioned its willingness to make the Settlement Payment on a full and final resolution with respect to any and all claims instituted now or hereafter by any and all of the Barred Persons (as defined below) against any and all of the Raymond James Released Parties (as defined below) that relate in any manner whatsoever to the Receivership Entities, the investments in the Receivership Entities made by the Investors, and those events, transactions and circumstances alleged in the SEC Action, the Receiver's Action, and the Investor Actions (the "Barred Claims," as more fully defined below). A necessary condition to Raymond James' ultimate agreement to the Settlement Agreement was the inclusion of the Bar Order. Pursuant to the terms of the Settlement Agreement, entry of the Bar Order is necessary for the Receiver to use and disburse the full Settlement Payment pursuant to the terms of the Settlement Agreement.

L. Raymond James is only willing to pay the Settlement Payment in exchange for finality as to the Barred Claims. The Court finds that Raymond James, the Receiver, and Interim Class Counsel have agreed to this Settlement in good faith and that Raymond James is paying a fair share of the potential damages for which it could be liable.

M. The Receiver's Action and the Investor Actions against Raymond James arise from the management and transfer of funds and margin loans in, to, from, and among accounts over which Ariel Quiros had signature power at Raymond James.

N. The investors made investments in eight limited partnerships created to meet the requirements of the EB-5 program, through which an investor who invested \$500,000 in a project that created ten or more jobs per investor would be eligible to apply for unconditional, permanent residency in the United States on an expedited basis. The eight limited partnerships into which the investments were made were intended to create economic assets that would operate, generate income, and possibly be sold to return capital.

O. The Initial Settlement Payment makes it possible for the completion of construction of Stateside Phase VI to create the necessary jobs for all investors in Stateside Phase VI to be eligible to apply for permanent legal residency. As a result, all investors in Phases I through VI, and nearly all of the investors in Phase VIII, have obtained, or will be eligible to obtain, permanent legal residency because of the creation of jobs through the limited partnerships.

P. Resort hotels and amenities were built and are operating for the Jay Peak Phases I through VI and the Q Burke Phase VIII partnerships. As a result, these limited partnerships have economic value.

Q. No project was completed and no qualifying jobs were created with respect to the Biomedical Phase VII project and, therefore, the Phase VII investors will achieve neither the right to permanent residency nor economic asset creation. Indeed, it appears that much of Phase VII's investment capital may have been used to pay other limited partnership's expenses, to pay for illusory assets, or to enrich others. The Settlement Agreement, therefore, provides for the

remaining Phase VII investors to receive their capital investment back (not including administrative fees). The Settlement Agreement further provides for the remaining Phase VII investors to be eligible to receive their administrative fees back from the sale of Phase VII's property, while also preserving their ability to recover their administrative fees from persons other than the Raymond James Released Parties.

R. While the Q Burke Phase VIII hotel was built, the partnership was undersubscribed and it is not yet certain that it has or will generate sufficient jobs to allow for all of the investors in Phase VIII to obtain unconditional permanent residency. The Receiver has concluded that it is reasonably likely that sufficient jobs were created for all but twenty (20) of the investors to be eligible to apply for permanent legal residency. He anticipates that the number of jobs should increase and be resolved in the foreseeable future. The Settlement Agreement, therefore, provides for those who do not receive this benefit from their investment to receive their capital investment back (not including administrative fees) when the number of jobs has been established. The Final Settlement Payment, therefore, creates a fund for the Phase VIII investors for whom sufficient jobs may not be created to support their right to the unconditional permanent residency application. The Settlement Agreement further provides for those investors for whom sufficient jobs have not been created to be eligible to receive their administrative fees back from their proportional interest in the partnership and the sale of Phase VIII's property.

S. Notice to Affected Parties

The Receiver has given the best practical notice of the proposed Settlement Agreement and Bar Order to all known interested persons:

1. all counsel who have appeared of record in the SEC Action;
2. all counsel for all of the Investors who are known by the Receiver to have appeared of record in any legal proceeding or arbitration commenced by or on behalf of any individual Investor or putative class of investors seeking relief against any person or

entity relating in any manner to the Receivership Entities or the subject matter of the SEC Action;

3. all known Investors in each and every one of the Receivership Entities identified in the investor lists in the possession of the Receiver at the addresses set forth therein; and
4. all known non-investor creditors of each and every one of the Receivership Entities identified after a reasonable search by the Receiver.
5. all parties to the SEC Action, the Class Action, and the Investor Actions.
6. all professionals, financial institutions, and consultants of the Receivership Entities identified by Raymond James from discovery in the Receiver's Action or Investor Actions.
7. all owners, officers, directors, and senior management employees of the Receivership Entities identified by Raymond James from discovery in the Receiver's Action or Investor Actions.
8. other persons identified by Raymond James from discovery in the Receiver's Action or Investor Actions.

The Receiver has maintained a list of those given notice. Access to that list will be permitted as necessary if a Barred Person as defined below denies receiving notice and asserts that this Order is therefore inapplicable to that Barred Person.

In addition, the Receiver has published the Notice approved by the Preliminary Approval Order in the Vermont Digger, and The Burlington (Vermont) Free Press, twice a week for three consecutive weeks. The Receiver has also maintained the Notice on the website maintained by the Receiver in connection with the SEC Action (www.JayPeakReceivership.com).

Through these notices and publications, anyone with an interest in the Receivership Entities would have become aware of the Settlement Agreement and Bar Order and have been provided sufficient information to put them on notice how to obtain more information and/or object, if they wished to do so.

T. Benefits of the Settlement:

1. Trade, construction, and other creditors exist for Phases I through VI and Phase VIII. The Settlement Agreement provides funds for them to be paid, which is necessary for the Jay Peak Resort and Burke Mountain Hotel properties to be clear of liens and to obtain goods and services on the most favorable terms available.
2. With respect to the Hotel Suites Phase I investors, the Settlement Agreement provides for the return of their capital investment (not including administrative fees), less sums previously paid to them, and provides benefits to investors in Jay Peak Phases II through VI who receive the underlying assets of what was previously owned by the investors in Phase I.
3. With respect to Biomedical Phase VII, and all investors in Q Burke Phase VIII who are not eligible to apply for unconditional permanent residency due to the failure of the partnership to create the requisite number of jobs, the Settlement Agreement provides for the return of their capital investment (not including administrative fees), as the ability to receive an unconditional visa was not created. The Receiver has agreed to allow these investors to file a claim in the Receivership Estate for up to \$50,000 for the administrative fees they paid Jay Peak in connection with their investments, to be paid from their proportionate share of the property in their respective partnerships.
4. The Settlement Payment thus enhances the value of Phases II through VI and Phase VIII by allowing the Receiver to pay trade and construction creditors and other debts, adds the assets of Phase I to the Phase II through VI pool of assets, and requires the Receiver to contribute assets from the Receivership Estate necessary to run the Jay Peak Resort and Burke Mountain Hotel that otherwise did not belong to the limited partnerships, thus

allowing the Jay Peak Resort and Burke Mountain Hotel to be sold free and clear and as a whole. This enhances the ability to sell the Jay Peak Resort and the Burke Mountain Hotel with all associated assets and rights, thus enhancing their value for the benefit of their investors.

5. The Receiver agrees to release necessary claims by one entity against the others to the extent that funds of later phases were used to pay expenses and cost overruns of other phases.
6. With respect to unfinished construction at Phase VI, the Settlement Agreement provides immediate funds to complete it, which enhances not only the value of Phase VI specifically, but also the value of Phases II through V of which Phase VI is a part.
7. All investors in Phases II through VI and Phase VIII will benefit from the ability to sell the Jay Peak Resort as a single entity and the Burke Mountain Hotel as a single entity.
8. As a result of the Settlement Payments, creditors will be paid and claims against other defendants or third parties who may be jointly and severally liable will be significantly reduced. Damages in general for all Investors and the Receivership Entities will be reduced on all claims that have been or may be brought in the future, which benefits all current and future defendants.

U. The Bar Order and the releases in the Settlement Agreement are tailored to matters relating to the Barred Claims and are appropriate to maximize the value of the Receivership Entities for the benefit of the investors and other stakeholders. The Receiver will establish a distribution process through which investors and other interested parties may seek disbursement of funds of the Settlement Amount earmarked for them. The interests of persons affected by the Bar Order and the releases in the Settlement Agreement were well represented by

the Receiver, acting in the best interests of the Receivership Entities in his fiduciary capacity and upon the advice and guidance of his experienced counsel, and by Interim Class Counsel. Accordingly, the Settlement Agreement is fair, adequate and reasonable, and in the best interests of all creditors of, investors in, or other persons or entities claiming an interest in, having authority over, or asserting claims against the Receivership Entities, and of all persons who could have claims against Raymond James relating to the Barred Claims. The Bar Order is a necessary and appropriate order granting ancillary relief in the SEC Action.

V. Approval of the Settlement Agreement and the Bar Order and adjudication of the Motion are discrete from other matters in the SEC Action, and, as set forth above, the Settling Parties have shown good reason for the approval of the Settlement Agreement and Bar Order to proceed expeditiously. Therefore, there is no just reason for delay of the finality of this Order.

Based on the foregoing findings and conclusions, the Court **ORDERS, ADJUDGES, AND DECREES** as follows:

1. The Motion is **GRANTED** in its entirety. Any objections to the Motion or the entry of this Order are overruled to the extent not otherwise withdrawn or resolved.
2. The Settlement Agreement is **APPROVED**, and is final and binding upon the Settling Parties and their successors and assigns as provided in the Settlement Agreement. The Settling Parties are authorized to perform their obligations under the Settlement Agreement.
3. The Receiver shall use and disburse the Settlement Amount in accordance with the terms and conditions of the Settlement Agreement and a Plan of Distribution to be approved by this Court. Without limitation of the foregoing, upon the occurrence of the Effective Date, the releases set forth in Section 5 of the Settlement Agreement are **APPROVED**, and are final and binding on the Parties and their successors and assigns as provided in the Settlement

Agreement. The Court further approves the use of \$25,000,000 to establish the Attorneys' Fund to be disbursed in accordance with the terms of the Settlement Agreement. The Receiver shall not disburse any funds from the Attorneys' Fund without prior approval from this Court.

4. The Bar Order as set forth in paragraph 5 of this Order is **APPROVED** as a necessary and appropriate component of the settlement. *See Kaleta*, 530 Fed. Appx. at 362 (entering bar order and injunction in an SEC receivership proceeding where necessary and appropriate as "ancillary relief" to that proceeding). *See also In re Seaside Eng'g & Surveying, Inc.*, 780 F.3d 1010 (11th Cir. 2015) (approving bar orders in bankruptcy matters); *Bendall v. Lancer Management Group, LLC*, 523 Fed. Appx. 554 (11th Cir. 2013) (the Eleventh Circuit "will apply cases from the analogous context of bankruptcy law, where instructive, due to limited case law in the receivership context"); *Munford, Inc. v. Munford, Inc.*, 97 F.3d 449, 454-55 (11th Cir. 1996); *In re Jiffy Lube Securities Litig.*, 927 F.2d 155 (4th Cir. 1991); *Eichenholtz v. Brennan*, 52 F.3d 478 (3d Cir. 1995).

5. BAR ORDER AND INJUNCTION: THE BARRED PERSONS ARE PERMANENTLY BARRED, ENJOINED, AND RESTRAINED FROM ENGAGING IN THE BARRED CONDUCT AGAINST THE RAYMOND JAMES RELEASED PARTIES WITH RESPECT TO THE BARRED CLAIMS, as those terms are herein defined.

- a. **The "Barred Persons"**: Any non-governmental person or entity, including, without limitation, (i) owners, officer and directors, limited and general partners, investors, and creditors of the Receivership Entities or of any account held at Raymond James related to Ariel Quiros or any of the Receivership Entities; (ii) any Defendant in the SEC Action, the Receiver's Action, or the Investor Actions,

or in any action which may hereafter be brought in connection with the Barred Claims; or (iii) any person or entity claiming by or through such persons or entities, and/or the Receivership Entities, all and individually, directly, indirectly, or through a third party, whether individually, derivatively, on behalf of a class, as a member of a class, or in any other capacity whatsoever;

- b. **The “Barred Conduct”**: instituting, reinstating, intervening in, initiating, commencing, maintaining, continuing, filing, encouraging, soliciting, supporting, participating in, collaborating in, otherwise prosecuting, or otherwise pursuing or litigating in any case or manner, whether pre-judgment or post-judgment, or enforcing, levying, employing legal process, attaching, garnishing, sequestering, bringing proceedings supplementary to execution, collecting or otherwise recovering, by any means or in any manner, based upon any liability or responsibility, or asserted or potential liability or responsibility, directly or indirectly, relating in any way to the Barred Claims;
- c. **The “Barred Claims”**: any and all claims, actions, lawsuits, causes of action, investigation, demand, complaint, cross-claims, counterclaims, or third-party claims or proceeding of any nature, including, but not limited to, litigation, arbitration, or other proceeding, in any federal or state court, or in any other court, arbitration forum, administrative agency, or other forum in the United States, Canada or elsewhere, whether arising under local, state, federal or foreign law; that in any way relate to, are based upon, arise from, or are connected with the released claims or interests of any kind as set forth in the Settlement Agreement, with the Receivership Entities, the investments made in the eight limited

partnerships, the accounts at Raymond James over which Ariel Quiros had signature authority or that were maintained in connection with the Receivership entities, including but not limited to those events, transactions and circumstances alleged in the SEC Action, the Receiver's Action and the Investor Actions;

- d. **The "Raymond James Released Parties"**: Raymond James, its parent, affiliate, and subsidiary companies, all current, former and future employees, agents, attorneys, officers and directors, and consultants, including without limitation Frank Amigo and Joel N. Burstein, and each of its members, managers, principals, associates, representatives, distributors, attorneys, trustees, and general and limited partners and each of their respective administrators, heirs, beneficiaries, assigns, predecessors, predecessors in interest, successors, and successors in interest

6. Any non-settling Defendants in the Receiver Action or the Investor Actions who would otherwise be entitled to contribution or indemnity from the Raymond James Released Parties in connection with any claim asserted against them by the Receiver or the Investors shall be entitled to a dollar-for-dollar offset against any subsequent judgment entered against such party for: (1) with respect to the Receiver, the Settlement Payment amount, less the Twenty Five Million Dollars (\$25,000,000.00) awarded in attorneys' fees; and (2) with respect to the Investors, any portion of the Settlement Payment earmarked for and received by each such Investor pursuant to the Settlement Agreement. This provision is without prejudice to whatever rights, if any exist, any non-settling defendant may have to setoff under applicable law in the Receiver's Action, the Investor Actions, or any other action brought by or on behalf of the

Receiver or the Receivership Entities or by any investor now pending or which may be brought in the future.

7. Paragraph 5 of this Order shall not apply (i) to the United States of America, its agencies or departments, or to any state or local government; or (ii) to the Settling Parties' respective obligations under the Settlement Agreement.

8. Nothing in this Order or the Settlement Agreement, and no aspect of the Settling Parties' settlement or negotiations thereof, is or shall be construed to be an admission or concession of any violation of any statute or law, of any fault, liability or wrongdoing, or of any infirmity in the claims or defenses of the Settling Parties with regard to any case or proceeding, including the Receiver's Action and the Investor Actions.

9. No Raymond James Released Party shall have any duty or liability with respect to the administration of, management of or other performance by the Receiver of his duties relating to the Receivership Entities, including, without limitation, the process to be established by the Receiver for filing, adjudicating and paying claims against the Receivership Entities or the allocation, disbursement or other use of the Settlement Amount. Other than by direct appeal of this Order, or motion for reconsideration or rehearing thereof, made in accordance with the Federal Rules of Civil Procedure, no appeal, challenge, decision or other matter concerning any subject set forth in this paragraph shall operate to terminate or cancel the Settlement Agreement, or to impair, modify or otherwise affect in any manner the Bar Order.

10. Nothing in this Order or the Settlement Agreement, nor the performance of the Settling Parties' obligations thereunder, shall in any way impair, limit, modify or otherwise affect the rights of Raymond James, the Receiver, or the Investors against any party not released in the Settlement Agreement.

11. This Order is without prejudice to, and shall not impair, the right of any defendant in the SEC Action, the Receiver Action, the Investor Actions, or any other action brought by or on behalf of the Receiver, the Receivership Entities, or any investor, now pending or which may be brought in the future 1) to assert any allegations or claims, based on or related to the conduct at issue in the foregoing actions, against any person or entity (other than the Raymond James Released Parties, against whom all such allegations and claims are and shall be forever barred), or 2) to assert any defense that exists under applicable law, including, without limitation, defenses based on set-off as provided in paragraph 6 hereunder and defenses based on the conduct of any person or entity. Nothing herein suggests whether or not it would be legally appropriate or otherwise proper for a defendant in the SEC Action to assert these allegations or defenses in the SEC Action.

12. All Barred Claims against the Raymond James Released Parties, including those in the Receiver's Action and the Investor Actions, are stayed until this Order is final. Raymond James shall have the right to receive discovery obtained by other parties, at its expense, but need not participate in or respond to discovery. To the extent reasonably necessary for the Receiver or the Investors to pursue claims against others, Raymond James shall produce witnesses or documents. In the event that this Order is vacated, reversed or modified on appeal, Raymond James, the Receiver, and the Investors shall be afforded the right and opportunity to pursue discovery on the issues and claims relating to Raymond James.

13. The Receiver is directed and authorized to dismiss his Claims against Raymond James and Joel Burstein in the Receiver's Action with prejudice, when this order is final within the meaning of the Settlement Agreement, in accordance with the terms of the Settlement Agreement.

14. Pursuant to Fed. R. Civ. P. 54(b), and the Court's authority in this equity receivership to issue ancillary relief, this Order is a final order for all purposes, including, without limitation, for purposes of the time to appeal or to seek rehearing or reconsideration.

15. This Order shall be served by counsel for the Receiver via email, first class mail or international delivery service, on any person or entity afforded notice (other than publication notice) pursuant to the Preliminary Approval Order.

16. Without impairing or affecting the finality of this Order, the Court retains continuing and exclusive jurisdiction to construe, interpret and enforce this Order, including, without limitation, the injunction, Bar Order and releases herein or in the Settlement Agreement. This retention of jurisdiction is not a bar to any person, including the Settling Parties, from raising the injunction or Bar Order to obtain its benefits in establishing reductions to damage awards or seeking to dismiss a claim.

DONE AND ORDERED in Chambers at Miami, Florida, this 30th day of June, 2017.

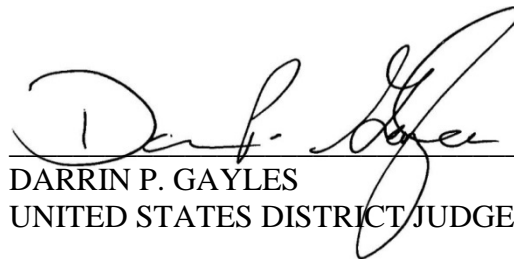

DARRIN P. GAYLES
UNITED STATES DISTRICT JUDGE

Exhibit A

(List of Receivership Entities)

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

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

Q Burke Mountain Resort GP Services, LLC

Jay Construction Management, Inc.

GSI of Dade County, Inc.

North East Contract Services, Inc.

Q Burke Mountain Resort, LLC