



# CARLSON, CASPERS, VANDENBURGH & LINDQUIST

INTELLECTUAL PROPERTY LITIGATION & COUNSELING

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December 21, 2010

Investor Name  
Investor Address  
Investor City, State, Zip

Re: *SEC v. Cook*, No. 09-cv-3333 MJD/JJK (D. Minn. Nov. 23, 2009);  
*CFTC v. Cook*, No. 09-cv-3332 MJD/JJK (D. Minn. Nov. 23, 2009)

Dear Investor Name:

I write regarding the recent interim distribution sent to you on behalf of the Receivership for Trevor Cook, Patrick Kiley, and related entities. Several investors have inquired about the tax treatment of the interim distribution. Although I am unable to give you tax advice, and this letter is in no way to be construed as such, I write to clarify some issues that have been brought to my attention.

First, this letter confirms that the Receivership will not be issuing any IRS Form 1099-R, or any other IRS statement, pertaining to the interim distribution.

Second, investors who deposited money in the fraud through a qualified IRA account may have the option of depositing their interim distribution with their IRA custodian within sixty days from the date of distribution. By redepositing the distribution into their IRA within 60 days, investors may be able to avoid potential penalties for early withdrawal and defer the income taxes that would normally apply to an IRA distribution. If you believe this option is available to you, I urge you to act quickly as the sixty-day period likely began at the date of distribution, November 12, 2010. As with all issues related to taxation, the Receiver urges investors to consult a qualified tax advisor for further information.

Lastly, the IRS has issued guidance to assist taxpayers who are victims of losses from Ponzi-type investment schemes in the form of Revenue Procedure 2009-20 and Revenue Ruling 2009-9. These publications are available through the Receiver's website ([www.cookkileyreceiver.com](http://www.cookkileyreceiver.com)) under the response to Frequently Asked Question 64 or directly from the IRS.

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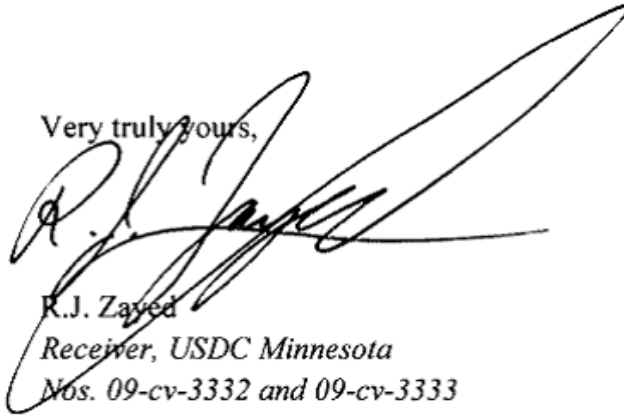
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December 21, 2010

Page 2

If you have any questions or concerns about any of the above, please contact my staff locally at (612) 436-9664, toll-free at (877) 316-6129, or by email at [info@cookkileyreceiver.com](mailto:info@cookkileyreceiver.com).

Very truly yours,

A handwritten signature in black ink, appearing to read 'R.J. Zayed', written over a horizontal line. The signature is stylized and cursive.

R.J. Zayed

*Receiver, USDC Minnesota*

*Nos. 09-cv-3332 and 09-cv-3333*

RJZ/AJO/crm

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