

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
GREENVILLE DIVISION

In re Receiver for Scott A. Kohn,)
Future Income Payments, LLC,) Civil Action No. 6:19-cv-01112-BHH
Joseph P. Hipp, Kraig S. Aiken,)
and David N. Kenneally)

ORDER

This matter is before the Court on 398 individuals and families’ (“Movants”) Motion to Clarify or in the Alternative Partially Lift Stay Order and Memorandum in Support (“Motion”). (ECF No. 30.) Potential intervenor Shurwest LLC filed a Response in Opposition. (ECF No. 36.) The Court is advised that the Motion was made with the knowledge and consent of Beattie B. Ashmore, the Court-appointed Receiver in this case. Further, the Receiver supports the Motion in that the efforts of the Movants ultimately could recover funds for victims from sources beyond the reach of the Receiver, thereby reducing the number of victims in this case and increasing the distribution to the remaining victims.

After review, the Court finds that Movants are permitted to intervene for the limited purpose described in the Motion and GRANTS the requested relief (ECF No. 30) as follows. Movants are hereby bound by an agreement with the Receiver with regard to all cases Movants are pursuing or will pursue against any individual or entity covered by the stay provision of the Order of Appointment (ECF No. 1), wherein the Receiver will be granted a priority interest in all recoveries that involve any asset, including real or personal property, cash or other assets (“Assets”) of an individual or entity covered by the stay provision set forth in the Order of Appointment. Based upon this agreement, the Court

hereby partially lifts the stay set forth in the Order of Appointment. Therefore, in these cases, Movants will not attempt to settle or collect a judgment regarding any assets of any individual or entity covered by the stay provision set forth in the Order of Appointment without acknowledging and first satisfying the Receiver's priority interest and/or holding that interest in escrow, if applicable. This ruling does not apply to recoveries obtained from errors and omissions, liability insurance, or other applicable insurance coverage.

Shurwest LLC filed a competing Motion to Intervene and Memorandum in Support. (ECF No. 35). Because the substance of Shurwest's Motion is limited to the Court's ruling on the applicability of the stay, it is now moot and is DENIED as such.

IT IS SO ORDERED.

/s/Bruce Howe Hendricks
United States District Judge

January 27, 2020
Greenville, South Carolina