

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
FORT MYERS DIVISION

CASE NO.: 2:09-CV-229-FTM-29SPC

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

FOUNDING PARTNERS CAPITAL MANAGEMENT,  
and WILLIAM L. GUNLICKS,

Defendants,

FOUNDING PARTERS STABLE-VALUE FUND, LP,  
FOUNDING PARTNERS STABLE-VALUE FUND II, LP,  
FOUNDING PARTNERS GLOBAL FUND, LTD., and  
FOUNDING PARTNERS HYBRID-VALUE FUND, LP,

Relief Defendants.

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**RECEIVER'S MOTION FOR COURT APPROVAL  
OF THE SALE OF TRADE-PMR, INC. STOCK**

Daniel S. Newman, as Court-appointed receiver (the "Receiver") for Defendant Founding Partners Capital Management Company and the Relief Defendants Founding Partners Stable-Value Fund, L.P.; Founding Partners Stable-Value Fund II, L.P.; Founding Partners Global Fund, Ltd.; and Founding Partners Hybrid-Value Fund, L.P. (collectively, the "Receivership Entities"), respectfully files this motion for Court approval of the sale of forty (40) shares of Trade-PMR, Inc. stock ("Trade-PMR" or the "Shares"), currently held in the name of the Hybrid-Value Fund, to Charles G. Christensen ("Christensen").

**BROAD and CASSEL**

One Biscayne Tower, 21st Floor 2 South Biscayne Blvd. Miami, Florida 33131-1811 305.373.9400

**THE HYBRID VALUE FUND**

1. By order dated May 20, 2009, Daniel S. Newman was appointed as the Receiver over the Receivership Entities. The Receivership Order authorizes the Receiver to, among other things:

a) Take immediate possession of all property, assets and estates of every kind of Founding Partners and each of the Founding Partners Relief Defendants, whatsoever and wheresoever located, including but not limited to all offices maintained by Founding Partners and the Founding Partners Relief Defendants, rights of action, books, papers, data processing records, evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities, mortgages, furniture, fixtures, office supplies and equipment, and all real property of Founding Partners and the Founding Partners Relief Defendants wherever situated, and to administer such assets as is required in order to comply with the directions contained in this Order.

[See D.E. 73 at 3].

2. As indicated in the Receiver's prior reports to this Court, the Hybrid Value Fund portfolio contains investments in:

- a. Advanced Diamond Technologies ("ADT"). Hybrid-Value holds approximately 590,551 Series C preferred shares, which amounts to approximately 6.12% ownership of ADT.
- b. The Cronus Real Estate Fund ("Cronus Fund"). Hybrid-Value owns less than 1% of the Cronus Fund.
- c. Dodge Oil and Gas LP ("Dodge"). In 2007, Dodge was merged into Devonian Partners ("Devonian"). After the merger, Hybrid-Value's interest in Devonian was approximately 746,015 units.
- d. Equastone Value Fund II, LLC ("EVF II"). EVF II closed in April 2007, and currently holds an interest in five investments. Hybrid-Value's holding represents approximately .0579746% of the Fund.
- e. Franklin Street Properties Corp. ("FSP"). FSP manages three commercial office buildings: "Galleria North" in Dallas, Texas; "Phoenix Tower" in Houston, Texas; and "50 South Tenth Street" in Minneapolis, Minnesota. Hybrid-Value owns approximately a .581% interest (5 preferred shares) in

Galleria North, a .191% interest (2 preferred shares) in Phoenix Tower, and a .143% interest (1 preferred share) in 50 South Tenth Street.

- f. National Advisors Holdings, Inc. (“NAH”). Hybrid-Value holds 405 shares of NAH’s privately held common stock.
- g. OurStage, Inc. (“OurStage”). The site invites amateur musicians to post their songs and visitors to rank them using a patented ranking system. Hybrid-Value holds approximately 722,888 Series A Preferred Shares.
- h. Realty Capital Partners LLP (“RCP”). Hybrid-Value holds ownership interests in the 13 real estate projects via RCP.
- i. SSR Capital Partners, LP (“SSR”) is a hedge fund comprised of two U.S. funds and one international fund. Hybrid-Value currently owns approximately 33 % of SSR.
- j. VIRxSYS Corp. (“VIRxSYS”). In April 2005 and June 2006, Hybrid-Value acquired approximately 400,000 shares of Series F Preferred stock and approximately 100,000 shares of Series G Preferred stock. In February 2008, Hybrid Value.
- k. Trade-PMR. In 2001, Hybrid-Value purchased 40 shares of common stock. This represents an ownership position of approximately 2.41%.

3. As previously reported by the Receiver, many of these companies are closely held and illiquid. The Shares that are the subject of this Motion are in Trade-PMR.

**THE PROPOSED SALE**

4. Trade-PMR is a privately held brokerage firm, located in Gainesville, Florida, developed to service Registered Investment Advisors (“RIAs”) and their clients. Trade-PMR offers RIAs a web-based workstation to streamline their practices. On its website, Trade-PMR states:

In 2008 TradePMR released eCustody, its next-generation Advisor platform. In keeping with its predecessors, eCustody provides unmatched features that have never been previously available to advisors in a web-based platform. Its cutting-edge technology gives existing, new, and hybrid RIAs the kind of power and independence they need to manage their accounts more effectively and efficiently.

With a full staff of trained professionals, TradePMR stands ready to help brokers find the independence they desire. If you are ready to go independent, Trade PMR is ready to help.

*See <http://www.tradepmr.com/Views/AboutOurCompany/CompanyHistory.aspx>.*

5. In connection with Hybrid-Value's holdings, the Receiver retained Catalyst Financial, LLC ("Catalyst"), in October 2010. Since that time, Catalyst and the Receiver's other trained professionals have tried to market and sell Hybrid-Value's holdings, including the Shares at issue. To date, the attempts at selling Hybrid-Value's holdings have been unsuccessful due to the illiquid, privately held nature of the majority of the portfolio.

6. The Receiver was first approached by Mr. Christensen concerning the sale of the Shares in or about March 2012. At that time, Mr. Christensen offered to pay approximately \$7,000.00 for the Shares.

7. After turning down his initial offers, the Receiver invited Mr. Christensen to pay for a certified valuation to determine the present value of the Shares. Mr. Christensen accepted the Receiver's invitation and procured a Business Valuation Report. The Business Valuation Report found the fair market value of the Shares to be approximately \$23,000.00.

8. Shortly thereafter, Mr. Christensen's raised his offer to \$12,000.00 based on the findings in the Business Valuation Report and the change in the book value of the Shares from the December 2010 tax return to December 2011. The \$12,000.00 price reflects approximately 50% of the book value of the Shares.

9. After receiving Mr. Christensen's \$12,000.00 offer, the Receiver contacted the CEO of Trade-PMR to inquire whether Trade-PMR had any interest in purchasing the Shares for \$12,000.00. The CEO of Trade-PMR informed the Receiver that he was not interested in obtaining the Shares at that price.

10. After months of negotiations, on November 24, 2012, the Receiver and his retained professionals made a counter-offer to Mr. Christensen to sell the Shares for \$18,000.00, with the caveat that the sale would need to first be approved by the Court. Mr. Christensen accepted the counter-offer.

11. It is the Receiver's and his professionals' opinion that the Shares are highly illiquid. The Receiver's professionals have had no success in marketing or selling the Shares to interested purchasers, and have no reason to believe that any other purchasers may be located or identified.

12. The Receiver's professionals have informed him that, in view of the foregoing, the \$18,000.00 counteroffer accepted by Mr. Christensen is a fair return for the sale of securities of this nature.

### **CONCLUSION**

For the foregoing reasons, the Receiver respectfully requests that the Court enter an order approving the Receiver's sale of the forty (40) shares of Trade-PMR, Inc. stock to Charles Christensen for \$18,000.00, or \$450.00 per share, representing approximately 75% of the book value of the Shares.

Respectfully submitted,

**BROAD AND CASSEL**  
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By: /s/ Jonathan Etra  
Jonathan Etra, Esq.  
Florida Bar No. 0686905

**MEET AND CONFER REQUIREMENT**

The Receiver's counsel contacted counsel for the SEC and for William Gunlicks prior to filing this Motion. Counsel for the SEC has no objection to the filing of this Motion. Counsel for William Gunlicks responded to the Receiver's meet and confer attempt, but did not indicate whether they objected to the relief sought.

**CERTIFICATE OF SERVICE**

I hereby certify that on January 17, 2013, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF. I also certify that the foregoing is being served this day on all counsel of record identified on the attached Service List in the manner specified, either via transmission of Notices of Electronic Filing generated by CM/ECF or in some other authorized manner for those counsel who are not authorized to receive Notices of Electronic Filing.

Dated: January 17, 2013.

By: /s/ Jonathan Etra

**SERVICE LIST**

<p><b>Robert Levenson, Esq.</b> U.S. Securities and Exchange Commission 801 Brickell Avenue Suite 1800 Miami, FL 33131 305-982-6317 305-536-4154 (fax) andersonci@sec.gov <i>Counsel for U.S. Securities and Exchange Commission</i></p> <p><u>Service via CM/ECF</u></p>	<p><b>Gabrielle D'Alemberte, Esq.</b> The D'Alemberte Trial Firm, P.A. 1749 N.E. Miami Ct. Suite 301 Miami, FL 33132 gabrielle@dalemberte.com <i>Counsel for William &amp; Pamela Gunlicks</i></p> <p><u>Service via CM/ECF</u></p>
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