
UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

U.S. COMMODITY FUTURES
TRADING COMMISSION,

Plaintiff(s)

Case No: 09-cv-3332 MJD/JJK

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, UNIVERAL
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 DISTRICT COURT
DISTRICT OF MINNESOTA

UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,

Case No: 09-cv-3333 MJD/JJK

Plaintiff(s)

v.

TREVOR G. COOK,
PATRICK J. KILEY,
UBS DIVERSIFIED GROWTH, LLC,
UNIVERSAL BROKERAGE FX
MANAGEMENT, LLC,
OXFORD GLOBAL ADVISORS, LLC,
and OXFORD GLOBAL PARTNERS, LLC,

Defendants

and

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, 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 SAMUEL T. LOCKNER IN SUPPORT OF RECEIVER'S
MOTION TO SELL PROPERTY, AUTHORIZE THE HIRING OF REAL
ESTATE AGENT, AND TO SEEK CANADIAN ORDER AUTHORIZING SALE**

I, Samuel T. Lockner, hereby declare:

1. I am an attorney, along with R.J. Zayed, Receiver, in the firm of Carlson, Caspers, Vandenburg and Lindquist ("CCVL"). I submit this declaration in support of the Receiver's Motion to Sell Property, Authorize the Hiring of Real Estate Agent, and to Seek a Canadian Order Authorizing the Sale.

2. This declaration is submitted based on my personal knowledge except as otherwise indicated.

3. Attached hereto as Exhibit A is a true and correct copy of an order dated December 21, 2009, issued by Justice Cumming, from the Ontario Superior Court of Justice.

4. I have identified three real estate agents/brokers who specialize in appraising and selling property in the Rainy Lake region and who the Receiver believes would help to yield maximum value from the sale of the Rainy Lake Property, namely:

- 1.) Alan Zucchiatti of Rainy Lake Realty Ltd. located at 540 Kings Highway, Fort Frances, Ontario P9A2T1;
- 2.) Dan Cousineau of Cousineau Real Estate Ltd. located at 250 Scott St., Fort Frances, Ontario P9A1G7; and

- 3.) David Kircher of Tichbornes Real Estate Ltd. located at 576
Scott St., Fort Frances, Ontario P9A1H4.

Mr. Zucchiatti was requested to appraise the Rainy Lake Property and has already issued an appraisal report on it. Messrs. Cousineau and Kircher have likewise been requested to appraise the Rainy Lake Property and to issue an appraisal report. The Receiver is currently awaiting their appraisal reports, which should be forthcoming.

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

Dated: May 11, 2010

/s/ Samuel T. Lockner

Samuel T. Lockner

EXHIBIT A

Court File No. 09-8512-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

) *Mon* day, THE ^{21st} DAY
) OF DECEMBER, 2009
)

JUSTICE *CUMMING*

BETWEEN:

R.J. ZAYED of Carlson, Caspers, Vandenburg & Lindquist

Applicant



- and -

TREVOR G. COOK, PATRICK J. KILEY, CROWN FOREX, LLC, UNIVERSAL
BROKERAGE FX AND UNIVERSAL BROKERAGE FX DIVERSIFIED, OXFORD
GLOBAL PARTNERS, LLC. OXFORD GLOBAL ADVISORS, LLC, UBS DIVERSIFIED
FX ADVISORS, LLC, UNIVERSAL BROKERAGE FX GROWTH L.P., UBS
DIVERSIFIED FX GROWTH L.P., UNIVERSAL BROKERAGE FX MANAGEMENT,
LLC, UBS DIVERSIFIED FX MANAGEMENT, LLC AND UBS DIVERSIFIED
GROWTH LLC., BASEL GROUP, LLC., MARKET SHOT, LLC., PFG COIN AND
BULLION OXFORD FX GROWTH. L.P., OXFORD DEVELOPERS, S.A., OXFORD
GLOBAL MANAGED FUTURES FUND, L.P., OXFORD GLOBAL FX, LLC., CLIFFORD
BERG AND ELLEN BERG

Respondents

ORDER

THIS APPLICATION, brought without notice, was heard this day in the presence of
counsel for R.J. Zayed, the U.S. Receiver at 330 University Avenue, Toronto.

ON READING the the affidavit of R.J. Zayed, U.S. Receiver, and the exhibits
attached thereto and on hearing submissions of counsel for the R.J. Zayed.

SERVICE

1. THIS COURT ORDERS that the service of the Notice of Application and the Application Record is hereby dispensed with.
2. THIS COURT ORDERS that this order be served on the Respondents within 15 days.

RECOGNITION OF U.S. APPOINTMENT

3. THIS COURT ORDERS that the Order appointing R.J. Zayed as receiver in Court File No. 09-SC-333 in the District Court for the District of Minnesota (as amended by orders up to and including the Second Amended Order Appointing Receiver dated December 11, 2009) and the Orders in Court File 09-SC-332 in the District Court for the District of Minnesota (as amended by orders up to and including the Order Continuing Appointment of Temporary Receiver dated December 11, 2009) (collectively "the U.S. Receivership Proceedings") is hereby recognized as a "foreign proceeding" for the purposes of sections 267 and following of the *Bankruptcy and Insolvency Act* and that this Ontario proceeding is to be constituted as an ancillary proceeding to the U.S. Receivership Proceedings, which is recognized as the main proceeding.

4. THIS COURT ORDERS AND DECLARES that R.J. Zayed (the "Receiver") is recognized as the foreign representative of the Respondents pursuant to sections 267 and following of the *Bankruptcy and Insolvency Act* and that he not be obliged to post a bond or any other security.

4. THIS COURT FURTHER ORDERS AND DECLARES that the Order appointing R.J. Zayed as receiver Court File No. 09-SC-333 in the District Court of Minnesota (as amended by orders up to and including the Second Amended Order Appointing Receiver dated December 11, 2009) and the Orders in Court File 09-SC-332 (as amended by orders up to and including the Order Continuing Appointment of Temporary Receiver dated December 11, 2009) are recognized under the common law and are to be given full force and effect in Ontario.

RECEIVER'S POWERS

5. THIS COURT ORDERS AND DECLARES that the Receiver shall, in Canada, have all of the powers granted to him in the U.S. Receivership Proceedings, including such powers as may be granted by amendments to or further orders in the U.S. Receivership Proceedings, and that in particular, subsequent to any further order of the United States District Court for the District of the State of Minnesota, the Receiver shall have the following powers and duties:

- (a) To use reasonable efforts to determine the nature, location and value of all assets and property which the Respondents own, possess, have a beneficial interest in, or control;
- (b) To engage and employ the law firm of Carlson, Caspers, Vandenburg & Lindquist, and, with the approval of the District Court of Minnesota, any individuals or entities the Receiver deems necessary to assist in his duties ("Retained Personnel");
- (c) To take custody, control and possession of all the funds, property, premises, leases, and other assets of or in the possession or under the direct or indirect control of the Respondents, to manage, control, operate and maintain the Respondents, to use income, earnings, rents and profits of the Respondents, with full power to sue for and collect, recover, receive and take into possession all goods, chattels, rights, credits, monies, effects, lands, books and records of accounts and other papers of the Respondents;
- (d) To bring such legal actions based on law or equity in any state, federal, or foreign court as he or she deems necessary or appropriate in discharging his or her duties as Receiver;
- (e) To pursue, resist and defend all suits, actions, claims and demands which may now be pending or which may be brought by or asserted against the Respondents;

- (f) To make sure payments and disbursements from the funds so taken into his or her custody, control and possession or thereafter received, and to incur such expenses as may be necessary are advisable in the ordinary course of business in discharging his or her duties as Receiver;
- (g) To take such action as necessary and appropriate to prevent the dissipation or concealment of any funds or assets or for the preservation of any such funds and assets of the Respondents;
- (h) To have the authority to issue subpoenas (or summons to witnesses) to compel testimony of persons or production of records, concerning any subject matter relating to the identification, preservation, collection and/or liquidation of the Respondents;
- (i) To take any action which could be taken by the officers, directors, partners, members, and trustees of the Respondents;
- (j) To suspend, terminate or grant a leave of absence to any employees of the Respondents; and
- (k) To take such other action as may be approved by this Court.

Provided that with respect to the Respondents Clifford Berg and Ellen Berg this order shall be limited to all funds, accounts and other assets which were received, directly or indirectly from the other Respondents or were acquired with funds or other assets received directly or indirectly from the other Respondents.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

6. THIS COURT ORDERS THAT in Canada:

- (i) The Respondents, their agents, servants, employees, and attorneys, and any persons acting for or on behalf of Respondents, are required to assist the Receiver in fulfilling his duties and obligations. As such, they must respond

promptly and truthfully to all requests for information and documents from the Receiver.

- (ii) Any brokerage institution, financial institution, bank, savings and loan, mutual fund, or any other person, partnership, or corporation maintaining or having custody or control of any brokerage or deposit account or other assets of any of the Respondents or under their control, that receives actual notice of this order by personal service, facsimile transmission or otherwise shall, within three (3) business days of receipt of that notice, file with and serve on the Receiver a certified statement setting forth, with respect to each such account or other asset, the balance in the account or description of the assets as of the close of business on the date of receipt of the notice.
- (iii) All persons, and all others acting on behalf of any such persons, including sheriffs, marshals, other officers, deputies, servants, agents, employees and attorneys, are ordered to turn over the Receiver any and all property, including records of any nature of which any of the Respondents are the owners or have an interest in immediately upon receiving notice of the entry of this Order.
- (iv) The Respondents, their agents, servants, employees, and attorneys, any persons acting for or on behalf of the Respondents, and any persons receiving notice of this order by personal service or otherwise, having possession of the property, business, books, records, accounts or assets of the Respondents are hereby directed to deliver the same to the Receiver, his or her agents and/or employees.
- (v) The Respondents, their agents, servants, employees, attorneys, any persons acting for or on behalf of the Receiver Estates, and entities under their direct or indirect control shall co-operate with and assist the Receiver and shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the Receiver, in the performance of his or her duties.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY/NO EXERCISE OF RIGHTS OR REMEDIES

7. THIS COURT ORDERS THAT in Canada:

- (i) No shareholders, partners, members, or trustees of any of the corporations, partnerships, limited liability companies, or trusts that are among the Respondents shall exercise any of their rights or powers with respect to the Respondents until further order of the Court.
- (ii) The Respondents, as well as their agents, servants, employees, attorneys, any persons acting for or on behalf of the Respondents, and any persons receiving notice of this order by personal service or otherwise, are hereby restrained and enjoined from disposing, transferring, exchanging, assigning or in any way conveying any property or assets of the Respondents and from the transaction of any business of the Respondents except with the approval of the Receiver.
- (iii) All investors, borrowers, creditors, and other persons, and all other acting on behalf of any such investor, borrower, creditor or other persons, including sheriffs, marshals, other officers, deputies, servants, agents, employees and attorneys, are stayed from:
 - (a) Commencing, prosecuting, continuing or enforcing any suit or proceeding against or affecting any of Respondents;
 - (b) Using self-help or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution, or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any assets of the Respondents, including, without limitation, any property owned by or in the possession of the Respondents, whenever situated;
 - (c) Attempting to modify, cancel, terminate, call, extinguish, revoke or accelerate (the due date), of any lease, loan, mortgage, indebtedness,

security agreement or other agreement with the Respondents, or otherwise affecting the Respondents, without the agreement of the Receiver; and

- (d) Doing any act to interfere with the taking control, possession, or management, by the Receiver, of any assets of the Respondents, or to in any way interfere with or harass the Receiver, or to interfere in any manner with the jurisdiction of the U.S. District Court of Minnesota over the Respondents.

LIMITATION ON THE RECEIVER'S LIABILITY

8. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order in Canada, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

GENERAL

9. THIS COURT ORDERS that a Certificate of Pending Litigation in favour of R.J. Zayed as Receiver be issued for the realty set out at Schedule "A" hereto.

10. THIS COURT ORDERS that the Receiver may from time to time apply to this court for advice and directions in the discharge of its powers and duties in Canada hereunder.

11. THIS COURT ORDERS that any interested parties may apply to this court to vary or amend this order on not less than seven (7) days' notice to the Receiver, and to any other party likely to be affected by the order sought or upon such other notice, if any, as this court may order.

12. THIS COURT ORDERS that the Receiver shall have its costs of this Application, up to and including entry and service of this order, on a substantial indemnity basis to be paid by the Receiver from any assets of the Respondents located in Canada with such priority and at such time as this court may determine.

Let this Order issue.

Peter A. Cunningham

ON / BOOK NO:
LE JANS LE REGISTRE NO.

4149638.1

DEC 21 2009

PER / PAR: TV

MPA

Schedule "A"

Parcel 4178 Sec Rainy River; Island G 1251 Unsurveyed Territory in Rainy Lake
W Sand Point Reserving Strip on Land 10 Feet in perpendicular width along
shore of said island; District of Rainy River

PIN Number 56066-2665 (LT)

R. J. Zayed of Carlson, Caspers,
Vandenburgh & Lindquist
Applicant and Cook et al
Respondents

Court File No:

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

ORDER

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