

UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

U.S. Commodity Futures Trading  
Commission,

Case No: 09-cv-3332 MJD/JJK

Plaintiff(s)

v.

Trevor Cook d/b/a Crown Forex, LLC,  
Patrick Kiley d/b/a Crown Forex, LLC,  
Universal Brokerage FX and Universal  
Brokerage FX Diversified, Oxford Global  
Partners, LLC, Oxford Global Advisors,  
LLC, Universal Brokerage FX Advisors,  
LLC f/k/a UBS Diversified FX Advisors,  
LLC, Universal Brokerage FX Growth, L.P.  
f/k/a UBS Diversified FX Growth L.P.,  
Universal Brokerage FX Management, LLC  
f/k/a UBS Diversified FX Management, LLC  
and UBS Diversified Growth, LLC,

Defendant(s)

R.J. Zayed,

Receiver,

---

UNITED STATES SECURITIES  
AND EXCHANGE COMMISSION,

Plaintiff,

v.

CIVIL ACTION  
FILE NO. 09-cv-3333(MJD/JJK)

TREVOR G. COOK, and  
PATRICK J. KILEY, et al.,

Defendants,

and

BASEL GROUP, LLC,  
CROWN FROEX, LLC,  
MARKET SHOT, LLC,  
PFG COIN AND BULLION,  
OXFORD DEVELOPERS, S.A.,  
OXFORD FX GROWTH L.P.,  
OXFORD GLOBAL MANAGED,  
FUTURES FUND, L.P., UBS DIVERSIFIED,  
FX ADVISORS, LLC, UBS DIVERSIFIED,  
FX GROWTH, L.P., UBS DIVERSIFIED,  
FX MANAGEMENT, LLC, CLIFFORD BERG,  
and ELLEN BERG,

Relief Defendants.

R.J. Zayed,

Receiver.

---

**DECLARATION OF RECEIVER R.J. ZAYED IN SUPPORT OF MOTION TO APPROVE THE PAYMENT OF FEES INCURRED BY THE RECEIVER THAT WERE NECESSARY TO ASSIST THE RECEIVER IN HIS DUTIES**

I, R.J. Zayed, hereby declare as follows:

1. I am a partner with the law firm of Carlson, Caspers, Vandenburg & Lindquist (“CCVL”).
2. On November 23, 2009 the Court entered an order appointing me Receiver in the matter of *SEC v. Cook et al.*, for (1) the estates of Defendants Trevor G. Cook, Patrick J. Kiley; (2) Defendants UBS Diversified Growth LLC, Universal Brokerage FX Management, LLC, Oxford Global Advisors, LLC, Oxford Global Partners, LLC; (3)

Relief Defendants Basel Group, LLC, Crown Forex, LLC, Market Shot, LLC, PFG Coin and Bullion, Oxford Developers, S.A., Oxford FX Growth, L.P., Oxford Global Managed Futures Fund, UBS Diversified FX Advisors, LLC, UBS Diversified FX Growth L.P., and UBS Diversified FX Management LLC; (4) all funds, accounts, and other assets held by or for Relief Defendants Clifford Berg and Ellen Berg, which were received, directly or indirectly, from the Defendants or were acquired with funds or other assets received, directly or indirectly, from the Defendants; and (5) every other corporation, partnership, trust and/or other entity (regardless of form) which is directly or indirectly owned by or under the direct or indirect control of Cook and Kiley (collectively the “Receiver Estates”). *Order Appointing Receiver*, Docket No. 13, at 4 (Nov. 23, 2009); *see also Amended Order Appointing Receiver*, Docket No. 18, at 4 (Nov. 24, 2009); *Second Amended Order Appointing Receiver*, Docket No. 68 (Dec. 11, 2009).

3. On November 23, 2009 the Court also entered an order appointing me Receiver in the matter of *CFTC v. Cook et al.*, for Defendants Trevor Cook d/b/a Crown Forex, LLC, Patrick Kiley d/b/a Crown Forex, LLC, Universal Brokerage FX and Universal Brokerage FX Diversified, Oxford Global Partners, LLC, Oxford Global Advisors, LLC, Universal Brokerage FX Advisors, LLC f/k/a UBS Diversified FX Advisors, LLC, Universal Brokerage FX Growth, L.P. f/k/a UBS Diversified FX Growth, L.P., Universal Brokerage FX Management, LLC, f/k/a UBS Diversified FX Management, LLC, and UBS Diversified Growth, LLC, and their affiliates and subsidiaries, and all funds, properties, premises, accounts and other assets directly or indirectly owned, beneficially or otherwise, by the Defendants individually or

collectively, including, but not limited to, investors' funds. *Ex Parte Statutory Restraining Order*, Docket No. 21, at 7; *see also Order Continuing Appointment of Temporary Receiver*, Docket No. 96 (Dec. 11, 2009).

4. I make this declaration based on personal knowledge and offer it in support of the motion described more fully herein.

5. The motion seeks the Court's approval to pay three types of fees incurred by the Receiver, in or about January, 2010, that were necessary to assist the Receiver in his duties. Specifically the motion seeks Court approval:

- (A) to pay outstanding bills. "Outstanding bills" are those for which the Receiver seeks Court authorization to pay directly out of assets of the Receivership;
- (B) to pay CCVL's attorneys' fees and reimburse CCVL for the necessary costs incurred and paid by CCVL; and
- (C) to pay the legal fees and costs charged by Panamanian counsel in legal action involving Receivership assets in Panama.

**(A) Outstanding Bills**

*i) Computer Forensic Services*

6. With the Court's approval, I retained Computer Forensic Services to assist me in fulfilling my duties as Receiver by extracting data matching specific keywords and file types from electronic equipment found at 12644 Tiffany Court, Burnsville, MN, 55337 ("Burnsville residence") and 1900 LaSalle Avenue, Minneapolis, MN 55403 ("Van Dusen Mansion").

7. I have received two invoices and a letter from Computer Forensic Services describing the work it performed from January 13, 2010 to February 3, 2010. I am

submitting these documents to the Court under separate correspondence for *in camera* review. The documents include the date when work was performed and a description of the tasks performed. These documents reflect the amount of compensation requested for the work performed by Computer Forensic Services. They set forth a combined total of \$39,599.68.

8. I am familiar with the rates charged in the local community by other firms offering keyword searching and data extraction services similar to those provided by Computer Forensic Services and certify that the requested rates are within the range charged by such services with comparable experience employed for work of a comparable nature and complexity.

9. I have reviewed the invoices and letter describing the services provided by Computer Forensic Services and certify that all of the stated work was actually performed and was necessary to fulfill my duties and responsibilities as Receiver.

10. I therefore request Court approval to pay Computer Forensic Services \$39,599.68 out of the assets of the Receivership.

***ii) WayPoint, Inc.***

11. With the Court's approval, I retained private investigators Rick Ostrom and Dennis Sackreiter and their firm WayPoint, Inc. to assist me in fulfilling my duties and obligations as Receiver.

12. I have received a statement from WayPoint, Inc. describing work performed from January 1, 2010 through January 31, 2010. I am submitting this statement to the Court under separate correspondence for *in camera* review. The

statement includes the date when work was performed, the name of the person performing the work, the applicable hourly rate, the time expended, a description of the tasks performed, and a description of additional expenses. The statement reflects the amount of compensation requested for the work performed by WayPoint, Inc. The statement sets forth \$36,960.88 in total fees.

13. I am familiar with the rates charged in the local community by other firms offering investigative services similar to those provided by WayPoint, Inc. and certify that the requested rates are within the range charged by investigative firms with comparable experience employed for work of a comparable nature and complexity.

14. I have reviewed the itemized statements describing services provided by WayPoint, Inc. and certify that all of the stated work was actually performed and was necessary to fulfill my duties and responsibilities as Receiver.

15. I therefore request Court approval to pay WayPoint, Inc. \$36,960.88 out of the assets of the Receivership.

***iii) 33rd Company, Inc. Property Management***

16. With the Court's approval, I retained 33rd Company, Inc. Property Management ("33rd Company") to serve as caretaker for the Van Dusen Mansion. The caretaker provided by 33rd Company has now replaced the security guards formerly posted at the Van Dusen Mansion.

17. I have received a statement from 33rd Company describing work performed from January 11, 2010 through February 10, 2010. I am submitting this statement to the Court under separate correspondence for *in camera* review. The statement includes the

date when work was performed, a description of the tasks performed, and a description of additional expenses. The statement reflects the amount of compensation requested for the work performed by 33rd Company. The statement sets forth \$3,594.21 in total fees.

18. I am familiar with the rates charged in the local community by other firms offering caretaking services similar to those provided by 33rd Company and certify that the requested rates are within the range charged by property caretakers with comparable experience employed for work of a comparable nature and complexity.

19. I have reviewed the itemized statements describing services provided by 33rd Company and certify that all of the stated work was actually performed and was necessary to fulfill my duties and responsibilities as Receiver.

20. I therefore request Court approval to pay 33rd Company \$3,594.21 out of the assets of the Receivership.

**(B) CCVL Attorneys' Fees and Costs**

21. With the Court's approval, I retained the CCVL law firm to assist me in fulfilling my duties and obligations as Receiver. *Order Appointing Receiver*, 09-cv-3333, Docket No. 13, at 2 (Nov. 23, 2009); *Ex Parte Statutory Restraining Order*, 09-cv-3332, Docket No. 21, at 8 (Nov. 23, 2009); *see also Amended Order Appointing Receiver*, 09-cv-3333, Docket No. 18, at 2 (Nov. 24, 2009); *Second Amended Order Appointing Receiver*, 09-cv-3333, Docket No. 68, at 2 (Dec. 11, 2009); *Order Continuing Appointment of Temporary Receiver*, 09-cv-3332, Docket No. 96, at 4 (Dec. 11, 2009).

22. I have received a statement from CCVL describing work performed by me and my agents from January 1, 2010 through January 31, 2010. I am submitting this

statement to the Court under separate correspondence for *in camera* review. The statement includes the date when work was performed, the name of the person performing the work, the applicable discounted hourly rate, the time expended, and a detailed description of the tasks performed. The statement sets out the amount of compensation requested for the work performed. It reflects legal fees of \$246,796.80.

23. I have reviewed the itemized statement describing services provided by CCVL and certify that all of the stated work was actually performed and was necessary to fulfill my duties and responsibilities as Receiver.

24. I am familiar with the rates charged in the local community by attorneys performing services similar to those provided by CCVL and certify that the requested rates are within the range charged by attorneys of comparable experience employed by comparable Minnesota law firms for work of a comparable nature and complexity.

25. I have received statements from those persons and entities providing necessary services to the Receiver in and around January, 2010. These statements are summarized on pages 23-26 of CCVL invoice number 6504, under the heading “Disbursements.” I am submitting these statements to the Court under separate correspondence for *in camera* review, along with copies of checks showing payment provided out of CCVL’s operating account. These statements include the date the work was performed and a description of the tasks performed. The statements set out the amount of compensation requested for the work performed. They reflect total costs of \$40,825.30, including legal fees for outside and contract counsel.

26. The statements referenced in paragraph 25 include several payments for services provided by third parties to the Van Dusen Mansion and the Burnsville Residence in 2009. The Receiver is in the process of contacting these third party service providers and negotiating a settlement for each outstanding bill. The “Disbursements” section of CCVL invoice number 6504 includes payments for any such settlements the Receiver has agreed to.

27. I have reviewed the itemized statement describing services provided to the Receivership certify that all of the stated work was actually performed and was necessary to fulfill my duties and responsibilities as Receiver.

28. I am familiar with the rates charged in the local community by service providers similar to those employed by the Receivership and certify that the requested rates are within the range charged by service providers of comparable experience for work of a comparable nature and complexity.

29. I request Court approval to pay CCVL \$287,622.10 out of the assets of the Receivership.

**(C) Morgan & Morgan (Panamanian law firm)**

30. As this Court has been advised, Relief Defendant Oxford FX Growth, L.P. (“OFXG”) has deposited Receivership funds with the MMG Bank Corporation, a banking institution organized under the laws of Panama (the “MMG Account”). The MMG Account was established to retain legal services and secure a Panamanian court order freezing assets and property in Panama that are now subject to the Receivership. Outside counsel for OFXG retained Morgan & Morgan, a Panamanian law firm, prior to the date

the Receivership was created for the purpose of obtaining the Panamanian court order freezing assets.

31. I have received statements from Morgan & Morgan describing work performed in September, October, and December 2009, and January, 2010. I am submitting this statement to the Court under separate correspondence for *in camera* review. The statement includes the date when work was performed, the name of the person performing the work, the time expended, and a description of the tasks performed. The statements sets out the amount of compensation requested for the work performed. Invoice number 973793 reflects attorneys' fees of \$8,900, office expenses of \$399.13, translation expenses of \$40.00, and \$330.00 in fees for registering deeds, for a total amount due of \$9,669.13. Invoice number 973474 reflects attorneys' fees of \$1,500, office expenses of \$5.45, taxes of \$75.27, and expert fees of \$600.00, for a total amount due of \$2,180.72.

32. I have reviewed the itemized statement describing services provided by Morgan & Morgan prior to the date the Receivership was created and was informed by outside counsel for OFXG that all of the stated work was necessary to obtain the orders freezing assets of the Receivership in Panama. As for the services rendered in December, 2009 and January, 2010, those services were necessary to fulfill my duties as Receiver.

33. I was informed by outside counsel for OFXG that the applicable rates are within the range charged by attorneys of comparable experience employed by comparable Panamanian law firms for work of a comparable nature and complexity.

34. I request Court approval of the Receiver's fee application in favor of Morgan & Morgan in the total amount of \$11,849.85 for attorneys' fees and expenses incurred from September, 2009 through January, 2010. I further request that the Court approve payment of these fees out of the MMG Account described above.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on: February 16, 2010

s/ R. J. Zayed  
R.J. Zayed (MN Bar No. 309,849)  
Carlson, Caspers, Vandenburg &  
Lindquist, P.A.  
225 South Sixth Street, Suite 3200  
Minneapolis, MN 55402  
Telephone: (612) 436-9600  
Facsimile: (612) 436-9605  
Email: rzayed@ccvl.com