



CARLSON, CASPERS, VANDENBURGH & LINDQUIST

INTELLECTUAL PROPERTY LITIGATION & COUNSELING

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October 13, 2011

VIA EMAIL

Adam S. Huhta, Esq.
Huhta Law Firm, PLLC
36 S. 9th Street, Suite 200
Minneapolis, MN 55402

Re: Zayed v. Buysse et al., 11-cv-1042 (D. Minn.)

Mr. Huhta,

This letter responds to the correspondence you sent yesterday afternoon. I look forward to meeting and conferring with you tomorrow at 10 a.m. regarding the issues raised in my letter of October 7, 2011, as well as any issues discussed below.

A. Respondent Anderson's First Set of Interrogatories

With respect to Interrogatory No. 1, the Receiver's response and supplemental response refer to the Receiver's Initial Disclosures, as amended, and the Receiver's responses to Interrogatory No. 7. The Initial Disclosures list the facts that each witness identified may know and the response to Interrogatory No. 7 refers to deposition transcripts and provides further detail regarding facts that identified individuals have knowledge of. This is a complete answer.

With respect to Interrogatories Nos. 7 and 10, do you intend to deny the existence of the Ponzi scheme? If it is your intention to deny the existence of the Ponzi scheme or that Basel Group LLC was a part of that scheme, then all documents that have been available for your inspection are relevant and we reserve the right to rely on any of them.

With respect to the specific transfer to Respondent Anderson, the Receiver has already identified all people who were involved. For example, in response to Interrogatory No. 7 we specifically identified the documents IR23570-77 pursuant to Rule 33(d). These documents identify Julia Smith and Associated Bank as also involved in the transfer.

EXHIBIT 4

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With respect to Interrogatories Nos. 14 and 15, subject to our ongoing duty to supplement discovery if new information becomes available, our response is not limited by the objections.

B. Respondent Anderson's First Request for Production of Documents

To be clear, all documents that were seized from Trevor Cook or the Receivership Entities have been available for your inspection and copying since at least January 2011. My September 13, 2011 email to you recounted in detail the course of discovery in this action. To recap, the Receiver's offers to make hard drives and paper files seized from Receivership properties available for inspection were stated in a January 18, 2011 letter to Mr. Mohrman, on which you were copied, and re-stated in another letter on January 28, 2011, on which you were also copied. Then I explained in a January 31, 2011 email to you that the Receiver's offer to make the seized documents available for inspection was contingent on a Protective Order being in place. You then stipulated to the entry of the Protective Order, and on April 18, 2011 finally produced documents to us—over five months after we served document requests. The Receiver timely responded to your written discovery on April 25, 2011 and that same week provided you with a copy of the documents we had physically sent to the Mohrman firm. But you did not at any time inquire regarding our standing offer to inspect seized documents. Nonetheless the Receiver continued to remind you that the seized documents have been and remain available for inspection. For some examples, see the Receiver's Responses and Objections to Respondent Anderson's Second Set of Requests for Production (Aug. 1, 2011) (objecting because the requests sought documents that had already been made available for inspection); Letter from Peter Kohlhepp to Adam Huhta, August 16, 2011; Email from Peter Kohlhepp to Adam Huhta, August 17, 2011.

With respect to Requests Nos. 2, 3, and 4, the Receiver reserves the right to rely on any of the documents that have been produced pursuant to Federal Rule of Civil Procedure 34, including the documents that have been available for you to inspect and copy since January 2011.

With respect to Request No. 10, I note that you already have all of the bank records from the Receivership Entities—these records show all investors for the time period specified. Request 10 goes on to request "*all documents relating to any funds provided to any Receivership Entity for any other investor*" for the period. All such documents have been produced to you; they have been made available for inspection and copying pursuant to Rule 34. It is unduly burdensome for the Receiver to take the additional step of reviewing thousands of documents for you when the documents are as readily available to you as to the Receiver.

With respect to Requests Nos. 13-15, all documents our rebuttal expert report relied upon in responding to the expert report served by Respondents Cheney's, Buysse, Defiel, Fredells,

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Heises, Hillesheims, Hopfenspirger, Kautzman, McIntosh, Morissets, Frahm, and Sundstrom have been provided to all parties.

C. Respondent Anderson's Requests for Admissions

With respect to Requests for Admission Nos. 6, 13, 15, 18-25, 29, 30, and 35, the Receiver has explained in detail the facts, the application of law to fact, or the opinions about either that form the basis for each denial. The Receiver went so far as to identify specific documents in these responses. This is more than sufficient under Rule 36.

You have far exceeded the twenty-five interrogatories, "including all discrete subparts," that are allowed by Rule 33. You purported to serve twenty-three interrogatories on the Receiver, but including subparts, you have actually served twenty-nine interrogatories. You have improperly attempted to shoe horn *thirty-eight additional* interrogatories into discovery by seeking all facts and all documents that support each answer to your Requests for Admission. The Receiver has already more than met his obligation to provide you with complete written discovery within the bounds of the Federal Rules. As such, the Receiver stands by his responses.

With respect to Requests for Admission Nos. 8 and 9, the Receiver has fully and sufficiently explained his responses.

With respect to Requests for Admission Nos. 23-25, the Receiver has fully explained the basis for his denial, providing you with a detailed answer as to why Ms. Anderson did not "profit" from her "investment" and how Trevor Cook "initiated" the transfers to Ms. Anderson.

With respect to Requests for Admission Nos. 3, 4, 5, 16, 17, and 33, the Receiver has provided complete responses. The Receiver remains unable to admit or deny these requests, for the reasons provided.

D. Respondent Anderson's Third Interrogatories

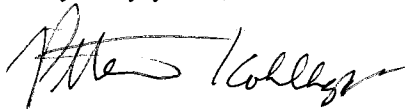
With respect to Interrogatory No. 2 from Respondent Anderson's Third Set of Interrogatories, the Receiver has identified documents pursuant to Rule 33(d) and also provided you with copies of the pertinent bank records. The remaining information sought by Interrogatory No. 2 is irrelevant. Moreover, I note that subpart (e) of Interrogatory No. 2 would require the identification of literally hundreds of thousands of documents. Nonetheless all of this information is available to you in both the bank records that have been copied and the seized files that have been made available for your inspection under Rule 34(a). The Receiver has more than met his discovery obligations in Response to Interrogatory 2.

E. Respondent Anderson's Third Requests for Production of Documents

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With respect to your Third Requests for Production Nos. 1-3, the Receiver has produced all documents in accordance with Rule 34 and has no obligation to identify documents in response to a Request for Production.

Very truly yours,

A handwritten signature in black ink, appearing to read "Peter M. Kohlhepp", written in a cursive style.

Peter M. Kohlhepp

Cc: Daniel Gerds (via email)
Gregory Erickson (via email)