

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 COMPANY,  
and WILLIAM L. GUNLICKS,

Defendants,

FOUNDING PARTNERS 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.

---

**THE RECEIVER'S MOTION FOR  
COURT APPROVAL OF INTERIM DISTRIBUTION OF FUNDS**

The Receiver Daniel S. Newman, not individually, but solely in his capacity as the Court-appointed receiver (“Receiver”) for Founding Partners Capital Management Company (“FPCMC”); Founding Partners Stable-Value Fund, L.P. (“Stable Value”); Founding Partners Stable-Value Fund II, L.P. (“Stable Value II”); Founding Partners Global Fund, Ltd. (“Global Ltd.”) and Founding Partners Hybrid-Value Fund, L.P. (“Hybrid Value”) (Stable-Value, Stable Value II, Global Ltd., and Hybrid Value are collectively called the “Receivership Funds”) (collectively, the Receivership Funds and FPCMC are called the “Receivership Entities”), hereby files this Motion for Court Approval of an interim distribution of funds (“Motion”).

*The Receiver is authorized to state that the Securities and Exchange Commission has no objection to the relief requested.*

**I. INTRODUCTION**

**A. Receiver's Authority**

On May 20, 2009, the Court entered its Order Appointing Replacement Receiver and appointed Daniel Newman, Esq., as Receiver for the Receivership [D.E. 73, "Receivership Order"]. The Receivership Order placed the Receiver in charge of the Receivership Entities. *Id.* at 2-3. Pursuant to the Receivership Order, the Receiver was granted "full and exclusive power, duty, and authority to administer and manage the business affairs, funds, assets, choses in action and any other property of Founding Partners and the Founding Partners Relief Defendants; marshal and safeguard all of the assets of Founding Partners and the Founding Partners Relief Defendants; and take whatever actions are necessary for the protection of investors." *Id.* at 1-2. The Receivership Order required the Receiver to, among other things, make payments and disbursements from the funds and assets taken into control as necessary in discharging the Receiver's duties. *Id.* at 6.

**B. Assets for Distribution**

On December 30, 2010, the Receiver, represented by Beus Gilbert McGroder PLLC ("Special Counsel"), sued Mayer Brown LLP ("Mayer Brown"), which was former counsel to Receivership Entities, along with the Receivership Entities' former auditor Ernst & Young ("E&Y"), for various claims. The lawsuit was filed in the Seventeenth Judicial Circuit in and for Broward County, Florida ("Broward Litigation").

In or about July 2020, the Receiver and Mayer Brown agreed to a settlement in principle and sought to stay the Broward Litigation. After months of negotiation preparing the settlement

documents, the Receiver filed his Motion for Approval of Settlement Agreement with Mayer Brown on November 3, 2020 (“Motion for Approval”). [D.E. 508]. The Court held a hearing on the Motion for Approval on February 3, 2021.

On February 5, 2021, the Court entered its Final Settlement Approval and Bar Order Regarding Litigation with Mayer Brown (“Approval and Bar Order”). [D.E. 527]. Pursuant to the Court-approved settlement, the Receiver will obtain \$390 million, beginning with a First Settlement Payment of \$370 million, and with interest on part of the deferred payments of the balance, over a period of four years (“Settlement Amount”). [*Id.*, p. 3]. On February 10, 2021, the Court in the Broward Litigation entered a Final Judgment pursuant to the Settlement Agreement, dismissing the Receiver’s claims against Mayer Brown. On February 12, 2021, the Court entered its Partial Final Judgment [D.E. 528]. At present, \$365,000,000 of the \$370,000,000 First Settlement Payment is being held in a trust account by counsel for Mayer Brown’s insurers, until the appeals period on the Partial Final Judgment has concluded.

The Receiver files this Motion to obtain approval to make an interim distribution of \$225,000,000 to holders of claims (“Approved Claims”). [D.E. 430; D.E. 521].<sup>1</sup> As the Receiver advised the Court in his Motion for Approval, and the Court noted in its Approval and Bar Order, the Receiver seeks to distribute monies recovered from the Settlement Amount, but also intends to hold back from distribution at this time sufficient funds to cover future costs and expenses of the Receivership, including but not limited to, monies sufficient to cover Special

---

<sup>1</sup> In [D.E. 430], the Court approved the Receiver’s recommendations concerning the majority of Approved Claims. While the Receiver has not yet obtained a Court order approving his recommendations on non-investor claims or 3 new investor claims, [D.E. 521], for purposes of this Motion, the Receiver includes these more recent claims as Approved Claims, as there were no objections to them. However, the Receiver will not make a distribution to these new claimants until the Court has entered an Order approving the Receiver’s recommendations in [D.E. 521].

Counsel's and the Receiver's fees and costs,<sup>2</sup> litigation reserves, an approved creditor claim incurred after the Receivership began, and funds for unforeseen Receivership obligations. [D.E. 527, pp. 7, 25]. The Receiver proposes distributing \$225,000,000 from the First Settlement Amount at this time. The Receiver will seek leave of Court to make future distributions from the deferred portions of the Settlement Amount that come in over time. Future distributions could also include monies recovered from other existing litigation, if successful. The Receiver believes the proposed distribution described in this Motion is in the best interests of the Receivership Estate and strikes the appropriate balance between the goal of distributing funds to holders of Approved Claims and the need to retain sufficient resources to pursue the E&Y litigation and manage the Receivership's affairs.

## **II. RECEIVER'S RECOMMENDATION FOR APPROVAL OF INTERIM DISTRIBUTION OF FUNDS**

The Receiver seeks a ruling allowing the interim distribution of proceeds from the First Settlement Amount, totaling \$225,000,000, to holders of Approved Claims, in the amounts set forth in column 6 of Schedule A, attached as **Exhibit A**.

Schedule A lists, among other things: (1) Approved Claims, by Claimant No.;<sup>3</sup> (2) Court-approved claim amounts; (3) proposed distribution percentages (calculated by dividing each approved claim amount by the total amount of Approved Claims); and (4) the proposed prorated distribution amount for each approved claim.<sup>4</sup>

---

<sup>2</sup> The Receiver will be filing a motion for approval to pay Special Counsel as soon as possible.

<sup>3</sup> This number includes three (3) claims belonging to FPCMC.

<sup>4</sup> By way of example, Claimant No. 1 has a Court-approved claim amount of \$7,595,976, reflected in column 4 of Schedule A. The total amount of Court-approved claims is \$386,403,591, shown at the bottom of Schedule B. Thus, the proposed distribution percentage for Claimant No. 1 is calculated by dividing \$7,595,976 by \$386,403,591, which equals 1.96581% (rounded to five decimal places). The proposed prorated distribution amount to the holder of this claim is calculated by multiplying the 1.96581% proposed distribution percentage times the total distribution amount of \$225,000,000, which totals \$4,423,081 (with some slight deviation to account for five decimal rounding).

### **III. RECEIVER'S RECOMMENDED OBJECTION PROCEDURE**

The Court already entered orders approving claims amounts, and the methodologies for determining claim amounts, after holding a lengthy and involved objection process. [D.E. 430]. Thus, the Court-approved claim amounts are not in dispute. For this reason, and to ensure a distribution is made to holders of Approved Claims as soon as possible, the Receiver proposes a more limited objection procedure for this distribution.

By submitting executed Proof of Claim Forms to the Receiver, all holders of Approved Claims have submitted to the exclusive jurisdiction of this Court for the purpose of resolving their claims, and therefore all necessary procedures and discovery can be set and conducted by this Court. *Alexander v. Hillman*, 296 U.S. 222, 238-239 (1935).

The Receiver proposes that sufficient notice will be provided to holders of Approved Claims by mailing or emailing to them (using the most recent contact information available to the Receiver) a copy of this Motion, the proposed Order, their applicable claim numbers, and a written notice stating that deadlines for objections will be set by the Court.

The Receiver further proposes to publish this Motion, the proposed Order, and the same written notice (without the identifying claimant information) on the Receivership website at [www.foundingpartners-receivership.com](http://www.foundingpartners-receivership.com).

Considering the foregoing notice to holders of Approved Claims, the Receiver recommends that the Court adopt the following objection procedure (the "Objection Procedure"):

First, holders of Approved Claims will have fourteen (14) days from the entry of the Court's order approving this Objection Procedure to respond in writing to the Receiver's recommended distribution. Holders of Approved Claims shall both file their objections with the Court and send their objections to the Receiver at his office, care of Christopher Cavallo, Nelson

Mullins Broad and Cassel, 2 South Biscayne Boulevard, Suite 2100, Miami, Florida 33131 **to be received** no later than forty (14) days from the entry of the Court's order approving this Objection Procedure.

If a claimant does not object within the time frame provided, the Receiver's distribution recommendations will be deemed sustained with prejudice with respect to such holders of Approved Claims, subject to Court approval, and the right of the holders of Approved Claims to object will be deemed irrevocably waived.

Second, the Receiver shall submit responses to timely-filed objections within ten (10) days from the final due date for objections.

Third, the Receiver recommends that the Court set a hearing on this Motion only if objections are filed and the Court determines a hearing is necessary.

#### **IV. SUPPORT FOR THE RECEIVER'S RECOMMENDATIONS**

##### **A. Summary Proceedings**

This Court has the authority to approve a summary process for approval of the Receiver's proposed distributions. This Court's power to supervise an equity receivership and to determine the appropriate action to be taken in the administration of the receivership is extremely broad. *SEC v. Hardy*, 803 F.2d 1034, 1037 (9th Cir. 1986). "[I]t is a recognized principle of law that the district court has broad powers and wide discretion to determine the appropriate relief in an equity receivership." *Id.*, citing *SEC v. Lincoln Thrift Ass'n*, 577 F.2d 600, 606 (9th Cir. 1978) and *SEC v. Safety Fin. Serv., Inc.*, 674 F.2d 368, 373 (5th Cir. 1982) (a court overseeing a receivership is accorded "wide discretionary powers" in light of "the concern for orderly administration").

Allowing holders of Approved Claims an opportunity to object to this Motion provides sufficient due process. The use of summary proceedings in equity receiverships, as opposed to plenary proceeding, is within the jurisdictional authority of the federal district courts. *SEC v. Elliot*, 953 F.2d 1560, 1566 (11th Cir. 1992); *Hardy*, 803 F.2d at 1040. “A summary proceeding reduces the time necessary to settle disputes, decreases litigation costs, and prevents further dissipation of receivership assets.” *Elliot*, 953 F.2d at 1566 (citation omitted). Summary proceedings may be used to allow, disallow and subordinate claims of creditors. *Hardy*, 803 F.2d at 1040. “[A] district court does not generally abuse its discretion if its summary procedures permit parties to present evidence when facts are in dispute and to make arguments regarding those facts.” *Elliot*, 953 F.2d 1567.

As part of these summary proceedings, the Receiver may assert, and this Court may adjudicate, objections to the Receiver’s proposed distribution. By presenting their claims, holders of Approved Claims have submitted themselves to the jurisdiction of this Court for decision on any objections. *Alexander v. Hillman*, 296 U.S. 222, 238 (1935).

The Receiver believes the summary proceedings proposed herein strike a proper balance between efficiently resolving objections and distributing the assets of the Receivership Estate and providing all holders of Approved Claims an opportunity to be heard regarding the distribution assets. Due process rights will be met by: (1) providing all holders of Approved Claims notice of the proposed distribution; (2) an opportunity to object to the relief sought in this Motion; and (3) if necessary, a hearing on timely objections.

#### **B. Pooling and *Pro Rata* Distribution**

It is the Receiver’s recommendation that the Receivership Funds be pooled for the purposes of a *pro rata* distribution to all claimants. Thus, for purposes of a distribution, investors

in all Receivership Funds will be treated the same. The Court has already approved this distribution methodology, over at least one objection. [*See, e.g.*, D.E. 430, p. 14] (“the Court further finds that a pooled, pro rata distribution is appropriate under the circumstances because: (i) a unified scheme to defraud Investors existed; (ii) there is sufficient evidence to demonstrate that monies in the Receivership Funds may have been commingled; (iii) good cause exists to permit pooling; and (iv) the burden of conducting a non-pooled distribution weighs heavily in favor of permitting pooling.”).

**V. CONCLUSION**

The Receiver respectfully requests that the Court enter orders: (i) approving the Receiver’s proposed objection schedule; and (ii) approving an interim distribution of \$225,000,000 of the to all holders of Approved Claims, as reflected in column 6 of Schedule A.<sup>5</sup>

The Receiver’s proposed order approving the Receiver’s proposed objection and hearing schedule is attached as **Exhibit B**.

---

<sup>5</sup> In various other Orders, the Court gave the Receiver approval to recognize certain transfers of Approved Claims and update his books and records to reflect current holders of Approved Claims. [*See, e.g.*, D.E. 492]. The Receiver’s distributions will be consistent with the Court’s approval orders. Moreover, the Receiver intends to file another motion for approval to reflect certain transfers on its books and records within the next few days. If approved, any distribution to Approved Claimants will be consistent with the relief sought in that motion, as well. The Receiver will not make distributions to the Approved Claimants discussed in this forthcoming transfer motion until the Court enters an order on that motion.



Dated: March 31, 2021

**NELSON MULLINS BROAD AND CASSEL**

Attorneys for Receiver  
One Biscayne Tower, 21st Floor  
2 S. Biscayne Blvd.  
Miami, FL 33131  
Telephone: 305.373.9400  
Facsimile: 305.995.6449

By: Jonathan Etra

Jonathan Etra  
Florida Bar No. 0686905  
Christopher Cavallo  
Florida Bar No. 0092305

**CERTIFICATE OF SERVICE**

I hereby certify that on March 31, 2021, 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.

By: /s/ Jonathan Etra

Jonathan Etra, Esq.

**SERVICE LIST**

<p><b>Robert K. Levenson, Esq.</b> Miami Regional Trial Counsel Securities and Exchange Commission 801 Brickell Avenue, Suite 1800 Miami, FL 33131 305-982-6341 (direct dial) 305-536-4154 (facsimile) levensonr@sec.gov <i>Counsel for U.S. Securities and Exchange Commission</i> <u><i>Service via CM/ECF</i></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> <u><i>Service via CM/ECF</i></u></p>
<p><b>Stuart Z. Grossman</b> <b>Rachel W. Furst</b> Grossman Roth Yaffa Cohen 2525 Ponce de Leon Blvd., Suite 1150 Coral Gables, Florida 33134 Tel: 305.442.8666 Fax: 305.285.1668 <i>Co-counsel for the Receiver</i></p>	

**Schedule A to Motion for Interim Distribution  
Receiver's Proposed Distributions**

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Claimant No.</b>	<b>Footnote Ref.</b>	<b>Fund Invested In</b>	<b>Court-approved Allowed Claim Amount</b>	<b>Proposed Distribution (%)</b>	<b>Proposed Prorated Distribution Amount</b>
1	1	GF	7,595,976	1.96581%	\$ 4,423,081
2		HVF	110,000	0.02847%	\$ 64,052
3		HVF	245,000	0.06341%	\$ 142,662
4		HVF	80,000	0.02070%	\$ 46,583
5		HVF	130,000	0.03364%	\$ 75,698
6		HVF	1,017,000	0.26320%	\$ 592,192
7		HVF	510,000	0.13199%	\$ 296,969
8		SVF	28,000,000	7.24631%	\$ 16,304,196
9		SVF	5,385,667	1.39379%	\$ 3,136,035
10		SVF	5,000,000	1.29398%	\$ 2,911,464
11		SVF	4,051,000	1.04839%	\$ 2,358,868
12		SVF	4,000,000	1.03519%	\$ 2,329,171
13		SVF	3,650,000	0.94461%	\$ 2,125,368
14		SVF	3,425,000	0.88638%	\$ 1,994,353
15		SVF	3,371,968	0.87265%	\$ 1,963,472
16		SVF	2,110,000	0.54606%	\$ 1,228,638
17		SVF	2,050,000	0.53053%	\$ 1,193,700
18		SVF	2,000,000	0.51759%	\$ 1,164,585
19		SVF	1,700,000	0.43995%	\$ 989,898
20		SVF	1,500,000	0.38820%	\$ 873,439
21		SVF	1,354,000	0.35041%	\$ 788,424
22		SVF	1,300,000	0.33644%	\$ 756,981
23		SVF	1,250,000	0.32350%	\$ 727,866
24		SVF	900,000	0.23292%	\$ 524,063
25		SVF	850,000	0.21998%	\$ 494,949
26		SVF	833,000	0.21558%	\$ 485,050
27		SVF	805,000	0.20833%	\$ 468,746
28		SVF	800,000	0.20704%	\$ 465,834
29		SVF	700,000	0.18116%	\$ 407,605
30		SVF	650,000	0.16822%	\$ 378,490
31		SVF	640,000	0.16563%	\$ 372,667
32		SVF	600,000	0.15528%	\$ 349,376
33		SVF	600,000	0.15528%	\$ 349,376
34		SVF	600,000	0.15528%	\$ 349,376
35		SVF	567,000	0.14674%	\$ 330,160
36		SVF	542,000	0.14027%	\$ 315,603
37		SVF	500,000	0.12940%	\$ 291,146
38		SVF	500,000	0.12940%	\$ 291,146
39		SVF	500,000	0.12940%	\$ 291,146
40		SVF	500,000	0.12940%	\$ 291,146
41		SVF	500,000	0.12940%	\$ 291,146
42		SVF	500,000	0.12940%	\$ 291,146

**Schedule A to Motion for Interim Distribution  
Receiver's Proposed Distributions**

1	2	3	4	5	6
Claimant No.	Footnote Ref.	Fund Invested In	Court-approved Allowed Claim Amount	Proposed Distribution (%)	Proposed Prorated Distribution Amount
43		SVF	500,000	0.12940%	\$ 291,146
44		SVF	500,000	0.12940%	\$ 291,146
45		SVF	500,000	0.12940%	\$ 291,146
46		SVF	500,000	0.12940%	\$ 291,146
47		SVF	500,000	0.12940%	\$ 291,146
48		SVF	500,000	0.12940%	\$ 291,146
49		SVFII	500,000	0.12940%	\$ 291,146
50		SVF	488,000	0.12629%	\$ 284,159
51		SVF	450,000	0.11646%	\$ 262,032
52		SVF	444,000	0.11491%	\$ 258,538
53		SVF	440,000	0.11387%	\$ 256,209
54		SVF	420,000	0.10869%	\$ 244,563
56		SVF	400,000	0.10352%	\$ 232,917
57		SVF	350,000	0.09058%	\$ 203,802
58		SVF	341,400	0.08835%	\$ 198,794
59		SVF	340,000	0.08799%	\$ 197,980
60		SVF	317,510	0.08217%	\$ 184,884
61		SVF	300,000	0.07764%	\$ 174,688
62		SVF	270,000	0.06988%	\$ 157,219
63		SVF	250,000	0.06470%	\$ 145,573
64		SVF	250,000	0.06470%	\$ 145,573
65		SVF	248,793	0.06439%	\$ 144,871
66		SVF	242,510	0.06276%	\$ 141,212
67		SVF	227,981	0.05900%	\$ 132,752
68		SVF	217,235	0.05622%	\$ 126,494
69		SVF	207,000	0.05357%	\$ 120,535
70		SVF	198,000	0.05124%	\$ 115,294
71		SVF	197,000	0.05098%	\$ 114,712
72		SVF	175,000	0.04529%	\$ 101,901
73		SVF	175,000	0.04529%	\$ 101,901
74		SVF	150,000	0.03882%	\$ 87,344
75		SVFII	1,750,000	0.45289%	\$ 1,019,012
76		SVF	150,000	0.03882%	\$ 87,344
77		SVF	150,000	0.03882%	\$ 87,344
78		SVF	140,000	0.03623%	\$ 81,521
79		SVF	127,500	0.03300%	\$ 74,242
80		SVF	123,495	0.03196%	\$ 71,910
81		SVF	110,000	0.02847%	\$ 64,052
82		SVF	100,000	0.02588%	\$ 58,229
83		SVF	100,000	0.02588%	\$ 58,229
84		SVF	66,800	0.01729%	\$ 38,897
85		SVF	54,250	0.01404%	\$ 31,589

**Schedule A to Motion for Interim Distribution  
Receiver's Proposed Distributions**

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>Claimant No.</b>	<b>Footnote Ref.</b>	<b>Fund Invested In</b>	<b>Court-approved Allowed Claim Amount</b>	<b>Proposed Distribution (%)</b>	<b>Proposed Prorated Distribution Amount</b>
86		SVFII	800,000	0.20704%	\$ 465,834
87		SVFII	500,000	0.12940%	\$ 291,146
88		SVFII	500,000	0.12940%	\$ 291,146
89		SVFII	500,000	0.12940%	\$ 291,146
90		SVFII	1,200,000	0.31056%	\$ 698,751
91		SVFII	500,000	0.12940%	\$ 291,146
92		SVFII	1,000,000	0.25880%	\$ 582,293
93		SVFII	125,000	0.03235%	\$ 72,787
94		SVFII	375,000	0.09705%	\$ 218,360
95		SVFII	250,000	0.06470%	\$ 145,573
97		SVFII	600,000	0.15528%	\$ 349,376
98		SVFII	1,000,000	0.25880%	\$ 582,293
99		SVF	25,000	0.00647%	\$ 14,557
100		SVFII	500,000	0.12940%	\$ 291,146
101		SVFII	500,000	0.12940%	\$ 291,146
102		SVFII	160,000	0.04141%	\$ 93,167
103		SVFII	2,500,000	0.64699%	\$ 1,455,732
104		SVFII	175,000	0.04529%	\$ 101,901
105		SVFII	500,000	0.12940%	\$ 291,146
106		SVFII	1,000,000	0.25880%	\$ 582,293
107		SVFII	600,000	0.15528%	\$ 349,376
108		SVFII	500,000	0.12940%	\$ 291,146
109		SVFII	600,000	0.15528%	\$ 349,376
110		SVFII	500,000	0.12940%	\$ 291,146
111		SVFII	75,000	0.01941%	\$ 43,672
112		SVFII	1,500,000	0.38820%	\$ 873,439
113		SVFII	375,000	0.09705%	\$ 218,360
114		SVFII	1,000,000	0.25880%	\$ 582,293
115		SVFII	7,000,000	1.81158%	\$ 4,076,049
116		SVFII	1,270,000	0.32867%	\$ 739,512
117		SVFII	4,000,000	1.03519%	\$ 2,329,171
118		SVFII	1,600,000	0.41407%	\$ 931,668
119		SVFII	2,000,000	0.51759%	\$ 1,164,585
120		SVFII	5,000,000	1.29398%	\$ 2,911,464
121		SVFII	500,000	0.12940%	\$ 291,146
122		SVFII	500,000	0.12940%	\$ 291,146
123		SVFII	500,000	0.12940%	\$ 291,146
124		SVFII	2,250,000	0.58229%	\$ 1,310,159
125		SVFII	985,000	0.25491%	\$ 573,558
126		SVFII	400,000	0.10352%	\$ 232,917
127		SVFII	100,000	0.02588%	\$ 58,229
128		SVFII	646,000	0.16718%	\$ 376,161

**Schedule A to Motion for Interim Distribution  
Receiver's Proposed Distributions**

1	2	3	4	5	6
Claimant No.	Footnote Ref.	Fund Invested In	Court-approved Allowed Claim Amount	Proposed Distribution (%)	Proposed Prorated Distribution Amount
129		SVFII	500,000	0.12940%	\$ 291,146
130		SVFII	1,000,000	0.25880%	\$ 582,293
131		SVFII	875,000	0.22645%	\$ 509,506
132		SVFII	1,325,000	0.34291%	\$ 771,538
133		SVFII	30,900,000	7.99682%	\$ 17,992,845
134		SVFII	3,500,000	0.90579%	\$ 2,038,025
135		SVFII	1,500,000	0.38820%	\$ 873,439
136		SVFII	1,000,000	0.25880%	\$ 582,293
137		SVFII	1,500,000	0.38820%	\$ 873,439
138		SVFII	500,000	0.12940%	\$ 291,146
139		SVFII	500,000	0.12940%	\$ 291,146
140		SVFII	1,780,000	0.46066%	\$ 1,036,481
141		SVFII	1,000,000	0.25880%	\$ 582,293
142		SVFII	500,000	0.12940%	\$ 291,146
143		SVFII	1,000,000	0.25880%	\$ 582,293
144		SVFII	500,000	0.12940%	\$ 291,146
145		SVFII	2,000,000	0.51759%	\$ 1,164,585
146		SVFII	1,500,000	0.38820%	\$ 873,439
147		SVFII	250,000	0.06470%	\$ 145,573
148		SVFII	1,000,000	0.25880%	\$ 582,293
149		SVFII	1,250,000	0.32350%	\$ 727,866
150		SVFII	500,000	0.12940%	\$ 291,146
151		SVFII	2,800,000	0.72463%	\$ 1,630,420
152		SVF	1,000,000	0.25880%	\$ 582,293
153		SVF	144,000	0.03727%	\$ 83,850
154	2	SVF	888,191	0.22986%	\$ 517,187
155	2	SVFII	500,000	0.12940%	\$ 291,146
156	2	HVF	1,089,749	0.28202%	\$ 634,553
184		SVFII	166,667	0.04313%	\$ 97,049
185		SVFII	166,667	0.04313%	\$ 97,049
186		SVFII	166,667	0.04313%	\$ 97,049
187		SVF	125,000	0.03235%	\$ 72,787
188		SVF	191,659	0.04960%	\$ 111,602
189		SVF	661,860	0.17129%	\$ 385,396
190		SVF	80,000	0.02070%	\$ 46,583
191		SVF	6,322,000	1.63611%	\$ 3,681,255
192		SVF	1,455,074	0.37657%	\$ 847,279
193		SVF	420,195	0.10875%	\$ 244,676
194		SVF	201,000	0.05202%	\$ 117,041
195		SVF	800,000	0.20704%	\$ 465,834
196		SVF	35,000	0.00906%	\$ 20,380
197		SVF	430,000	0.11128%	\$ 250,386

**Schedule A to Motion for Interim Distribution  
Receiver's Proposed Distributions**

1	2	3	4	5	6
Claimant No.	Footnote Ref.	Fund Invested In	Court-approved Allowed Claim Amount	Proposed Distribution (%)	Proposed Prorated Distribution Amount
198		SVF	1,425,000	0.36879%	\$ 829,767
199		SVF	143,787	0.03721%	\$ 83,726
200		SVFII	2,000,000	0.51759%	\$ 1,164,585
201		SVF	1,375,000	0.35585%	\$ 800,652
202		SVF	324,800	0.08406%	\$ 189,129
203		SVF	442,400	0.11449%	\$ 257,606
204		SVF	499,000	0.12914%	\$ 290,564
205		SVF	645,000	0.16692%	\$ 375,579
206		SVF	165,543	0.04284%	\$ 96,394
207		SVF	1,168,655	0.30244%	\$ 680,500
208		SVF	550,000	0.14234%	\$ 320,261
213		SVF	23,690,000	6.13090%	\$ 13,794,515
214		SVF	10,755,000	2.78336%	\$ 6,262,558
215		HVF	24,276	0.00628%	\$ 14,136
216		SVF	28,290	0.00732%	\$ 16,473
217	3	GF	120,020,129	31.06082%	\$ 69,886,848
219		Creditor	44,621	0.01155%	\$ 25,982
220		Creditor	23,277	0.00602%	\$ 13,554
221		SVF	500,000	0.12940%	\$ 291,146
222		SVF	500,000	0.12940%	\$ 291,146
223		SVF	50,000	0.01294%	\$ 29,115
			<b>\$ 386,403,591</b>	<b>100%</b>	<b>\$ 225,000,000</b>

Note 1: For Claimant number 1 and all other claimants, the proposed distribution percentages in column 5 have been rounded to five decimal places.

Note 2: These claims belong to Founding Partners Capital Management Company, which invested in SVF, SVFII, and HVF, and is a Receivership Entity.

Note 3: Claimant 217 is an institutional investor that filed a proof of claim on behalf of the Global Fund Class A Inc. and B Inc. investors representing the net investment of such investors.

UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF FLORIDA  
FORT MYERS DIVISION

CASE NO.: 2:09-CV-229-JES-CM

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

vs.

FOUNDING PARTNERS CAPITAL MANAGEMENT  
and WILLIAM L. GUNLICKS,

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.,

Relief Defendants.

---

**ORDER APPROVING RECEIVER'S PROPOSED OBJECTION PROCEDURE**

This matter comes before the Court on the Receiver's Motion for Court Approval of the Interim Distribution of Funds ("Motion") (Doc. #\_\_\_) filed on March 31, 2021.

The Securities and Exchange Commission does not object to the relief sought by the Receiver in the Motion. The Court approves the objection procedures set forth by the Receiver and takes the Receiver's Motion under advisement pending completion of the objection procedures.

Accordingly, it is hereby

ORDERED:

1. The Receiver's Proposed Objection Schedule (Doc. #\_\_\_) is approved to the extent that the following objection procedure is adopted:



- a. Approved Claimants shall have 14 days from the date of this order to file an objection with the Court.
  - b. If Approved Claimants do not object within the time frame provided in paragraph 1(a), the Receiver's Motion will be deemed sustained with prejudice as to that Approved Claimant, and the right of the Approved Claimant to object will be deemed irrevocably waived.
  - c. The Receiver shall file any responses to timely filed Approved Claimant objections within 10 days of the objection deadline.
  - d. The Court may set a hearing date on objections. If no hearing date is set, the Court will resolve the Receiver's Motion based on the written materials that have been timely filed.
  - e. The Receiver shall serve on Approved Claimants, by mail or email, a copy of this Motion, proposed order, applicable claim numbers, and a written notice stating that deadlines for objection will be set by the Court. The Receiver shall also publish this Motion, the proposed order, and the same written notice on the Receivership website at [www.foundingpartners-receivership.com](http://www.foundingpartners-receivership.com).
2. The Receiver's Motion is TAKEN UNDER ADVISEMENT pending completion of the objection schedule set forth above.

DONE AND ORDERED in Fort Myers, Florida, on this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

---

JOHN E. STEELE  
SENIOR UNITED STATES DISTRICT JUDGE

Copies furnished:  
All counsel of record