

348. On July 23, 2009, after learning of this lawsuit, the Millers contacted the bankruptcy trustees for Crown Forex SA to request return of their funds. They have not received a response. Exhibit 123.

349. On July 21, 2009, Universal Brokerage FX posted a “client notice” on its website indicating that Universal Brokerage FX and UBS Fund are “unable to fulfill withdrawal or redemption requests.” See Exhibit 28.

350. The Millers subsequently obtained a check copy from their bank indicating that a portion of their funds were not deposited with “Crown Forex SA,” but were instead deposited with “Crown Forex LLC,” at Associated Bank Account No. *****1705. Exhibit 124.

351. To date, the Millers’ withdrawal requests have not been honored, and the only information they have regarding the existence and location of their investment is check copies and wire transfers indicating that their funds were deposited with Crown Forex LLC’s Associated Bank Account No. *****1705. They have received no other information from Defendants regarding the existence or location of their investment.

P. Plaintiff Stephen Flemmons

352. Plaintiff Stephen Flemmons (“Flemmons”) learned of the foreign currency arbitrage program through Patrick Kiley’s radio show “Follow the Money,” to which he began listening in January 2009. On the radio show, Kiley represented that the program provided double digit returns.

353. Flemmons contacted Kiley for additional information on the program. In response, Kiley sent Flemmons a letter highlighting the global markets strategy. The

letter also stated: “Financial security is paramount to every investor. The safety and integrity of customer funds on deposit are ensured by measures enacted by the Federal Government, various exchanges, and the firm itself. Customers funds are held in segregated accounts providing safety, security and liquidity.” Exhibit 125.

354. In addition, Flemmons had several conversations with Kiley prior to investing, wherein Kiley represented that the program never lost money, that it was “impossible” to earn less than 11.25% interest, and that funds were held in segregated accounts, FDIC insured, and “liquid 24/7.”

355. Based on these representations, Flemmons invested with Kiley and Universal Brokerage’s foreign currency arbitrage program. Flemmons rolled over IRA funds to a self-directed IRA with Entrust Group, which then transferred the funds to Universal Brokerage. Exhibit 126. Universal Brokerage allegedly placed the funds with Crown Forex SA. The total amount of Flemmons’ investment in the program is \$125,639.00.

356. In conjunction with his investment, Flemmons received account statements from Universal Brokerage, Entrust and, ostensibly, Crown Forex SA. See, e.g. Exhibit 127.

357. After Flemmons noticed discrepancies between his Crown Forex and Entrust statements, he contacted Kiley. Kiley indicated that this was Entrust’s error and a result of their failure to receive updates. When his second quarterly report continued to have discrepancies, Flemmons again contacted Kiley, but Kiley never returned his call.

358. In July 2009, Flemmons received a letter from Oxford Global Partners informing him of this lawsuit and the Crown Forex SA bankruptcy, and indicating that it was “unable to fulfill withdrawal or redemption requests.” See, e.g., Exhibit 12.

359. To date, Flemmons has no access to his funds, and he has received no information from Defendants regarding the existence or location of his investment.

Q. Plaintiff Joseph Kalina

360. Plaintiff Joseph Kalina (“Kalina”) learned of the foreign currency arbitrage program through Kiley’s radio show, “Follow the Money,” to which he began listening in 2008.

361. On or about November 4, 2008, Kalina spoke with Kiley about investing in the foreign currency arbitrage program through Universal Brokerage FX. They arranged a meeting at Universal Brokerage FX offices to further discuss investing in the program.

362. On November 11, 2008, Kalina met with Kiley and Smith at Universal Brokerage FX. During their meeting, Kiley explained that he had worked 22 years in the financial industry, and was constantly monitoring the markets overseas in order to make money for his investors. When Kalina asked if it was possible to lose an investment in the program, Kiley represented that there was “no way to lose” because even if the stock market collapsed, investments in the program would still earn a minimum of 10-12%. Kiley also represented that Kalina could withdraw his investment “24/7,” that his funds would be held in a separate account, and that he would not have to pay taxes on earnings. In response to Kalina’s inquiry about tax-free earnings, Kiley indicated that there were legal “ways of getting around” taxes.

363. Kalina also received a letter and investment materials from Kiley. In the letter, Kiley highlighted the profitability of Universal Brokerage FX's global market strategy, and stated that this strategy "can perform regardless of what the stock market does." Kiley also represented the following: "Financial security is paramount to every investor. The safety and integrity of customer funds on deposit are ensured by measures enacted by the Federal Government, various exchanges, and the firm itself. Customer funds are held in segregated accounts providing safety, security and liquidity." Exhibit 128.

364. The brochure entitled "Institutional Grade Investments for the Individual Investor" represented the foreign currency arbitrage program as follows: "Liquidity: All positions are 100% liquid on 24 hours basis. Trading Discipline: 100% of the time the long USD/JPY position is fully insured" and "Funds are deposited with a commercial bank in the client's name. Statements are issued quarterly. Customer funds are held in segregated accounts—they are not co-mingled with other clients' or company funds. Customer funds are always 100% liquid—24 hours per day and may be withdrawn at any time." Exhibit 129.

365. Another brochure entitled "Currencies," also represented that the program provides "liquidity or access to your funds 24 hours per day," "stability," and "strong returns." Id.

366. Based on these representations, Kalina invested in the program with Kiley and Universal Brokerage on November 12, 2008. To invest, Kalina rolled over IRA proceeds to Entrust Midwest, LLC, which then transferred the funds to Universal

Brokerage. Exhibit 130. Universal Brokerage was to invest the funds through Crown Forex SA. The total amount of Kalina's investment in the program is \$101,497.84.

367. In conjunction with his investment, Kalina entered into a Customer Trade Agreement for Individual Accounts with Crown Forex SA, and received account statements from Universal Brokerage FX and, ostensibly, Crown Forex SA. Exhibit 131; see, e.g., Exhibits 132-133.

368. After investing his funds, Kalina learned that he had two accounts. In early December 2008, Kalina contacted Kiley and Smith to question why he had two accounts, but did not receive a response. On December 16, 2008, Kalina finally received a return call from Smith, who indicated that there were two accounts because two checks were deposited to fund his investment. Smith stated that Kalina's account statement would reflect the incorporation of the two accounts into a single account.

369. Throughout January and February 2009, Kalina contacted Kiley via e-mail and telephone with questions regarding his account, but never received a response.

370. On April 29, 2009, Kalina e-mailed customer support at www.crownforex.com, about setting up an online account, but did not receive a response.

371. On April 30, 2009, Kalina was able to reach Smith who provided him an online account password to access his account. Exhibit 134. During this conversation, Kalina requested copies of his investment paperwork from Smith, and she stated that she would follow-up with Kiley.

372. On or about May 4, 2009, Kalina again contacted Smith about obtaining his paperwork. Smith stated that his account file would now be handled by Jared Jenkins, who would be contacting Kalina shortly.

373. On or about May 6, 2009, Jenkins contacted Kalina and agreed to provide the requested paperwork. During this conversation, Kalina asked if there was any chance that he could lose his investment, to which Jenkins responded “no way.” Jenkins represented that the worst case scenario was that Kalina would not earn income on his investment, but that his principal would remain secure. Jenkins never provided the requested paperwork.

374. On July 21, 2009, Kalina received a letter informing him that Crown Forex SA was in bankruptcy and directing him to the Crown Forex SA website for more information. See Exhibit 13. After visiting the website, Kalina e-mailed the Crown Forex SA trustees about recovering his funds, but received no response.

375. On July 21, 2009, Universal Brokerage FX posted a “client notice” on its website indicating that Universal Brokerage FX and UBS Fund are “unable to fulfill withdrawal or redemption requests.” See Exhibit 28.

376. On July 27, 2009, Kalina contacted Entrust for information on the status of his investment, who directed him to Star Tribune newspaper articles about this lawsuit.

377. Subsequently, Kalina sent his Crown Forex SA and Universal Brokerage documentation to the Crown Forex SA liquidators and trustees, but has received no response.

378. To date, Kalina has no access to his funds, and the only information he has regarding the existence and location of his investment are wire transfer documents indicating that his funds were deposited with Crown Forex LLC's Associated Bank Account No. *****1705. He has received no other information from Defendants regarding the existence or location of his investment. Exhibit 135.

R. Plaintiff Bill McLeod

379. Plaintiff Bill McLeod ("McLeod") first learned of the foreign currency arbitrage program through Patrick Kiley's radio show, "Follow the Money," to which he began listening in 2007. McLeod considered Kiley credible given that he hosted well-known economist Bob Chapman on his radio show.

380. On his radio show, Kiley represented that investments in the foreign currency arbitrage program had always earned "double digits," were instantly accessible with "the push of a computer key," and were held in a safe location.

381. In 2007, McLeod sought additional information from Kiley regarding the foreign currency arbitrage program, and they had numerous telephone conversations wherein Kiley represented that he was earning 40% returns for his clients, and that he was constantly monitoring the investments and the markets.

382. Based on these representations, McLeod invested with Kiley in the foreign currency arbitrage program. To make the investment, McLeod surrendered an annuity in that amount. Exhibit 136. The total amount of McLeod's investment in the program is \$97,555.91.00.

383. In conjunction with his investment, McLeod completed a UBS Diversified Growth application and entered into a UBS Diversified Subscription Agreement, and received account statements from both Universal Brokerage FX and UBS Diversified. Exhibit 137; see, e.g., Exhibits 138-139.

384. When his earnings were far less than represented, McLeod contacted his Universal Brokerage advisor, Mike Beehm, who forecasted higher future earnings. McLeod's returns never reached these forecasted amounts, much less the amounts represented by Kiley.

385. In July 2009, McLeod learned of this lawsuit when Bob Chapman was a guest on a radio show and commented that investors with Kiley had lost their money and would likely never see it again.

386. McLeod immediately went on the Internet to gather information about Kiley and Universal Brokerage. During this search, McLeod learned for the first time of Kiley's affiliation with Cook. McLeod contacted Cook and left a message, but did not receive a return call. McLeod also contacted Kiley, Universal Brokerage and UBS to withdraw his funds, but there was either no answer or his messages were not returned. Calls to Beehm's telephone number revealed that it had been disconnected.

387. On July 21, 2009, Universal Brokerage FX posted a "client notice" indicating that Universal Brokerage FX and UBS Fund are "unable to fulfill withdrawal or redemption requests." See Exhibit 28.

388. To date, McLeod has no access to his funds, and he has received no information from Defendants regarding the existence or location of his investment.

S. **Plaintiff James Downing III**

389. Plaintiff James Downing III (“Downing”) learned of the foreign currency arbitrage program through Patrick Kiley’s radio show, “Follow the Money,” to which he had listened since 2004. On his radio show, Kiley discussed how the average investor was being “robbed” by their broker or § 401k provider through fees and commissions. Kiley advised listeners to invest in the program because he could guarantee double digit returns with no ties to the stock market. Kiley represented that investments in the program made money regardless of fluctuations in the stock market, and that the investments were secure, held in segregated accounts, and available for withdrawal 100% of the time.

390. In April 2006, Downing contacted Kiley for additional information on the program because of lack of earnings of his § 401k plan. During their telephone conversation, Kiley explained the procedure for rolling over § 401k proceeds to a self-directed IRA, which Kiley and his company “Universal Brokerage Services” would then invest on Downing’s behalf. Kiley also reiterated his representations that the investment would be secure, liquid, held in a segregated account, and earn double digit returns.

391. During their conversation, Downing asked questions regarding where his funds would be invested, the tax status of the investment, and the contact people for his investment. Kiley responded that the funds were being invested in foreign currencies, the investment was tax-deferred, and that Kiley and Trevor Cook would be his contacts.

392. Subsequently, Downing invested in the program with Patrick Kiley and Universal Brokerage FX. To invest, Downing rolled over § 401k proceeds into a self-

directed IRA at Millennium Trust. Exhibit 140. The total amount of Downing's investment in the program is \$38,346.00.

393. To fund Downing's Universal Brokerage FX account, Millennium was required to send a wire transfer to "PFG, Inc. Forex Customer Segregated Funds Account," account number *****796, at J.P. Morgan Chase, Bank Swift #CHASUS33, New York, New York, Bank ABA: *****0021. Exhibit 141.

394. In conjunction with his investment, Downing received account statements from Universal Brokerage FX and UBS Diversified. Downing was also able to check the status of his account on Millennium Trust's website. See, e.g., Exhibits 141-142.

395. Downing checked his account on the Millennium website and was surprised to learn that his portfolio summary was not earning the types of returns that Kiley had represented.

396. In January 2008, Downing contacted Kiley and left a message asking him to explain the low 9% rate of return on his investment in 2007. In response, Downing received a call from Brian Seiwert on January 10, 2008, who indicated that the opportunities for making larger returns were not available in 2007 as they had been previously. See Exhibit 143.

397. In summer 2008, Kiley announced on his radio show that frequent guest Bob Chapman would no longer be on the air with him under advisement of Kiley's attorney. Kiley claimed that he did not want to get involved in Chapman's "legal issues."

398. Downing first learned of this lawsuit through Chapman's July 2009 newsletter. The newsletter provided a link to the Star Tribune articles detailing the lawsuit.

399. Downing immediately contacted Kiley regarding the lawsuit and the status of his investment, but was told that Kiley "is out of town" and would respond when he returned. Kiley never responded to this message.

400. On July 21, 2009, Downing received letters from both Universal Brokerage FX/UBS Fund and Oxford Global Partners, LLC, which informed him of the lawsuit and Crown Forex SA's bankruptcy proceedings, and indicated that these entities are "unable to fulfill withdrawal or redemption requests." See, e.g., Exhibit 13.

401. To date, Downing has no access to his funds, and he has received no information from Defendants regarding the existence or location of his investment.

T. Plaintiffs Edgar and Linda Stephenson

402. Plaintiffs Edgar and Linda Stephenson ("the Stephensons") learned of the foreign currency arbitrage program when they began listening to Kiley's radio show, "Follow the Money" in early 2008. On the show, Kiley represented that investments in the program were fully liquid, transparent, protected, and would earn double digit returns.

403. During January 2008, the Stephensons had multiple telephone conversations with Kiley about investing in the program. During these conversations, he again represented that the investments were thoroughly safe, that the program had earned double digit returns for twenty-one years, and that the accounts were segregated. Kiley also stated that he is "no Bernie Madoff."

404. Kiley also sent the Stephensons a letter in which he represented the following: “Financial security is paramount to every investor. The safety and integrity of customer funds on deposit are ensured by measures enacted by the Federal Government, various exchanges, and the firm itself. Customers funds are held in segregated accounts providing safety, security and liquidity.” Exhibit 144.

405. Prior to investing, the Stephensons also spoke with Universal Brokerage representative, Mike Beehm. Beehm encouraged them to invest, and indicated that clients were getting from 11.5% to 18% returns on their investments.

406. Based on these representations, the Stephensons invested in the foreign currency exchange program with Kiley and Universal Brokerage on January 29, 2008. To invest, the Stephensons rolled over two IRA accounts into self-directed IRAs with Millennium Trust Company and Entrust Midwest LLC, and wrote two checks to Universal Brokerage in the amount of \$125,000.00. See, e.g., Exhibits 145-147. The total amount of the Stephensons’ investment in the program is \$310,627.86.

407. In conjunction with their investment, the Stephensons completed a Universal Brokerage Client Application, entered into a Customer Trading Agreement for Individual Accounts with Crown Forex SA, and received account statements from Universal Brokerage FX and, ostensibly, Crown Forex SA. Exhibits 148-149; see, e.g., Exhibit 150.

408. On November 24, 2008, the Stephensons made a \$1,000.00 withdrawal request from their IRA account to confirm that their funds were instantly liquid as represented. They contacted their Universal Brokerage representative, Jared Jenkins,

who had them send withdrawal forms directly to Millennium Trust Company. Shortly thereafter, Linda Stephenson received a telephone call from Julia Smith, Kiley's assistant, who inquired if they had received their \$1,000.00 withdrawal. Linda Stephenson told Smith that they had sent the withdrawal forms directly to Millennium per Jenkins' instructions. Smith stated that this was not the correct procedure and that the Stephensons should make future withdrawal requests directly to Universal Brokerage. Jenkins later indicated that Kiley maintained extreme control over client funds, and micro-managed all transactions. The Stephensons subsequently received \$1,000.00 in funds pursuant to their request. Exhibit 151.

409. On July 10, 2009, the Stephensons received a notification from Entrust informing them of the lawsuit against Universal Brokerage FX. The Stephensons immediately attempted to contact Kiley and Trevor Cook to obtain information about their investment. Kiley and Cook never returned these calls.

410. The Stephensons then called every telephone listing for Universal Brokerage and the other UB Entities, but received automated messages that "all agents are busy" and that they should leave a message. The Stephensons never received responses to the messages they left.

411. On July 17, 2009, the Stephensons made written withdrawal requests to Kiley, Universal Brokerage, and the other UB Entities, demanding closure of their accounts and return of all invested funds. No response was received, and these requests were not honored. See, e.g., Exhibit 152.

412. The Stephensons also faxed withdrawal requests to Entrust and Millennium. Entrust and Millennium contacted Kiley and Universal Brokerage regarding the withdrawal requests, but never received a response. See, e.g., Exhibit 153.

413. The Stephensons also contacted Crown Forex SA via telephone, but could not reach anyone.

414. On July 21, 2009, Universal Brokerage FX posted a “client notice” indicating that Universal Brokerage FX and UBS Fund are “unable to fulfill withdrawal or redemption requests.” See Exhibit 28.

415. On August 19, 2009, the Stephensons sent a letter to the Crown Forex SA trustees requesting information on the status of their accounts. They have yet to receive a response.

416. To date, the Stephensons’ withdrawal requests have not been honored.

417. The only information regarding the existence or location of the Stephensons’ funds is a wire transfer document indicating that a portion of their IRA proceeds went to Crown Forex LLC, 5413 Nicollet Avenue, Suite 14, at Associated Bank Account Number *****1705, rather than Crown Forex SA. Exhibit 154. They have received no other information from Defendants regarding the existence or location of their investment.

U. Plaintiff Ronald B. Stolpman

418. Plaintiff Ronald B. Stolpman (“Stolpman”) learned of the foreign currency arbitrage program through an April 2009 article in “Twin Cities Business” magazine about Oxford and Beckman. The article, written by Mr. Tony Carideo, featured

Beckman and his “remarkable achievement” of keeping his investment performance for 2008 to only a 3% loss as compared to a 39% loss by the S&P 500 for the same time period. Stolpman was very impressed by these figures and was looking for an investment advisor who could demonstrate that kind of conservative approach to investing. Exhibit 155.

419. On April 16, 2009, Stolpman contacted Oxford for additional information, and spoke with Tom Richardson, who identified himself as Chief Operating Officer for Oxford Global Partners, and Paul Wood, who identified himself as Senior Investment Advisor for Oxford Private Client Group. Exhibit 156. They discussed the article and transferring Stolpman’s investment portfolio to the Oxford Companies.

420. On April 20, 2009, Stolpman again spoke with Wood about investing funds with Oxford, transferring his portfolio to Oxford, and Oxford’s “Global Enhanced Return Strategy.” Wood represented that the Global Enhanced Strategy provided instant liquidity and segregated accounts with the enhanced returns of a foreign currency arbitrage.

421. Wood provided Stolpman with various materials to review. These materials included a “Global Enhanced Return Strategy” brochure, which indicated that the strategy involves “segregated client accounts in one of the most well-capitalized financial institutions in the world,” “daily liquidity,” “capital protection” and “24/7 account reporting.” Exhibit 157.

422. Wood also provided a brochure entitled “The Oxford Core Equity Portfolio,” which stated that “our active portfolio management seeks to maintain a risk

level (standard deviation) less than that of an index while realizing above index performance.” Id.

423. In a Oxford Private Client Group quarterly report provided by Wood, Beckman represented that “the Oxford Core” had returns “a full 35 percent better than the S&P 500.” Id.

424. The information provided to Stolpman also included marketing materials by Oxford Global Partners and Oxford Private Client Group, both of which emphasized a focus on “capital preservation.” Id.

425. Based on the foregoing information and representations, Stolpman transferred \$377,000.00 to Entrust Midwest, LLC, as directed by Wood, \$100,000.00 of which was to be put in the Global Enhanced Return Strategy, with the remaining amount to be held temporarily in a money market fund. This would allow time for Stolpman to devise an investment strategy with Beckman at Oxford Private Client Group.

426. To invest, Stolpman converted the portfolio of stocks held in his Vanguard SEP-IRA to cash and rolled over those funds from his Vanguard IRAs to a self-directed IRA with Entrust Midwest, LLC. Exhibit 158. The funds transferred to Entrust Midwest (\$100,000.00) were then to be transferred to Crown Forex SA. In conjunction with his investment, Stolpman completed a Crown Forex Customer Trading Agreement for Individual Accounts. Exhibit 159.

427. On May 15, 2009, Wood provided Stolpman information on his “Crown Forex” account, and installed software on Stolpman’s computer so that Stolpman could access account activity.

428. On June 2, 2009, Stolpman received his Crown Forex SA account number and personal identification number, which enabled him to track his investment. When Stolpman checked his account, he learned that, contrary to his instructions, the entire \$377,000.00 investment had been placed in the Crown Forex account. Stolpman contacted Wood about the issue, and was told that Beckman had decided that the Crown Forex account was the best location for temporarily investing all of the funds.

429. On July 8, 2009, Wood contacted Stolpman to inform him that something “suspicious” was going on regarding Crown Forex. Wood recommended that Stolpman withdraw his funds from Crown Forex.

430. Stolpman then contacted Oxford and spoke to Erickson, who advised him to visit the Crown Forex website (www.crownforex.info) for more information. Stolpman visited the website and discovered that Crown Forex SA was in receivership and had been put into bankruptcy on May 19, 2009. Exhibit 160.

431. Based on this information, Stolpman completed a Crown Forex withdrawal form seeking liquidation of all funds in his account. Exhibit 161. Stolpman submitted the completed withdrawal form to Wood, who indicated that he had left Oxford a week earlier. Wood also indicated that Cook was the Oxford representative responsible for the Crown Forex SA investments. Wood told Stolpman that he would give the withdrawal form to Ryan Moeller, an associate of Cook responsible for handling the Crown Forex SA paperwork, that same day.

432. Stolpman also asked Entrust Midwest to provide him with its withdrawal form for submission to Cook and Crown Forex SA. Stolpman completed the form and faxed it back to Entrust Midwest who forwarded it to Cook at Oxford.

433. On July 17, 2009, Stolpman called Eric Erickson at Oxford regarding his withdrawal request. Erickson stated that Stolpman's Crown Forex account was closed and that the funds would be remitted shortly.

434. When his funds were not forthcoming, Stolpman contacted the trustees of Crown Forex SA to inquire about his account. Exhibit 162. Stolpman was told "unequivocally that [his] money was never received by Crown Forex SA."

435. Stolpman then had several conversations with Beckman regarding the status of his investment. Beckman indicated that he had used "auditors" to investigate Crown Forex before he decided to get involved. Beckman indicated that Cook was responsible for the Crown Forex investments. Beckman also passed along an e-mail from Shadi Swais, CEO of Crown Forex, who indicated that "Crown Forex is doing well as usual, and your client's investments are safe." Exhibit 163.

436. Subsequently, Stolpman requested and received a copy of the wire transfer from Entrust to Crown Forex SA. The wire transfer information indicated that Stolpman's funds went to "Crown Forex LLC" instead of "Crown Forex SA." The funds were deposited into Associated Bank Account No. *****1705. Exhibit 164.

437. Stolpman later learned that "Crown Forex LLC" was not an active, registered entity.

438. When Stolpman attempted to contact the Associated Bank representative named in the wire transfer instructions, he learned that the representative had been terminated on July 21, 2009.

439. To date, Stolpman's withdrawal requests have not been honored, and he has received no other information from Defendants regarding the existence or location of his investment.

V. Plaintiff Donald Moran

440. Plaintiff Donald Moran ("Moran") learned of the foreign currency arbitrage program through Kiley's show, "Follow the Money," to which he began listening in late 2007. On the radio show, Kiley represented that investments in the program were liquid, immediately available, held in segregated accounts, and would earn substantial returns.

441. In early 2008, Moran called the 800-number provided on Kiley's radio show to obtain additional information. Kiley returned the call and reiterated the liquidity, security, and rate of return of investments in the program. Kiley sent Moran an informational packet that detailed the double digit yearly returns that the program consistently returned to investors.

442. Based on these representations, Moran invested in the foreign currency arbitrage program through Kiley. To invest, Moran rolled over IRA proceeds to a self-directed IRA account with Entrust Group, which were then to be invested with Crown Forex SA. Exhibit 165.

443. As part of his investment, Moran also wrote three checks totaling \$100,000.00, which were to be invested with Crown Forex SA. One \$50,000.00 check

was made payable to Universal Brokerage FX on April 4, 2008. Per Kiley's instructions, the other two checks were made payable to "Crown" on October 17, 2008. The total amount of Moran's investment in the program is \$330,000.00. Exhibit 166.

444. In conjunction with his investment, Moran completed a Universal Brokerage Client Application, entered into a Crown Forex Customer Trading Agreement for Individual Accounts, and received account statements from Universal Brokerage FX and, ostensibly, Crown Forex SA. Exhibits 167-168; see, e.g., Exhibit 169. After investing, Moran's primary contact at Universal Brokerage FX was Brian Seiwert.

445. On July 23, 2009, Moran received a letter from Universal Brokerage FX/UBS Fund informing him of the lawsuit, and indicating that these entities "are unable to fulfill withdrawal or redemption requests." See Exhibit 13.

446. Moran immediately called Universal Brokerage's offices and left messages regarding the status of his investment, but his calls were never returned. Moran also left messages on Brian Seiwert's cell phone, but also did not receive a response.

447. Moran then visited the Crown Forex SA website and submitted a claim to the trustees pursuant to the instructions. Moran has not received a response from the Crown Forex SA trustees.

448. To date, Moran's withdrawal requests have not been honored. The only information Moran has regarding the existence or location of his investment is a wire transfer document indicating that a portion of his funds went to "Crown Forex LLC," rather than "Crown Forex SA" The funds were deposited in Crown Forex LLC's Associated Bank Account No. *****1705. Exhibit 170.

449. Moran has received no other information from Defendants regarding the existence or location of his investment.

W. Plaintiff Shirley Jacobs

450. Plaintiff Shirley Jacobs (“Jacobs”) learned of the foreign currency arbitrage program through Pat Kiley’s radio show, “Follow the Money,” which she heard about from a relative in the fall 2007.

451. In November 2007, Jacobs contacted Kiley for additional information on the program. During subsequent telephone conversations, Kiley represented that investments in the program were safe, guaranteed, backed by gold, held in segregated accounts at Crown Forex SA in Switzerland, liquid, and “always made double digits.” Kiley advised Jacobs to immediately take her money out of the stock market before she “went broke,” and invest in the foreign currency arbitrage program. Kiley stated that Jacobs would never lack for money if she invested with him.

452. Jacobs also received investment materials from Kiley, which represented the following: “Liquidity: All positions are 100% liquid on 24 hours basis. Trading Discipline: 100% of the time the long USD/JPY position is fully insured” and “Funds are deposited with a commercial bank in the client’s name. Statements are issued quarterly. Customer funds are held in segregated accounts—they are not co-mingled with other clients’ or company funds. Customer funds are always 100% liquid—24 hours per day and may be withdrawn at any time.” Exhibit 171.

453. In addition, Jacobs received a letter from Kiley highlighting Universal Brokerage’s investments in global markets. The letter also stated: “Financial security is

paramount to every investor. The safety and integrity of customer funds on deposit are ensured by measures enacted by the Federal Government, various exchanges, and the firm itself. Customers funds are held in segregated accounts providing safety, security and liquidity.” Exhibit 172.

454. Based on these representations, Jacobs invested in the program with Crown Forex SA through Kiley in January 2008. To invest, Jacobs rolled over IRA proceeds to self-directed accounts at Millennium Trust Company, which were then to be invested with Crown Forex SA. Exhibit 173. The total amount of Jacobs’ investment in the program is \$321,000.00.

455. In conjunction with her investments, Jacobs received account statements from Universal Brokerage FX, UBS Diversified and, ostensibly, Crown Forex SA. See, e.g., Exhibits 174-176.

456. In July 2009, Jacobs requested a \$12,000.00 withdrawal from her Millennium account. The withdrawal was handled by Cook and Smith, and Jacobs subsequently received a \$12,000.00 check from Universal Brokerage FX Management LLC. Exhibit 177.

457. Subsequently, Kiley contacted Jacobs and advised her to switch her self-directed IRA from Millennium to Entrust Group because they were “much better to work with.” Jacobs followed Kiley’s advice and transferred her IRA account to Entrust Group. Exhibit 178.

458. In late July 2009, Jacobs learned of Crown Forex SA’s bankruptcy proceedings in Switzerland while searching the Internet.

459. On July 31, 2009, she contacted Kiley regarding the bankruptcy proceedings and the status of her investment. Kiley indicated that the bankruptcy involved a Swiss bank called "Crown Forex" and not Crown Forex SA. He represented that Jacobs' investment was safe, and that he had no affiliation with the Oxford Companies that were responsible for the Ohio Plaintiffs' situation. Kiley indicated that he had previously warned Cook that Durand was "trouble" and should not do business with him. During their conversation, Kiley condemned Bernie Madoff as a "criminal," and reiterated that Jacobs' funds were safe with him.

460. On August 3, 2009, Jacobs received a letter from Millennium Trust informing her of this lawsuit. Exhibit 179. Jacobs immediately called Kiley's office, but was told that she could not speak with Kiley. When she asked to speak with Kiley's assistant, Smith, she was told that Smith was not taking calls. Subsequent calls were never returned.

461. Jacobs then contacted Crown Forex SA trustee Phillip Von Bredow by telephone regarding the status of her account, and he indicated that Crown Forex SA does not have any accounts with Oxford, UBS, or Patrick Kiley. He stated that all Crown Forex SA account numbers begin with the number "2" and her account number beginning with "3" does not exist. Von Bredow also indicated that they have a small account with UBFX, but that there are no segregated accounts relating to UBFX.

462. To date, Jacobs has no access to her funds, and the only information she has received regarding the existence or location of her investment is a wire transfer document indicating that Entrust wired her funds to a "Crown Forex" account at Associated Bank

Account Number *****1705. Exhibit 180. She has received no other information from Defendants regarding the existence or location of her investment.

X. Plaintiffs Janet and Edgar Johnson

463. Plaintiffs Janet and Edgar Johnson (“the Johnsons”) learned of the foreign currency arbitrage program through Kiley’s radio program, “Follow the Money.”

464. In summer 2008, the Johnsons contacted Kiley for additional information relating to the foreign currency arbitrage program. In their subsequent conversations, Kiley represented that investments in the foreign currency arbitrage program were safe, never earned below 12%, and could be withdrawn at any time with just a telephone call to Kiley. Kiley represented that he was an honest Christian who could provide the Johnsons “a good return on their hard earned money.”

465. Based on these representations, the Johnsons invested in the foreign currency arbitrage program with Kiley. Per Kiley’s instructions, the Johnsons wrote and endorsed checks to UBS Diversified, UBS Diversified Fund, and “Crown” in order to invest. Exhibit 181. The total amount of the Johnsons’ investment in the program is \$840,934.00.

466. In conjunction with their investment, the Johnsons completed a UBS Diversified Growth Application, and received account statements from UBS Diversified and Universal Brokerage FX. See, e.g., Exhibits 182-183.

467. On August 4, 2009, the Johnsons received a letter from Universal Brokerage FX and UBS Fund informing them of the lawsuit and the Crown Forex SA

bankruptcy proceedings, and indicating that they are “unable to fulfill withdrawal or redemption requests.” See Exhibit 13.

468. To date, the Johnsons have no access to their funds, and the only information they have regarding the existence or location of their investment is check copies indicating that portions of their funds were deposited with Crown Forex LLC at Associated Bank Account No. *****1705; and UBS Diversified Growth LLC’s Wells Fargo Account No. *****2710. See Exhibit 181. They have received no other information from Defendants regarding the existence or location of their investment.

Y. Plaintiff Curtis Harvey

469. In May 2008, Plaintiff Curtis Harvey (“Harvey”) learned of the foreign currency arbitrage program through a friend who had previously invested with Universal Brokerage FX and Kiley.

470. In June 2008, Harvey researched the program by listening to his radio show, “Follow the Money,” and visiting Kiley’s website. On his radio show, Kiley discussed the poor performance of the stock market, a pending market collapse, and the declining value of the U.S. dollar due to inflation and spending. Kiley indicated that investors could protect themselves by investing in the program. Kiley represented that the program protected principal investments and maintained investor funds in segregated Swiss accounts at Crown Forex, which managed accounts for Universal Brokerage FX.

471. In July 2008, Harvey contacted Kiley to discuss his investment philosophy and to better understand the foreign currency arbitrage program.

472. During telephone conversations with Kiley in late July and early August 2008, Kiley represented that the program had a guaranteed rate of return of 11 ½ to 12%. Based on these guaranteed returns, Kiley encouraged Harvey to invest in the program rather than pay off his home mortgage. When Harvey asked Kiley about ownership of gold bullion or coins, Kiley warned Harvey that the government would eventually confiscate gold like it did in the 1930s.

473. In August 2008, Harvey discussed rolling over an IRA to invest in the program. Kiley instructed him to have the brokerage company make the check payable to Harvey rather than to Crown Forex SA, and then send the check to Kiley made out for deposit.

474. In August 2008, Harvey also spoke with John Loebel, Senior Investment Advisor at Universal Brokerage FX. Harvey requested an informational packet to review, and Loebel sent a brochure and a Crown Forex SA application. The brochure represented that the program was a secure investment with no risk, and that the returns would be high enough to out-pace inflation.

475. Harvey sought Loebel's assistance in completing the Crown Forex SA, and answering additional questions about the investment. When Harvey asked about the liquidity and availability of funds after being transferred to Crown Forex SA, Loebel represented that it was easy to access and move funds.

476. Harvey also received a letter from Kiley highlighting Universal Brokerage's investments in global markets. The letter also stated: "Financial security is paramount to every investor. The safety and integrity of customer funds on deposit are

ensured by measures enacted by the Federal Government, various exchanges, and the firm itself. Customers funds are held in segregated accounts providing safety, security and liquidity.” Exhibit 184.

477. Based on these representations, Harvey invested in the foreign currency arbitrage with Kiley on August 19, 2009. To invest, Harvey rolled over IRA proceeds to a self-directed IRA account with Entrust Midwest, LLC. Entrust was then to transfer the funds to Crown Forex SA. Exhibit 185. The investment was also partially funded in cash. Per Loebel’s instructions, Harvey made the checks payable to “Crown.” See, e.g., Exhibit 186. The total amount of Harvey’s investment in the program is \$198,242.23.

478. In conjunction with his investment, Harvey completed a Crown Forex Joint Trading Agreement, and received account statements from and Universal Brokerage FX and, ostensibly, Crown Forex SA. Exhibit 187; see, e.g., Exhibits 188-189.

479. On June 18, 2009, Harvey and his wife visited Kiley and Loebel at the Universal Brokerage office to become more comfortable with their operations prior to investing more funds in the program. During this visit, Kiley explained the foreign currency arbitrage program and demonstrated trades on the proprietary software. Kiley also introduced Harvey and his wife to his “partners” Beckman and Cook at the Oxford offices in the Van Dusen mansion.

480. When Harvey asked about the risk associated with the foreign currency arbitrage program, Kiley represented that the program is less risky than a mutual fund, that the principal is secure, and that most trades result in positive returns.

481. Following the visit, Harvey rolled over another IRA to Entrust to be invested in the foreign currency arbitrage program. However, Harvey never received an acknowledgement that the transaction was completed.

482. On July 10, 2009, Harvey called John Loebel to obtain an application for his wife to roll over some § 401k funds into an arbitrage account. Loebel indicated he would send the application via regular mail, but it never arrived. Harvey repeatedly called Kiley and Loebel, but the phones were not being answered. Kiley and Loebel also did not respond to e-mails.

483. When Kiley and Loebel could not be reached, Harvey became concerned about his investment. He visited Kiley's website, which linked him to information about Crown Forex SA's bankruptcy proceedings.

484. Harvey contacted Entrust to withdraw his funds, but the funds had been transferred to Universal Brokerage FX. Harvey also requested withdrawal of his funds from the Crown Forex SA trustees, but they advised him to contact the Securities and Exchange Commission.

485. To date, Harvey's withdrawal requests have not been honored, and the only information he has regarding the existence or location of his investment are a wire transfer document and a check copy both indicating that his funds were deposited with "Crown Forex LLC" rather than "Crown Forex SA." Exhibit 190. The Crown Forex LLC account is at Associated Bank Account No. *****1705. Id. He has received no other information from Defendants regarding the existence and location of his investment.

Z. Plaintiff Barry Owens

486. Plaintiff Barry Owens (“Owens”) first learned of the foreign currency arbitrage program through Kiley’s radio show, “Follow the Money.”

487. In May 2009, Owens contacted Universal Brokerage FX for additional information on the program. Owens spoke with Jared Jenkins, a Senior Investment Adviser for Universal Brokerage who indicated that he worked closely with Kiley.

488. During their conversations in May 2009, Jenkins informed Owens that the program protected the principal investment and that the principal could not be lost in any transactions. This representation was particularly significant to Owens who had lost substantial portions of an investment the previous year.

489. Based on these representations, Owens invested in the program with Crown Forex SA through Patrick Kiley and Universal Brokerage FX. To invest, Owens rolled over proceeds from an IRA to a self-directed IRA account with Entrust, which was to then transfer the funds to Crown Forex SA. Exhibit 191. The total amount of Owens’ investment in the program is \$345,268.33.

490. In conjunction with his investment, Owens entered into a Crown Forex Customer Trading Agreement for Individual Accounts, and received account statements from Universal Brokerage FX and, ostensibly, Crown Forex SA. Exhibit 192.

491. On June 15, 2009, Owens contacted Jenkins seeking clarification of a statement. Jenkins returned the call on June 16, 2009, and indicated that he would send a new statement and would explain the statement to Owens upon receipt. The statement never arrived and subsequent telephone calls were not returned. On July 6, 2009, Jenkins

again indicated that a quarterly statement would be forthcoming and that he would explain the statement when it arrived. Again, the statement never arrived.

492. On July 24, 2009, Owens received letters from Universal Brokerage FX/UBS Fund, and Oxford Global Partners, informing him of this lawsuit, Crown Forex SA's bankruptcy proceedings, and indicating that these entities are "unable to fulfill withdrawal or redemption requests." See, e.g., Exhibit 13.

493. Owens immediately contacted every telephone number for Universal Brokerage, but no one answered and all voicemail boxes were full. Owens also visited the Crown Forex SA website, but learned that all claims had to be submitted by June 30, 2009.

494. To date, Owens' has no access to his funds, and the only information he has regarding the existence or location of his investment are a wire transfer document indicating that his funds were deposited with "Crown Forex LLC" rather than "Crown Forex SA." The Crown Forex LLC account is at Associated Bank Account No. *****1705. See Exhibit 191. He has received no other information from Defendants regarding his investment.

AA. Stephen G. and Elizabeth A. Froehle

495. Plaintiffs Stephen G. and Elizabeth A. Froehle ("the Froehles") first learned of the foreign currency arbitrage program after seeing a favorable June 2007 article about Oxford Global Partners, Oxford Global Advisors, and UBS Diversified in the Star Tribune newspaper. Exhibit 193.

496. In summer 2007, Stephen Froehle attended a Saturday informational session at Oxford headquarters at 1900 LaSalle Avenue, Minneapolis, Minnesota. During the session, it was represented that the program fully hedges the principal investment. At this meeting, Froehle was introduced to Grant Grzybowski and told that Grzybowski could assist him in learning more about the program. Grzybowski's business card identified him as "Chief Financial Strategist/Technical Analyst" for UBS Diversified and listed the following affiliations: "UBS SAXO IFX MILLENNIUM RJO PFG CHASE." Beginning in late 2007 or early 2008, Grzybowski became affiliated with the Oxford Companies, and his business card identified him as "Senior Investment Advisor" for Oxford Global Advisors. Exhibit 193.

497. The Froehles received a brochure from "UBS Diversified" dated February 16, 2007, which represented the program as "instantly liquid," "segregated account, not co-mingled with the general assets of the custodian, bank or dealer," "principal protected," and "current yield of 12%+ annually." The brochure also stated that "[t]he utilization of both our exclusive technology and unparalleled banking relationships negate all currency risks," and "[y]our principle [sic] is fully hedged by our liquidity providers and affiliate banks." The liquidity providers included Deutsche Bank, Dresdner Bank, Barclays Capital, UBS, JP Morgan, Saxo Bank, Bank of American and RBS. Exhibit 194.

498. Oxford Global Partners also provided the Froehles with a brochure entitled "The Oxford Global FX Carry Arbitrage Fund" that similarly represented that the program preserves capital and offers investment liquidity. The brochure described the

program's swap offsetting positions and represented that "the net end result is that the carry, interest rate differential, is captured and the FX price risk is eliminated." The brochure further noted, "Options are an investment security whose primary function is risk management. The first goal of every investment ought to be the preservation of capital." Id.

499. The Froehles also received other brochures about foreign currency arbitrage, which indicated that accounts are segregated, funds are instantly liquid, and investment principal remains protected. Id.

500. Based on these representations and the explanations of the program in the Subscription Form, Potential for Performance document, and the representations made to Stephen Froehle orally, the Froehles invested in the foreign currency arbitrage program through the UB Entities and Oxford Companies. Exhibit 195. The first investment was for \$20,000.00, for which the Froehles wrote two checks. The first check for \$10,000.00 dated August 3, 2007, was made payable to UBS Diversified. The second check for \$10,000.00 dated November 30, 2007, was, at the direction of Grzybowski, made payable "Oxford Global Advisors" for the benefit of the Froehles. Exhibit 196.

501. In conjunction with this initial investment, the Froehles completed a UBS Diversified client application form and a Subscription Form. The Subscription Form represented that the program offered "daily liquidity minus any applicable surrender and/or early redemption fees." The Subscription Form also indicated a 4-year fixed note with "12% annualized credited monthly at 1%," and a "1.2% Capital Protection Fee." See Exhibit 195; Exhibit 197.

502. The “Potential for Performance” document accompanying the Subscription Form represented the “worst case scenario” for an investor in the program as follows: “The portion called ‘Guarantee Trigger’ represents the absolute worse case scenario. Should all G5 interest rates collapse to 0 following the initial 12 month period—the note will pay 0.1% per annum until spreads widen or are larger than US Fed Funds.” See Exhibit 195.

503. Initially, the Froehles received statements from UBFX Diversified in conjunction with their investment, but in 2008 the monthly statements came from “The Oxford.” See, e.g., Exhibit 198.

504. During a telephone conversation on March 27, 2008, Grzybowski told Stephen Froehle that the program provided a 4 year guaranteed return of 10.5%, if an investor did not draw monthly income checks from the investment; and 10.125%, if an investor drew monthly checks from the investment.

505. At an April 28, 2008 Oxford Companies’ seminar, it was represented to Stephen Froehle that the investment program was safe and fully hedged, and would earn consistently high returns.

506. On August 1, 2008, Grzybowski told Stephen Froehle that the investment was liquid, redeemable in mere days, and was targeted to earn a 12% return.

507. At Grzybowski’s request, the Froehles completed and sent to Oxford a Crown Forex SA Joint Trading Agreement on August 18, 2008. Exhibit 199. Grzybowski represented that Oxford would handle external administration of the Froehles’ separate, managed accounts at Crown Forex SA. In conversations with

Stephen Froehle, Grzybowski represented that the funds would be placed in Crown Forex SA, and had a “4 year, 10% return guarantee.”

508. At this same time, in August 2008, the Froehles also completed, at Oxford’s request, a “Management Agreement” with Oxford Global Advisors. The Management Agreement represented that “the strategy is known as a fully hedged carry trade” and that the hedging “directly offsets the currency fluctuation risk.” The Management Agreement also stated “the account seeks to generate a return of 10.5% per annum. Should global interest rates change, leverage may be modified to increase or decrease the interest bearing currency pairs and offsetting positions so the fixed return is achieved for the client.” Exhibit 199. Grzybowski orally confirmed to Stephen Froehle several times, both before and after the Management Agreement was executed, that the leverage would not exceed three times, and through December 2008, represented that the program included a guaranteed return of 10% for 4 years.

509. In conjunction with their Crown Forex SA account, Grzybowski provided the Froehles access to the Crown Forex SA account. Initially, access to the Crown Forex SA trading platform was obtained through a download, but this changed to live access via the Internet in spring 2009. The Froehles were also able to access their accounts through the Oxford Global Partners website; however, these statements appeared with the header “C.G.I. Group.” Exhibit 200.

510. On October 13, 2008, the Froehles requested a withdrawal from their accounts in the amount of \$1,300.00. Exhibit 201. On November 28, 2008, the Froehles requested a \$1,400.00 withdrawal from their accounts. Id. In both instances, the funds

were wired to their bank account within a few days. The Froehles' bank confirmed that the wire transfers came from "Crown Forex LLC." Id.

511. During a December 8, 2008 conversation with Stephen Froehle, Grzybowski again represented that this investment program would provide a "4 year, 10% return guarantee." In reliance upon this representation and previous representations made to them regarding the program, on December 16, 2008, the Froehles invested an additional \$10,000.00 in the program, which, in accordance with directions received from Grzybowski, they funded by check made payable to "Crown Forex for the benefit of Stephen and Elizabeth Froehle." Exhibit 202.

512. During this August through December 2008 time frame, the Froehles were told that they had two individual accounts with Crown Forex SA, one holding long positions and one holding short positions. On January 13, 2009, Grzybowski informed Stephen Froehle that the accounts had been combined into a single Crown Forex SA account.

513. Between December 2008 and early July 2009, Grzybowski would occasionally send documents to the Froehles which purported to be, and which the Froehles believed to be, the account statements for their accounts at Crown Forex SA. See, e.g., Exhibit 203.

514. On March 9, 2009, Grzybowski e-mailed an account statement to Stephen Froehle showing their Crown Forex SA account balance to be \$30,531.17. Exhibit 204. On April 4, 2009, the Froehles received in an mail from Grzybowski, a complete copy of

what purported to be their Crown Forex SA statement for March 31, 2009, showing a balance of \$30,714.47. See Exhibits 193, 204.

515. On May 25, 2009, Stephen Froehle e-mailed Grzybowski about potentially investing additional funds into the foreign currency arbitrage program. In a responsive e-mail, Grzybowski instructed the Froehles to "Make the check out to Crown and on the memo section of the check put FBO: Stephen Froeh [sic] and your current Act. number." Exhibit 205. Grzybowski later repeated the direction that the check for investment from the Froehles be made payable to "Crown."

516. On June 2, 2009, Stephen Froehle had another conversation with Grzybowski regarding investments. During that conversation, Grzybowski discussed with Froehle the "YEAT" program offered by Oxford through its relationship with Basel Management, which involved investing in gold and then borrowing against the gold, or purchasing gold on credit, to invest in the foreign currency arbitrage program. In discussing this investment, Grzybowski reiterated that investments in the foreign currency arbitrage program were fully hedged, safe and principal protected, and represented that the worse case scenario was that the Froehles earn nothing on the investment. During this June 9, 2009 conversation, Grzybowski also represented that funds in the program would earn a fixed 10.5% return.

517. The Froehles decided against participating in the YEAT program at that time, and instead decided to invest additional funds in the foreign currency arbitrage program based on all of the representations they had received regarding the program,

including the recently repeated representations that their principal was safe, would be fully protected, and that the only risk was failure to earn a return on the investment.

518. On June 15, 2009, the Froehles mailed to Grzybowski at Oxford a \$170,000.00 official bank check payable to "Crown," to fund their Crown Forex SA account. Exhibit 206. On June 30, 2009, Ryan Moeller of Oxford sent an e-mail to Stephen Froehle that pasted into the e-mail what purported to be a valid statement from the Froehles' account at Crown Forex SA, which showed that the \$170,000.00 had been received into their account at Crown Forex SA. Exhibit 207.

519. At some time in either late June or early July 2009, after making the June 15, 2009 investment, Stephen Froehle had another conversation with Grzybowski and Cook regarding the YEAT program. During that conversation, Grzybowski, Cook, and Froehle discussed the foreign currency arbitrage program in which the Froehles had already invested, and which the Froehles were weighing against the YEAT program and other alternatives for their next planned investment. Froehle specifically asked Cook to confirm with respect to the foreign currency arbitrage program that "the worst that could ever happen is that I would not receive any gains, right?" In response, Cook represented, "that's right, as you know, we buy both long and short positions, so your investment is fully hedged and your principal is fully protected and guaranteed." Additional statements during the time frame of late June and early July confirmed that there was no risk of losing principal. The Froehles decided to invest additional funds in the foreign currency arbitrage program based on all of the representations they had received regarding the program, including the recently repeated representations that their principal was safe,

would be fully protected, and that the only risk was failure to earn a return on the investment.

520. On July 7, 2009, the Froehles mailed Grzybowski a \$50,000.00 official check from their bank payable to "Crown" for deposit into their Crown Forex SA account. Exhibit 208. The Froehles had multiple conversations with Grzybowski regarding these investments and their Crown Forex SA account.

521. On July 9, 2009, the Froehles read a news article about Oxford in the Star Tribune, and immediately attempted to withdraw all of their funds.

522. The Froehles contacted Grzybowski, Cook and Jill Lechner of Oxford via telephone, e-mail, and facsimile multiple times on July 9, 2009, demanding that the \$50,000.00 check not be cashed, that their account be closed, and the entire amount of their account be immediately withdrawn and remitted to them via wire transfer. Exhibit 209.

523. Grzybowski initially indicated on July 9, 2009 that the check for \$50,000.00 placed in the mail by the Froehles on July 7, 2009 would not be cashed, and that he would obtain the \$50,000.00 "Official Check" from the Froehles' bank and hold it for delivery to them. However, the check was cashed and not returned to the Froehles. Id.

524. At the request of Grzybowski, the Froehles submitted official Crown Forex withdrawal forms to him on July 9, 2009, requesting withdrawal of their account balance. After speaking with Cook, Grzybowski assured the Froehles that "it is business as usual" with respect to processing customer requests for withdrawal, and that they could expect

the funds in their bank account shortly. Grzybowski also indicated that Cook was handling over 150 withdrawal requests. Id.

525. The following week, Grzybowski requested new withdrawal forms that did not contain an account balance amount, which he picked up from the Froehles and promised to submit. Id. On July 15, 2009, Grzybowski confirmed via telephone that he had submitted the new withdrawal forms, which indicated that the accounts should be closed and the Froehles' funds wired to their bank account.

526. On July 13, 2009, Stephen Froehle spoke with Grzybowski about the status of their withdrawal requests. Grzybowski indicated that the "money was all there and accounted for," and that Cook was working diligently to make sure the withdrawal requests were done properly. Immediately following this conversation, the Froehles checked their bank account and confirmed with Grzybowski that they had yet to receive a wire transfer with their funds.

527. On July 14, 2009, Stephen Froehle contacted Grzybowski and Cook by e-mail requesting additional information and transparency relating to the situation, and reiterating the request for withdrawal of the entire investment. Exhibit 210.

528. On July 18, 2009, the Froehles learned of the Crown Forex SA bankruptcy from the Crown Forex SA website. Because they had yet to receive their funds from Oxford, on July 20, 2009, the Froehles sent e-mails with withdrawal forms to the Swiss trustees of Crown Forex SA, and the Crown Forex SA Compliance and Account Withdrawals division. In these e-mails, the Froehles directed the closure of their Account and requested that all funds be wired to their bank account. Exhibit 211.

529. On July 23, 2009, Stephen Froehle spoke with Crown Forex SA trustee Laurent Winkelmann who indicated that there has never been any Crown Forex SA account opened or in existence under the Froehles' names; that since December 9, 2008, he and his co-trustee are the only persons who had legal authority to receive or transmit funds from Crown Forex SA; that he personally spoke with Trevor Cook on December 10, 2008, and informed him that Crown Forex SA accounts were frozen; and that the Oxford account with Crown Forex SA was empty.

530. The Froehles subsequently obtained check copies from their bank indicating that their funds that were the subject of the June 15 check of \$170,000.00 and the July 7 investment of \$50,000.00, were not deposited with "Crown Forex SA," but where instead deposited with "Crown Forex LLC" at Associated Bank Account No. *****1705. See Exhibits 206, 208.

531. To date, the Froehles' withdrawal requests have not been honored in whole or in part, and they have received no other information from Defendants regarding the existence or location of their investments.

BB. Plaintiff Kelly Lenti

532. Plaintiff Kelly Lenti ("Lenti") learned of the foreign currency arbitrage program through Kiley's articles in the International Forecaster newsletter. Throughout 2006, Lenti followed Kiley's investments on his website.

533. In August 2006, Lenti contacted Kiley via e-mail to inquire about opening an account with Kiley's foreign currency arbitrage program. Exhibit 212.

534. In October 2006, Lenti and Kiley spoke on the telephone regarding the foreign currency arbitrage program. During this conversation, Kiley represented that investments in the program are instantly liquid, protected, and earn a guaranteed 12% annual return.

535. Based on these representations, Lenti invested in the foreign currency arbitrage program through Kiley. To invest, Lenti transferred funds from her retirement accounts to a self-directed IRA with Millennium Trust Company, which then transferred the funds to be invested in the program. See, e.g., Exhibit 213. The total amount of Lenti's investment in the program is \$1,269,379.00.

536. In conjunction with her investment, Lenti completed a UBS Diversified Growth Application, and received account statements from UBS Diversified and Universal Brokerage FX. Exhibit 214; see, e.g., Exhibits 215-216.

537. In early 2007, Kiley and Cook came to Lenti's home to discuss the foreign currency arbitrage program with her relatives and neighbors. During this presentation, both Kiley and Cook represented that the investment was instantly liquid, protected through options, and would earn a guaranteed 12% annual return. Because the investment was "secure," Kiley and Cook encouraged those in attendance to mortgage their homes and invest as soon as possible.

538. In July 2009, Lenti received a letter from Millennium Trust Company notifying her that this lawsuit had been initiated. See e.g., Exhibit 91.

539. Lenti immediately attempted to contact Kiley but he did not answer the telephone. When Lenti attempted to visit his website, it was not operational.

540. To date, Lenti cannot access her funds and has received no information from Defendants regarding the existence or location of her investment.

CC. Plaintiff John Walencik

541. Plaintiff John Walencik (“Walencik”) learned of the foreign currency arbitrage program through Kiley’s radio show, “Follow the Money,” to which Walencik had listened on short-wave radio for years. On the radio show, Kiley represented that investments in the program were safe because they were not tied to fluctuations in the stock market, were held in segregated accounts and not co-mingled, and could be immediately liquidated with just a telephone call.

542. In 2007, Kiley hosted Durand on his radio show to discuss investments, which prompted Walencik to contact Durand for additional investment information. When the information arrived, Walencik was surprised to see that it came from Kiley’s address at Universal Brokerage FX.

543. In June 2007, Walencik called the 800-number provided on Kiley’s radio to inquire about investing. In a subsequent telephone conversation, Kiley reiterated that investment in the program was safe, instantly liquid, and would result in double digit returns.

544. Based on these representations, Walencik invested in the foreign currency arbitrage program with Universal Brokerage FX. Walencik was told by Kiley and Kiley’s “partner” Cook that Crown Forex SA would be the holding company for the funds invested in the program. To invest, Walencik rolled over IRA proceeds to a self-directed IRA account with Entrust Midwest, and transferred annuity and trust funds to

Universal Brokerage FX and UBS Diversified. See, e.g., Exhibit 217. The total amount of Walencik's investment in the program is \$319,000.00.

545. In conjunction with his investment, Walencik completed a UBS Diversified Growth Application and entered into a Crown Forex Customer Trading Agreement for Individual Accounts. Exhibits 218-219.

546. Initially, Walencik did not receive any statements relating to his investment. In early July 2009, he spoke with Universal Brokerage FX representative Jared Jenkins about the lack of account statements, and subsequently received statements from Universal Brokerage FX and, ostensibly, Crown Forex SA. See, e.g., Exhibits 220-221.

547. In mid-July 2009, Walencik learned of this lawsuit when Bob Chapman, radio personality and frequent guest on "Follow the Money," discussed it on his radio show.

548. Walencik immediately called Kiley and Universal Brokerage, but there was no answer. Walencik also contacted Entrust about the status of his investment, but Entrust was unable to assist.

549. To date, Walencik cannot access his funds and the only information he has regarding his investment is a wire transfer document indicating that a portion of his funds were deposited with Crown Forex LLC at Associated Bank Account No. *****1705. Exhibit 222. He has received no other information from Defendants regarding the existence or location of his investment.

DD. Plaintiffs Dan, Diann and Donna Haynes

550. Plaintiffs Dan and Diann Haynes (“the Haynes”) first learned of the foreign currency arbitrage program through Kiley’s radio show, “Follow the Money,” to which they began listening in November 2007.

551. On his radio show, Kiley made the following representations:

All I can tell you is bottom line, Truth Seekers, the firm that I am senior partner of for 22 years, we do offer you the solution to this extreme financial uncertainty in this country, and if you are truly concerned about what’s happening to your 401ks, IRAs, etc. I’d have to say listen very carefully because for 22 years, we worked with various governments, countries, currencies and their bank interest rates and we are not connected to stocks, bonds, real estate, the items that I just previously mentioned. So we really don’t care a hoot if they go up or down as we are totally detached and unaffected by them. So, in other words, what I am telling you is we profit from chaos and there is plenty of it out there and we’ve done this for companies and corporations, national and multinational for 22 years plus, but just in the last 5 years we opened up to the private investors with all the corporate style profits and returns and our client funds are held in segregated accounts under your own name and fully liquid back to you 24/7, seven days a week and you can also view your account online 24 /7[.]

552. In mid-August 2008, the Haynes called the 800-number provided on the radio show to obtain additional information on the program. They spoke with Julia Smith who took their information and indicated that someone would be returning their call.

553. On August 25, 2008, the Haynes received a return call from John Loebel, Senior Investment Advisor with UBFX. During that conversation, Loebel represented that investments in the program are fully liquid and would never earn less than 10% interest.

554. Following their conversation, the Haynes received a package of materials from Loebel. These materials included a brochure entitled "Currencies," which represented that the program provides "liquidity or access to your funds 24 hours per day," "stability," and "strong returns."

555. After multiple conversations with Loebel and review of the materials provided regarding the investment, the Haynes determined that the foreign currency arbitrage program was a safe investment.

556. Based on these representations, Diann and Dan Haynes invested in the program with Crown Forex SA through Kiley and UBFX. To invest, the Haynes rolled over their retirement funds into self-directed IRA accounts with Entrust Group, which was then to direct the funds to Crown Forex SA. Exhibit 223. The total amount of Diann and Dan Haynes' investment in the program is \$116,321.89 and \$103,019.14, respectively.

557. Subsequently, Dan Haynes informed his mother, Plaintiff Donna Haynes ("Donna Haynes"), of his conversations with Loebel about the foreign currency arbitrage program, and Loebel's representations that investments in the program are safe, secure, and would earn double digit returns. Donna Haynes then listened to Kiley's radio show to confirm these representations.

558. On October 2, 2008, Donna Haynes called the 800-number provided on Kiley's radio show for additional information. On October 8, 2008, Loebel contacted Donna Haynes about the foreign currency arbitrage program, and represented that the

investment was safe and that she could get her money out of the program at any time by writing Loebel a letter and requesting a full withdrawal.

559. Based on this information, Donna Haynes invested in the program with Crown Forex SA through Kiley and UBFX. Per Loebel's instructions, Donna Haynes signed over or wrote her checks to "Crown," and then sent the checks to Loebel for deposit in her individual Crown Forex SA account. See, e.g., Exhibit 224. The total amount of Donna Haynes' investment in the program is \$45,249.74.

560. In conjunction with their investments, Dan, Diann and Donna Haynes each entered into Crown Forex Customer Trading Agreements for Individual Accounts, and received account statements from Universal Brokerage FX and, ostensibly, Crown Forex SA. Exhibit 225; see, e.g., Exhibits 226-227.

561. In January and May 2009, Dan, Diann and Donna Haynes had conversations with John Loebel regarding their accounts, and he indicated that they were earning 9 to 11% returns on their investments.

562. On July 30, 2009, the Haynes received a letter from Universal Brokerage FX/UBS Fund informing them of this lawsuit and the Crown Forex SA bankruptcy, and indicating that these entities are "unable to fulfill withdrawal or redemption requests." See Exhibit 13.

563. To date, Dan, Diann and Donna Haynes' withdrawal requests have not been honored, and the only information they have regarding the existence or location of their investments are wire transfer documents indicating that a portion of their funds were deposited with "Crown Forex LLC" rather than "Crown Forex SA." The Crown Forex

LLC account is at Associated Bank Account No. *****1705. Exhibit 228. They have received no other information from Defendants regarding the existence or location of their investments.

EE. Plaintiff Greg Rutter

564. Plaintiff Greg Rutter (“Rutter”) learned of the foreign currency arbitrage program through Kiley’s radio show, “Follow the Money,” to which he began listening in August 2008. On the radio show, Kiley represented that the funds invested in the program through Universal Brokerage would be safe, secure, held in segregated accounts, and liquid 24 hours a day, seven days a week. He also represented that investment in the program would generate “corporate style returns” for the individual investor, regardless of economic conditions, stock market fluctuations, the bond market, and real estate performance.

565. In September 2008, Rutter contacted Universal Brokerage FX for additional information on the program, and spoke with Tim Daley. During their conversation, Daley reiterated the safety and security of investing in the program, particularly in comparison to conventional investments.

566. Rutter also received a letter and investment materials from Daley. In the letter, Daley highlighted the profitability of Universal Brokerage FX’s global market strategy, and stated that this strategy “can perform regardless of what the stock market does.” Daley also represented the following: “Financial security is paramount to every investor. The safety and integrity of customer funds on deposit are ensured by measures enacted by the Federal Government, various exchanges, and the firm itself. Customer

funds are held in segregated accounts providing safety, security and liquidity.” Exhibit 229.

567. The materials provided by Daley reiterated Kiley’s representations on his radio show and Daley’s oral and written representations. The brochure entitled “Institutional Grade Investments for the Individual Investor” represented the foreign currency arbitrage program as follows: “Liquidity: All positions are 100% liquid on 24 hours basis. Trading Discipline: 100% of the time the long USD/JPY position is fully insured” and “Funds are deposited with a commercial bank in the client’s name. Statements are issued quarterly. Customer funds are held in segregated accounts—they are not co-mingled with other clients’ or company funds. Customer funds are always 100% liquid—24 hours per day and may be withdrawn at any time.” See, e.g., Exhibit 129.

568. Another brochure entitled “Currencies,” also represented that the program provides “liquidity or access to your funds 24 hours per day,” “stability,” and “strong returns.” See id.

569. From October through November 2008, Rutter received follow-up phone calls from Daley, who emphasized problems in the financial markets and the solution to these problems that Universal Brokerage FX and the program offered.

570. Based on these representations, Rutter invested with Crown Forex SA through Universal Brokerage FX on December 18, 2008. To invest, Rutter rolled over 401k and other retirement funds to a self-directed IRA with Entrust Group, which was then to direct the funds to Crown Forex SA. See, e.g., Exhibit 230.

571. In conjunction with his investment, Rutter entered into a Crown Forex Customer Trading Agreement for Individual Accounts, and received account statements from Crown Forex SA and Universal Brokerage FX. Exhibit 231; see, e.g., Exhibits 232-233.

572. On December 30, 2008, Rutter contacted Daley regarding a 5.9% entry free that was debited from his account and of which he had not been informed prior to investing. During this conversation, Daley represented that Universal Brokerage FX would “guarantee a minimum of 10% return annually.”

573. On March 26, 2009, Rutter made a \$3,000.00 IRA contribution to his account through Entrust, but never received a statement reflecting this deposit. When his July 1, 2009 Crown Forex statement did not show the deposit, Rutter contacted Universal Brokerage. Rutter was told that Kiley would return his call, but he never received a response.

574. On July 10, 2009, Rutter again contacted Universal Brokerage and insisted on speaking with Kiley. Kiley indicated that he had terminated Daley’s employment and that he would personally clear up the matter of the \$3,000.00 deposit with Entrust. Kiley did not give any indication of adverse circumstances relating to Rutter’s investment.

575. The total amount of Rutter’s investment in the program is \$50,835.89.

576. On July 24, 2009, Rutter received letters from Oxford Global Partners, LLC and Universal Brokerage/UBS Fund providing notification of this lawsuit and Crown Forex SA’s bankruptcy proceedings, and indicating that they are “unable to fulfill

withdrawal or redemption requests.” The letters indicated that investors should refer to the Crown Forex SA website. See Exhibit 13.

577. Rutter immediately visited the Crown Forex SA website, where he discovered that Crown Forex SA was in bankruptcy and liquidation proceedings. Subsequently, Rutter immediately contacted Entrust to withdraw his funds from Crown Forex SA. Rutter also contacted the Crown Forex SA trustees on July 29, 2009, seeking their assistance in withdrawing his funds. Exhibit 234.

578. To date, Rutter’s withdrawal requests have not been honored, and the only information he has regarding the existence or location of his funds is a wire transfer document indicating that the entire \$50,835.89 investment was deposited with “Crown Forex LLC” rather than “Crown Forex SA.” The Crown Forex LLC account is at Associated Bank, account number *****1705. Exhibit 235. He has received no other information from Defendants regarding his investment.

FF. Plaintiff Jeff Timberlake

579. In 2007, Plaintiff Jeff Timberlake (“Timberlake”) learned of the foreign currency arbitrage program, Kiley, Cook and Universal Brokerage through a friend.

580. Subsequently, Timberlake spoke with Kiley and Cook about the program. They represented that investments in the program were principal protected and that Timberlake could expect returns of 10 to 12% based on past performance.

581. In subsequent telephone calls, Kiley reiterated the representation that there would be no risk to Timberlake’s principal investment in the program.

582. Based on these representations, Timberlake invested in the foreign currency arbitrage program with Universal Brokerage FX in 2007. The total amount of Timberlake's investment in the program is \$1,207,264.70.

583. In conjunction with his investment, Timberlake completed a UBS Diversified Client Application, entered into UBS Diversified General Business Terms Currency Exchange Agreement; and received quarterly account statements from Universal Brokerage FX. Exhibits 236-237; see, e.g., Exhibits 238-239.

584. Over the next two years, Timberlake had at least eight conversations with Kiley, who represented that Timberlake was "making money." During these conversations, Kiley repeatedly tried to convince Timberlake to invest additional funds in the foreign currency arbitrage program. Kiley also bragged to Timberlake that he had business associates in Switzerland who were able to "hide assets."

585. On one occasion, Timberlake met with Kiley and Cook in Chicago at a club to which Kiley and Cook belonged. At this meeting, Kiley and Cook demonstrated on a computer how the foreign currency arbitrage program worked. At this meeting, Kiley and Cook again represented that Timberlake's principal investment was safe.

586. In 2009, Timberlake found it more and more difficult to reach Kiley and Universal Brokerage FX representatives for information regarding his investment.

587. In early July 2009, Timberlake received an account statement from "Crown Forex SA" and wire transfer information from Universal Brokerage/Crown Forex. See Exhibit 239; Exhibit 240. The wire instructions provided the following:

WIRING INSTRUCTIONS

Crown Forex

US Dollars

Domestic Fed Wires

Wire To:

Universal Brokerage FX

Associated Bank

5353 Wayzata Blvd

St. Louis Park MN 55416

952 591 2793

Routing # *****575

Acct # *****1705

588. When Timberlake inquired with Smith about this information, he was informed that his funds had been transferred from Oxford Global to Crown Forex SA. See Exhibit 241. Timberlake did not authorize this transfer and it was done without his knowledge. A statement dated July 2, 2009 indicates that the funds were ostensibly transferred to Crown Forex SA on April 1, 2009. See Exhibit 239.

589. On and after July 8, 2009, Timberlake attempted to contact Kiley and Smith, but was unsuccessful.

590. Subsequently, Timberlake learned of this lawsuit from Plaintiff Kelly Lenti, and immediately contacted Kiley and Smith, but was either unable to reach anyone or did not have his messages returned.

591. Timberlake also contacted Crown Forex SA regarding the status of his account. In response, Timberlake received an e-mail from the trustees indicating that his “name does not appear in the trading system of CROWN FOREX SA we have been provided with. Hence the document you have provided us does not suffice to evidence a

claim against the Company.” The e-mail also stated that they had no record of Timberlake’s funds being transferred to Crown Forex SA in April 2009. Exhibit 242.

592. To date, Timberlake has no access to his funds, and he has received no information from Defendants regarding the existence and location of his investment.

GG. Plaintiffs Larry and Charleyne Swoverland

593. Plaintiffs Larry and Charleyne Swoverland (“the Swoverlands”) learned of the foreign currency arbitrage program through Kiley’s radio show, “Follow the Money,” to which they had been listening since summer 2008. On his radio show, Kiley represented that investments in the program were safe, liquid, and would earn double digit returns.

594. In November 2008, the Swoverlands called Universal Brokerage FX for additional information regarding the foreign currency arbitrage program. In response, the Swoverlands were contacted by John Loebel, a Universal Brokerage FX representative.

595. In November and December 2008, the Swoverlands had multiple conversations with Loebel about the foreign currency arbitrage strategy. During these conversations, Loebel represented that their investment would never be at risk and guaranteed a 10-12% return on their investment.

596. Loebel also sent a letter and investment materials to the Swoverlands in November 2008. In his letter, Loebel emphasized the financial security and integrity of customer funds on deposit, and represented that funds are insured by the “Federal Government, various exchanges, and the firm itself. Customers funds are held in segregated accounts providing safety, security, and liquidity.” See, e.g., Exhibit 26.

597. The materials provided showed substantial monthly and annual returns from 1999-2008, and represented the following regarding investments in the program: “Liquidity: All positions are 100% liquid on a 24 hour basis. Trading Discipline: 100% of the time the long USD/JPY position is fully insured.” Exhibit 243.

598. Based on these representations, the Swoverlands invested in the program with Universal Brokerage. The Swoverlands understood that Crown Forex SA would be used to invest the funds in the foreign currency exchange. Per Loebel’s instructions, the Swoverlands wrote a check made payable to “Crown.” Exhibit 244. The total amount of the Swoverlands’ investment in the program is \$109,000.00.

599. In conjunction with their investment, the Swoverlands entered into a Crown Forex Joint Trading Agreement, and received account statements from Universal Brokerage FX and, ostensibly, Crown Forex SA. Exhibit 245; see, e.g., Exhibits 246-247.

600. In December 2008, the Swoverlands requested access to their account and Loebel instructed them how to view their Crown Forex SA account. The Swoverlands also received statements via mail on two occasions.

601. In early July 2009, the Swoverlands saw information on the Internet suggesting that Crown Forex SA was in bankruptcy. Loebel assured them that their funds would not be affected because they were held in a segregated account.

602. Subsequently, the Swoverlands received a letter from Universal Brokerage FX and UBS Fund informing them of the lawsuit and Crown Forex SA’s bankruptcy

proceedings, and indicating that they are “unable to fulfill withdrawal or redemption requests.” See Exhibit 13.

603. To date, the Swoverlands have no access to their funds, and they have received no information from Defendants regarding the existence and location of their investment.

HH. Plaintiff Robert Herr

604. Plaintiff Robert Herr (“Herr”) learned of the foreign currency arbitrage program through Plaintiff Shirley Jacobs, who listened to Kiley’s radio show, “Follow the Money.” Herr started listening to Kiley’s radio show in 2008.

605. In early fall 2008, Herr contacted Kiley for additional information on the foreign currency arbitrage program. In response, Kiley sent a letter emphasizing the profitability of the program, and representing the following: “Financial security is paramount to every investor. The safety and integrity of customer funds on deposit are ensured by measures enacted by the Federal Government, various exchanges, and the firm itself. Customer funds are held in segregated accounts providing safety, security and liquidity.” Exhibit 248.

606. Kiley also provided a brochure about the foreign currency arbitrage program, which represented the following: “Liquidity: All positions are 100% liquid on a 24 hour basis. Trading Discipline: 100% of the time the long USD/JPY position is fully insured,” and “Funds are deposited with a commercial bank in the client’s name. Statements are issued quarterly. Customer funds are held in segregated accounts—they

are not co-mingled with other clients' or company funds. Customer funds are always 100% liquid—24 hours per day and may be withdrawn at any time.” Exhibit 249.

607. Herr also spoke with Kiley in detail about the foreign currency arbitrage program, and Kiley advised him to pull his money from the stock market and roll it over to Universal Brokerage FX. During this conversation, Kiley represented that investment in the program was safe because Herr would be using IRA accounts, that the funds would be held in separate accounts, that he could get his money back at any time, and that he could expect 10-12% return on the investment.

608. Based on Kiley's representations, Herr invested in the program through Kiley and Universal Brokerage. To invest, Herr rolled over IRA proceeds into a self-directed IRA with Entrust, which was then to wire the funds to Crown Forex SA. Exhibit 250. The total amount of Herr's investment in the program is \$385,746.18.

609. In conjunction with his investment, Herr entered into a Crown Forex Customer Trading Agreement for Individual Accounts, and received statements from Universal Brokerage FX and, ostensibly, Crown Forex SA. Exhibit 251; see, e.g., Exhibit 252.

610. On April 27, 2009, Herr requested a withdrawal of \$13,500.00 from his Crown Forex account. Exhibit 253. To make the withdrawal request, Herr contacted Julia Smith and indicated that he wanted to withdraw funds, and Kiley subsequently returned the call to approve the withdrawal.

611. In early July 2009, Herr attempted to make another withdrawal but Kiley and Smith would not return his calls.

612. Subsequently, Herr learned of the Crown Forex SA bankruptcy through Plaintiff Shirley Jacobs. On July 25, 2009, Herr received a letter from Universal Brokerage FX/UBS Fund informing him of this lawsuit and the Crown Forex SA bankruptcy proceedings, and indicating that the entities are “unable to fulfill withdrawal or redemption requests.” See Exhibit 13.

613. Herr visited the Crown Forex SA website and made a claim with the trustees pursuant to the instructions, but they have not accepted the claim. Exhibits 254-255. Herr also made repeated telephone calls to Kiley, Smith, and Ryan Moeller, but he was either unable to leave a message or did not receive return calls.

614. To date, Herr has no access to his funds, and the only information he has regarding the existence or location of his funds are check copies and wire transfer documents indicating that his funds were deposited with “Crown Forex LLC” rather than “Crown Forex SA.” The Crown Forex LLC account is at Associated Bank Account No. *****1705. Exhibit 256. He has received no other information from Defendants regarding the existence or location of his investment.

IV. LOCATION OF FUNDS.

615. While Defendants have not been forthcoming regarding the location of Plaintiffs’ investments, documents obtained through discovery have revealed that a significant portion of Plaintiffs’ funds were deposited into Crown Forex LLC’s Associated Bank Account No. *****1705, UBS Diversified Growth’s Wells Fargo Account No. *****2710, and Universal Brokerage FX Management LX’s Associated Bank Account No. *****5601.

616. In the last two years, approximately \$190 million has moved through these three accounts, with a large portion going directly to Defendants. See Affidavit of Patricia J. Loo.

617. Since April 2007, Beckman and his wife have received \$606,108.99 from the Crown Forex LLC's Associated Bank Account No. *****1705 and from UBS Diversified Growth's Wells Fargo Account No. *****2710. Id.

618. Since April 2007, Cook has received \$3,428,239.90 from UBS Diversified Growth's Wells Fargo Account No. *****2710. Id.

619. Since February 2007, Market Shot, LLC, an entity for which Cook is the account signatory, received \$5,809,000.00 from UBS Diversified Growth's Wells Fargo Account No. *****2710. Id.; see Exhibit 7.

620. Since March 2007, Pettengill has received \$4,400,000.00 from UBS Diversified Growth's Wells Fargo Account No. *****2710. Id.

621. Since October 2007, Oxford Global Advisors has received \$4,420,000 from UBS Diversified Growth's Wells Fargo Account No. *****2710, and \$58,470.82 from Crown Forex LLC's Associated Bank Account No. *****1705. Id.

622. Since December 2008, Oxford Global Partners has received \$710,000.00 from Crown Forex LLC's Associated Bank Account No. *****1705. Id.

623. Since December 2007, various other Oxford companies have received the following amounts: Oxford FX Growth received \$3,451,000.00 from UBS Diversified Growth's Wells Fargo Account No. *****2710; Oxford Global Investments received \$500,000.00 from Crown Forex LLC's Associated Bank Account No. *****1705;

Oxford Global FX received \$1,350,000.00 from UBS Diversified Growth's Wells Fargo Account No. *****2710, and \$1,797,000.00 from Crown Forex LLC's Associated Bank Account No. *****1705; and an unspecified "Oxford" company received \$50,000.00 from Crown Forex LLC's Associated Bank Account No. *****1705. Id.

624. Since March 5, 2008, Crown Forex LLC has received \$8,799,435.00 from UBS Diversified Growth's Wells Fargo Account No. *****2710. Id.

625. Since July 2008, UBS Diversified has received \$23,612,000.00 from Crown Forex LLC's Associated Bank No. *****1705, and \$450,000.00 from Universal Brokerage FX Management LLC's Associated Bank Account No. *****5601. Id.

626. Since April 2007, UBS Diversified FX Growth has received \$1,000,000.00 from UBS Diversified Growth's Wells Fargo Account No. *****2710. Id.

627. On June 29, 2009, shortly after the Ohio Plaintiffs requested withdrawal of their funds from Defendants, \$3,223,600.00 was withdrawn from Crown Forex LLC's Associated Bank Account No. *****1705. Id.

COUNT I
(Breach of Contract)

628. Plaintiffs restate paragraphs 1 through 627 of this Complaint.

629. In soliciting and accepting Plaintiffs' investments, Cook, Kiley, Beckman, Pettengill, and Durand, were acting as agents for themselves and for the UB Entities and Oxford Companies.

630. Defendants have breached their oral and written contracts with Plaintiffs to pay guaranteed returns, immediately liquidate investments upon request, preserve

investment principal, hold the funds in segregated accounts, secure the funds with reputable liquidity providers, and/or insure the funds.

631. Defendants' actions and omissions have caused Plaintiffs to incur in excess of \$16 million in damages.

COUNT II
(Fraud)

632. Plaintiffs restate paragraphs 1 through 631 of this Complaint.

633. Cook, Kiley, Beckman, Pettengill, and Durand, for themselves and as agents of the UB Entities and the Oxford Companies, knowingly misrepresented to Plaintiffs the features of the foreign currency arbitrage investment.

634. Specifically, Defendants falsely represented that the investments had a guaranteed rate of return, that Plaintiffs' principal was protected, that the investments were instantly liquid, that investment funds were maintained in segregated accounts, that funds were secured by reputable liquidity providers, and that the funds were insured.

635. Defendants falsely represented to some Plaintiff that funds were being transferred to Crown Forex SA or Crown Bank, when the funds were actually deposited in an account entitled Crown Forex LLC., a non-existent, non-registered entity over which Defendant Kiley and his assistant Julia Smith had control.

636. Plaintiffs justifiably relied on these misrepresentations to their detriment.

637. Defendants' fraudulent conduct has caused Plaintiffs to incur in excess of \$16 million in damages.

COUNT III
(Minn. Stat. § 80A.68)

638. Plaintiffs restate paragraphs 1 through 637 of this Complaint.

639. Cook, Kiley, Beckman, Pettengill and Durand, for themselves and as agents of the UB Entities and the Oxford Companies, violated Minn. Stat. § 80A.68 by employing devices, schemes and artifices to defraud; making untrue statements of material facts or omitting to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading; and engaging in acts, practices and a course of business that operated as a fraud or deceit upon Plaintiffs in connection with the sale to Plaintiffs of foreign currency arbitrage investments.

640. Plaintiffs reasonably relied on Defendants' representations regarding the guaranteed rates of return, their principal being protected, the investment being instantly liquid and held in segregated accounts with reputable institutions, and Plaintiffs would not have made the investments if Defendants had truthfully represented all material facts.

641. Defendants either knew or recklessly disregarded that their representations were materially inaccurate and omitted material information, and that their misrepresentations and omissions would mislead Plaintiffs.

642. As a direct and proximate result of Defendants' wrongful conduct, Plaintiffs have suffered damages in excess of \$16 million.

COUNT IV
(Minn. Stat. § 80A.69)

643. Plaintiffs restate paragraphs 1 through 642 of this Complaint.

644. Cook, Kiley, Beckman, Pettengill, and Durand, for themselves and as agents of the UB Entities and the Oxford Companies, provided investment advice to Plaintiffs as to the advisability of investing in the foreign currency arbitrage program.

645. Defendants received compensation for the investment advice provided to Plaintiffs.

646. In providing advice to Plaintiffs, Defendants employed a device, scheme, or artifice to defraud Plaintiffs, and/or engaged in an act, practice or course of business that operated as a fraud or deceit upon Plaintiffs in connection with the sale to Plaintiffs of the foreign currency arbitrage investments.

647. Plaintiffs reasonably relied on Defendants' representations regarding the fixed interest return, their principal being protected, the investment being instantly liquid, and funds being held in segregated accounts with reputable institutions, and Plaintiffs would not have made the investment if Defendants had truthfully represented all material facts.

648. Defendants either knew or recklessly disregarded that their representations were materially inaccurate and omitted material information, and that their misrepresentations and omissions would mislead Plaintiffs.

649. As a direct and proximate result of Defendants' wrongful conduct, Plaintiffs have suffered in excess of \$16 million in damages.

COUNT V

**(Violation of Rule 10b-5 of the Securities Exchange Act of 1934:
15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5)**

650. Plaintiffs restate paragraphs 1 through 649 of this Complaint.

651. In connection with the sale of securities, Defendants made false statements, and failed to disclose material facts that a reasonable investor would want to know that, in light of the circumstances under which they were made, rendered such statements misleading to Plaintiffs.

652. In connection with the sale of securities, Defendants employed a scheme to defraud Plaintiffs.

653. In connection with the sale of securities, Defendants engaged in a practice or course of conduct that operated as a fraud and deceit upon Plaintiffs.

654. Defendants engaged in the aforementioned conduct with the intent to mislead Plaintiffs and/or with recklessness that was the functional equivalent of an intent to mislead Plaintiffs.

655. Defendants' misrepresentations, undisclosed facts, and other acts and omissions were material to Plaintiffs' decision to purchase these securities.

656. Plaintiffs have suffered in excess of \$16 million in damages as a result of Defendants' conduct in violation of 15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5.

COUNT VI
(Civil Theft)

657. Plaintiffs restate paragraphs 1 through 656 of this Complaint.

658. Defendants made false representations of material fact regarding the foreign currency arbitrage investments, and Defendants made these representations knowing that they were false, or in reckless disregard of the truth or falsity of same.

659. Defendants made the false representations for their pecuniary gain and to deprive Plaintiffs of property by inducing them to transfer funds to Defendants.

660. As a result of Defendants' conduct, Plaintiffs parted with their property and Defendants have wrongfully retained the funds.

661. The fraudulent conduct of Defendants in the procurement of Plaintiffs' money constitutes theft by swindle in violation of Minn. Stat. § 609.52.

662. Pursuant to Minn. Stat. § 604.14, subd. 1, by virtue of Defendants' theft, Plaintiffs are entitled to recover the value of their investments, plus punitive damages.

COUNT VII
(Common Law Bailment)

663. Plaintiffs restate Paragraphs 1 through 662 of this Complaint.

664. Plaintiffs delivered their investment funds to Defendants, but retained ownership of those funds.

665. Plaintiffs delivered their funds to Defendants and Defendants accepted receipt of the funds.

666. Plaintiffs' delivered the funds to Defendants based on agreements that Defendants would invest the funds and hold them in trust, but that the funds would remain accessible to Plaintiffs and would be returned upon Plaintiffs' requests for liquidation, redemption or withdrawal.

667. The delivery of the funds to Defendants gave rise to a duty of care in holding the funds.

668. Plaintiffs' funds are no longer accessible, their withdrawal requests have not been honored, and the funds have been damaged, lost or wrongfully retained.

669. Defendants have failed to provide any information identifying the existence or location of the funds, and have failed to return the funds as agreed upon.

670. The funds were damaged, lost or wrongfully retained as a result of Defendants misconduct and/or negligence.

671. As a result of Defendants' misconduct and/or negligence as a bailor, Plaintiffs have suffered damages in excess of \$16 million.

COUNT VIII
(Negligent Misrepresentation)

672. Plaintiffs restate paragraphs 1 through 671 of this Complaint.

673. Defendants supplied false information to Plaintiffs regarding their investments. Defendants knew and intended that Plaintiffs would rely on the information.

674. Defendants failed to exercise reasonable care or competence in communicating the investment information to Plaintiffs.

675. Plaintiffs justifiably relied on the information Defendants supplied regarding the investments.

676. As a proximate result of Defendants' misrepresentations, Plaintiffs have suffered in excess of \$16 million in losses.

COUNT IX
(Conversion)

677. Plaintiffs restate paragraphs 1 through 676 of this Complaint

678. Defendants continued use of Plaintiffs' funds and failure to return Plaintiffs' funds following Plaintiffs' repeated requests for return of all funds represents an intentional conversion of Plaintiffs' property rights by wrongful use, act or disposition of Plaintiffs' funds that has proximately caused serious interference with Plaintiffs' property rights.

679. Plaintiffs have been damaged and will continue to be damaged by Defendants' wrongful conversion of Plaintiffs' funds and other property in an amount in excess of \$16 million.

COUNT X
(Civil Conspiracy)

680. Plaintiffs restate paragraphs 1 through 679 of this Complaint.

681. Defendants jointly developed a secret plan and scheme by which they obtained personal benefits and financial gain through self-dealing, fraud, and other actions adverse to Plaintiffs' interests and investments.

682. Defendants conspired together to keep their actions secret from Plaintiffs.

683. As a result of Defendants' conspiracy, Plaintiffs have sustained damages in an amount in excess of \$16 million.

COUNT XI
(Minnesota Consumer Fraud: Minn. Stat. § 325F.69)

684. Plaintiffs restate paragraphs 1 through 683 of this Complaint.

685. Cook, Kiley, Beckman, Pettengill, and Durand, for themselves and as agents for the UB Entities and the Oxford Companies, employed fraud, false pretense, false promise, misrepresentation, misleading statements and/or deceptive trade practices in soliciting Plaintiffs to purchase the above-referenced investments, in violation of Minn. Stat. § 325F.69

686. Plaintiffs were misled, deceived, and damaged thereby in an amount in excess of \$16 million.

COUNT XII

(Minnesota Deceptive Trade Practices Act: Minn. Stat. § 325D.44)

687. Plaintiffs restate paragraph 1 through 686 of this Complaint.

688. Defendants engaged in deceptive trade practices in violation of Minn. Stat. § 325D.44 through their actions in (1) representing that the investments had characteristics, uses, and benefits that they do not have; (2) advertising the investments with the intent not to sell them as advertised; (3) making or allowing to be made statements that were likely to cause confusion or misunderstanding as to the Defendants' affiliations, connections, or associations with the investments; and (4) engaged in other conduct which created a likelihood of confusion or misunderstanding relating to the investments.

689. Defendants willfully engaged in such trade practices knowing them to be deceptive.

690. Plaintiffs were damaged by these violations, and are entitled to recover their actual damages in an amount in excess of \$16 million, plus attorneys' fees and costs from Defendants pursuant to Minn. Stat. § 325D.45.

COUNT XIII
(Breach of Fiduciary Duty)

691. Plaintiffs restate paragraphs 1 through 690 of this Complaint.

692. Defendants owed Plaintiffs fiduciary duties and obligations in their capacity as investment advisors.

693. Defendants' fiduciary obligations to Plaintiffs included (1) the duty to accurately inform Plaintiffs about the investments; (2) the duty to supervise and manage Plaintiffs' accounts and investments with reasonable care; (3) the duty to keep Plaintiffs fully advised as to the condition of their investments, and not mislead Plaintiffs as to their status; (4) refrain from acting in self-interest at the expense of Plaintiffs; (5) the duty not to misrepresent any material facts related to Plaintiffs' investments or accounts; and (6) the duty to adequately supervise those managing Plaintiffs' accounts and investments.

694. Defendants breached their fiduciary duties owed to Plaintiffs by misrepresenting the nature of the investments, misappropriating funds entrusted to them for investments, concealing these breaches from Plaintiffs, and failing to provide adequate supervision.

695. As a direct and proximate result of Defendants' breach of their fiduciary duties, Plaintiffs have been damaged in an amount in excess of \$16 million.

COUNT XIV
(Vicarious Liability: UB Entities and Oxford Companies)

696. Plaintiffs restate paragraphs 1 through 695 of this Complaint.

697. Defendant Cook was acting within the scope of his actual and/or apparent authority as an agent and representative of the UB Entities and Oxford Companies when he defrauded Plaintiffs and misappropriated their investments.

698. Defendant Kiley was acting within the scope of his actual and/or apparent authority as an agent and representative of the UB Entities and Oxford Companies when he defrauded Plaintiffs and misappropriated their investments.

699. Defendant Beckman was acting within the scope of his actual and/or apparent authority as an agent and representative of the UB Entities and Oxford Companies when he defrauded Plaintiffs and misappropriated their investments.

700. Defendant Pettengill was acting within the scope of his actual and/or apparent authority as an agent and representative of the UB Entities and Oxford Companies when he defrauded Plaintiffs and misappropriated their investments.

701. Defendant Durand was acting within the scope of his actual and/or apparent authority as an agent and representative of the UB Entities and Oxford Companies when he defrauded Plaintiffs and misappropriated their investments.

702. Plaintiffs justifiably and detrimentally relied on Cook, Kiley, Beckman, Pettengill and Durand's actual and/or apparent authority to promote and sell investments and securities through and on behalf of the UB Entities and Oxford Companies.

703. The UB Entities and Oxford Companies are jointly and severally liable for the unlawful conduct of their agents/representatives Cook, Kiley, Beckman, Pettengill and Durand in misleading and defrauding the Plaintiffs under common law principles of vicarious liability and agency.

COUNT XV
(Accounting)

704. Plaintiffs paragraphs 1 through 703 of the Complaint.

705. By virtue of Defendants' failure to place Plaintiffs' funds in individual, segregated accounts and with the entities that they represented would hold the funds, Plaintiffs lack necessary records and documents to determine the amount, location, and existence of their investment funds and accounts.

706. Defendants have failed to return Plaintiffs' funds and have access to all information regarding the amount, location and existence of funds and accounts.

707. As a result, Plaintiffs are entitled to the equitable remedy of an accounting.

RELIEF REQUESTED

Plaintiffs respectfully request that the Court:

A. Issue a Temporary Restraining Order preserving the status quo by ordering Associated Bank to freeze any account belonging to additional Defendants Kiley, Beckman and Pettengill up to \$16 million.

B. Issue a Temporary Restraining Order preserving the status quo by ordering Wells Fargo to freeze any account belonging to additional Defendants Kiley, Beckman and Pettengill up to \$16 million.

C. Issue a Temporary Restraining Order preserving the status quo by ordering that Defendants Kiley, Beckman and Pettengill shall not, directly or indirectly, transfer, pledge, or encumber any asset to hinder, delay, or defraud any of Defendants' investors or creditors.

D. Issue a Temporary Restraining Order preserving the status quo by ordering that Defendants Kiley, Beckman, and Pettengill shall not, directly or indirectly, dispose of any property or funds in which Plaintiffs hold any form of interest and over which Defendants exercise any control.

E. Issue a Temporary Restraining Order preserving the status quo by ordering that Defendants Kiley, Beckman and Pettengill shall not, directly or indirectly, transfer any assets to outside the United States, with the exception of ordinary expenses related to any litigation, e.g., attorneys' fees for attorneys located outside the United States.

F. Awarding compensatory damages in excess of \$16 million, punitive damages and Plaintiffs' costs, disbursements, and attorneys' fees.

G. Order an Accounting of the Defendants according to all applicable Generally Accepted Accounting Principles by a disinterested, licensed accountant.

H. For such other relief as the Court deems just and equitable.

Dated: September 9, 2009

KRASS MONROE, P.A.

s/ John Harper III

John Harper III

Molly R. Hamilton

8000 Norman Center Drive, Suite 1000

Minneapolis, MN 55437-1178

Telephone: (952) 885-5999

JURY DEMAND

Plaintiffs demand a trial by jury on all issues triable by a jury.

s/ John Harper III

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