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**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW JERSEY**

**COMMODITY FUTURES TRADING )  
COMMISSION, )**

**Plaintiff, )**

**vs. )**

**EQUITY FINANCIAL GROUP, LLC, )  
TECH TRADERS, INC., TECH )  
TRADERS, LTD., MAGNUM )  
INVESTMENTS, LTD., MAGNUM )  
CAPITAL INVESTMENTS, LTD., )  
VINCENT J. FIRTH, ROBERT W. )  
SHIMER, COYT E. MURRAY, and J. )  
VERNON ABERNETHY )**

**Defendants. )**

**Civil Action No.: 04CV 1512**

**Honorable Robert B. Kugler**

Hearing Date: November 17, 2006

**MEMORANDUM IN SUPPORT OF MOTION OF EQUITY RECEIVER FOR  
AUTHORITY TO SETTLE DISPUTES WITH MARSHALL LAFAR**

Stephen T. Bobo (the "Receiver"), the Equity Receiver for Defendants Equity Financial Group, LLC, Tech Traders, Inc., Tech Traders, Ltd., Magnum Investments, Ltd., Magnum Capital Investments, Ltd., Robert W. Shimer and Vincent J. Firth, requests authority to compromise the receivership estate's disputes with Marshall LaFar. In support of his motion, the Receiver states as follows:

1. On January 19, 2005, this Court entered an order granting the Receiver's motion for authority to sell the computer equipment, furniture and other equipment in Tech Traders' offices to its landlord, Marshall LaFar. The purchase price for the equipment was to be \$22,000.

2. As explained in the accompanying affidavit of Stephen T. Bobo in support of this motion, since that time, disputes have arisen between the Receiver and Mr. LaFar regarding some third-party claims to ownership of certain computer router equipment and the Receiver's deletion of all software from the computers, including their operating systems. Consequently, the transaction was never consummated, and the equipment remained in the Tech Traders premises in Gastonia, North Carolina. The Receiver and Mr. LaFar have each asserted that the other party has breached the agreement. In addition, Mr. LaFar has asserted that the receivership estate owes additional amounts for rent for the space and for some water damage to the premises, which the Receiver denies.

3. The Receiver has been unable to locate an alternative purchaser for the Tech Traders' equipment and furniture.

4. In order to provide for an overall resolution of the various disputes between them, the Receiver and Mr. LaFar have agreed that Mr. LaFar shall pay the reduced amount of \$5,000 to the receivership estate for Tech Traders' right, title and interest in and to all of the personal property in the Gastonia premises, as is and where is. The Receiver and Mr. LaFar agree that through this transaction, all claims, liabilities and causes of action by either Mr. LaFar against the receivership estate or by the receivership estate against Mr. LaFar shall be completely satisfied and discharged.

5. Although this resolution will result in a lower price for the estate, this reduction is likely to be the least expensive way to resolve the various disputes with Mr. LaFar. In addition, it will bring closure to the ongoing issues of the Tech Trader equipment and premises.

Adjudicating the merits of the disputes would likely consume most or all of the difference in price and would present the risk of an adverse result.

6. Mr. LaFar has tendered the \$5,000 to the Receiver in trust pending approval of the Court. The Receiver recommends that the Court authorize him to enter into this settlement with Mr. LaFar on the terms set forth above.

7. The Receiver has discussed this motion with the attorney for the Plaintiff, Commodity Futures Trading Commission, who indicated that she did not object to the relief sought.

WHEREFORE, the Receiver requests the court to enter an order authorizing him to resolve the receivership estate's disputes with Mr. LaFar on the terms set forth above and such other relief as is appropriate in the circumstances.

DATED: October 17, 2006

Respectfully submitted,

STEPHEN T. BOBO  
Equity Receiver

By: s/ Jeffrey A. Carr  
One of his attorneys

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