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UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

UNITED STATES SECURITIES  
AND EXCHANGE COMMISSION,

Plaintiff(s)

Case No: 11-cv-00574-MJD-FLN

v.

JASON BO-ALAN BECKMAN and  
THE OXFORD PRIVATE CLIENT  
GROUP, LLC,

Defendant(s)

And

HOLLIE BECKMAN,

Relief Defendant.

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**RECEIVER'S RESPONSE TO DEFENDANT BECKMAN'S MOTION FOR  
LIMITED LIFTING OF STAY TO PETITION COURT IN  
CONSIDERATION FOR LIVING EXPENSES**

On November 7, 2011, Defendant Jason Bo-Alan Beckman filed a motion with this Court requesting a limited lifting of the stay of this civil proceeding so that he may seek additional payment of \$3,000 from the Receiver for living and out-of-pocket medical expenses. (Docket No. 225.) For the reasons set forth herein, the Receiver opposes the motion.

**ARGUMENT**

**I. The Beckmans Have Failed to Comply with the Promissory Note and the Court's Order Relating to the April 2011 \$5,151.20 Loan**

On April 1, 2011, the Court issued an Order for the Receiver to make a loan to Jason Bo-Alan and Hollie Beckman (collectively, the "Beckmans") in the amount of \$5,151.20 ("Loan"). (Docket No. 37.) The Loan amount was calculated based on IRS standards and invoices for specific debts that the Beckmans owed. (*Id.*; Docket No. 27, Ex. A.) Among other things, the Order specified the terms upon which the Loan was to be repaid, expenditures for which the Loan proceeds were to be used, and requirements the Beckmans would have to meet if they requested additional Receivership funds in the future. (Docket No. 37.)

As an initial matter, the Beckmans are in default of the original Loan that was made to them. They have not made any payments toward that debt. (Declaration of Brian Hayes In Support Of Receiver's Response to Defendant Beckman's Motion for Limited Lifting of Stay to Petition Court in Consideration for Living Expenses ("Hayes Decl.", ¶ 2); *see also* Docket 37.)

The loan was to be repaid by June 30, 2011; it was provided to Beckman, incident to the freezing of all his bank accounts, so that he could pay current necessary expenses, including \$1,248.00 in child support. (Doc. 27, Ex. B; Doc. 37, ¶ 5; Doc. 27, Ex. A) The Receiver does not believe Beckman has paid the child support, pursuant to express agreement and Court Order, and has

communicated with Beckman on this point on a number of occasions. (Hayes Decl. ¶ 3)

Simply put, given the experience with Beckman to date, the Receiver has no basis to believe Beckman will ever repay the original \$5,151.20 loan made at the expense of the defrauded investors. An additional \$3,000 loaned to Mr. Beckman will be more investor funds that those defrauded from the scheme will likely never recover.

**II. Beckman's Motion Fails For Lack of Proper Filing, and the Receiver and the Defrauded Investors Have the Right to Review the Relevant Documentation.**

The Order details the requirements the Beckmans must meet in applying for additional funds, specifically an accounting of all expenditures from the original Loan proceeds and a detailed explanation of all efforts the Beckmans have undertaken to secure employment. (Docket No. 37, ¶ 6.) Mr. Beckman filed his motion without providing the Receiver, or the defrauded investors, access to the documents he filed *in camera* with the Court. Hayes Decl., ¶ 4. Mr. Beckman has also failed to motion the Court appropriately pursuant to the Local Rules of this Court. *See* United States District Court for the District of Minnesota Local Rule 7.1 (Local Rule on civil motion practice). The Receiver (nor anyone else, it would appear) has not been served with a notice of hearing, a memorandum of law, an affidavit and exhibits, or a proposed order.

At a minimum, the Receiver and the defrauded investors should have the opportunity to review the documents filed by Mr. Beckman so that the investors

can see the documents for themselves, and so the Receiver may make an appropriate objection. (*See* Doc. 37, ¶ 6) Given that the Beckmans are applying for Receivership funds, which in turn belong to over 725 defrauded investors, the Receiver believes that all information underlying the Beckmans' current request, including their efforts to secure employment and a full accounting of all expenditures of the original Loan proceeds, should be made part of the public record in this case.

Without an understanding of the Beckmans' efforts to become financially self-sufficient, and a full and public accounting of how the original Loan proceeds were used, the Receiver must object to the Beckmans' current application.

### **CONCLUSION**

For the foregoing reasons, the Receiver opposes Defendant Beckman's motion to the Court to lift the stay and for additional, defrauded investor loan proceeds.

Dated: November 11, 2011

Respectfully submitted,

s/ Brian W. Hayes

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