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UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

U.S. COMMODITY FUTURES  
TRADING COMMISSION,

Plaintiff(s)

Case No: 09-cv-3332 MJD/JSM

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.

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UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

UNITED STATES SECURITIES  
AND EXCHANGE COMMISSION,

Case No: 09-cv-3333 MJD/JSM

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.

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**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, Vandenberg & 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 (Nov. 23, 2009); *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 four types of fees incurred by the Receiver, in or about November 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;

(C) to pay the legal fees and costs charged by Swiss counsel in legal action involving Receivership assets in Switzerland; and

(D) to pay the legal fees and costs charged by Panamanian counsel in legal action involving Receivership assets in Panama.

**(A) Outstanding Bills**

*i) Dorsey & Whitney LLP*

6. With the Court's approval, I retained the Dorsey & Whitney law firm ("Dorsey") to assist with insurance law issues related to the Receiver's settlement negotiations with Mesa Holdings, Inc. and Ed Baker.

7. I have received a statement from Dorsey describing work performed from November 1, 2010 through November 30, 2010 concerning the Receiver's claims against Ed Baker and insurance related issues. 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 Dorsey. The statement sets forth \$3,980.46 in total fees and expenses.

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

9. I have reviewed the itemized statements describing services provided by

Dorsey 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 Dorsey a total of \$3,980.46 out of the assets of the Receivership.

***ii) Willeke & Daniels***

11. With the Court's approval, I retained the Willeke & Daniels law firm to assist with real estate law issues related to the listing and sale of the 12644 Tiffany Court property.

12. I have received a statement from Willeke & Daniels describing work performed through November 30, 2010 concerning the sale of the 12644 Tiffany Court property, including preparing a Quit Claim Deed, conducting a title search, and obtaining a Release of Land from a Judgment Lien. 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 Willeke & Daniels. The statement sets forth \$1,473.55 in total fees and expenses.

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

14. I have reviewed the itemized statements describing services provided by Willeke & Daniels 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 Willeke & Daniels \$1,473.55 out of the assets of the Receivership.

*iii) Leonard, O'Brien, Spencer, Gale & Sayre*

16. With the Court's approval, I retained the Leonard, O'Brien, Spencer, Gale & Sayre law firm ("Leonard") to assist with bankruptcy law issues related to the Receiver's claims against Ed Baker and his bankruptcy filing.

17. I have received a statement from Leonard describing work performed from November 1, 2010 through November 30, 2010, including drafting pleadings, including a stipulation, to be filed in the bankruptcy proceeding; providing advice regarding settlement discussions with Baker, Mesa Holdings, and the bankruptcy trustee; and reviewing documents produced during the bankruptcy proceedings. 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 Leonard. The statement sets forth \$1,466.23 in total fees and expenses.

18. I am familiar with the rates charged in the local community by other firms offering legal services similar to those provided by Leonard and certify that the requested

rates are within the range charged by law firms with comparable experience employed for work of a comparable nature and complexity.

19. I have reviewed the itemized statements describing services provided by Leonard 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 Leonard a total of \$1,466.23 out of the assets of the Receivership.

*iv) Ernst & Young*

21. With the Court's approval, I retained the Ernst & Young accounting firm to assist with tax issues related to the Receiver's efforts to wind down the affairs of the Receivership Entities and provide a first restitution payment to defrauded investors.

22. I have received a statement from Ernst & Young describing work performed from March 27, 2010 through November 30, 2010, including completion of 1099/1096 tax forms for former independent contractors of the Receivership Entities; researching and responding to various IRS notices; and researching and analyzing the Receiver's tax obligations and filing requirements. I am submitting this statement to the Court under separate correspondence for *in camera* review. The statement includes the name of the person performing the work, the applicable hourly rate, the time expended, and a description of the tasks performed. The statement reflects the amount of compensation requested for the work performed by Ernst & Young. The statement sets forth \$46,243.00 in total fees and expenses.

23. I am familiar with the rates charged in the local community by other firms

offering accounting and tax services similar to those provided by Ernst & Young and certify that the requested rates are within the range charged by firms with comparable experience employed for work of a comparable nature and complexity.

24. I have reviewed the itemized statements describing services provided by Ernst & Young and certify that all of the stated work was actually performed and was necessary to fulfill my duties and responsibilities as Receiver.

25. I therefore request Court approval to pay Ernst & Young a total of \$46,243.00 out of the assets of the Receivership.

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

26. 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).

27. I have received a statement from CCVL describing work performed by me and my agents from November 1, 2010 through November 30, 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 \$183,969.35.

28. 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.

29. CCVL assisted the Receiver in conducting continuing interviews of Trevor Cook regarding the location of missing assets, in coordination with the US Attorneys' Office, the SEC, and the CFTC. CCVL also continued work on the Receiver's legal actions seeking to claw back Receivership funds from Gina Cook, Wells Fargo Home Mortgage, New York Community Bank, David Buysse, Steven and Pamela Cheney, Walter Defiel, John Dzik, Terry Frahm, Steven and Jenene Fredell, William Harris, Michael and Jennifer Heise, Michael and Cynthia Hillesheim, Larry Hopfenspirger, Steven Kautzman, James McIntosh, George and Karen Morrisset, Reynold Sundstrom, and Dot Anderson, including responding to a motion to dismiss, preparing for and attending a status conference, participating in settlement negotiations, drafting and filing a discovery related motion, and conducting discovery. CCVL also assisted the Receiver in efforts to claw back profits received by "winning" investors in Trevor Cook's scheme. At the direction of the Receiver, CCVL continued to work closely with the Probation office and the SEC to identify the victims eligible for restitution, to determine and verify the amount lost, and to coordinate an interim distribution of restitution payments. CCVL also assisted the Receiver with his claims against Mesa Holdings, Ed Baker, and related entities, including continuing to explore settlement options. CCVL also coordinated efforts to sell the Tiffany Court and to clear title to and sell the Receivership's Rainy

Lake property in Canada. CCVL also continued to respond to investor calls and to update and maintain the database of investor information. CCVL also assisted the Receiver in his efforts to comply with IRS requirements. CCVL also assisted the Receiver in making arrangements to sell personal property seized from the Dover Drive property owned by Trevor Cook's wife Gina. CCVL also continued to perform various other asset recovery tasks which are in their initial, and non-public, stages.

30. 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.

31. I have received statements from various individuals and entities providing necessary services to the Receiver and related to preserving the Receivership properties for the month of November 2010. These expenses are summarized on page 14 of CCVL invoice number 7235, under the heading "Disbursements." I am submitting the invoiced bills to the Court under separate correspondence for *in camera* review, along with copies of checks showing payment provided out of CCVL's operating account. The invoiced bills include the date the work was performed and a description of the tasks performed or the specific expense incurred. The statements set out the amount of compensation requested for the work performed. They reflect total costs of \$20,345.42. These disbursements include, among other things, payments to contract attorneys, utilities expenses and maintenance and repair fees incurred by Receivership property, fees for service of process, and fees for newspaper notices regarding the interim distribution.

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

33. 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.

34. I request Court approval to pay CCVL \$183,969.35 in fees and \$20,345.42 in costs, for a total of \$204,314.77 out of the assets of the Receivership.

**(C) BMG Avocats (Swiss law firm)**

35. BMG Avocats is a law firm located in Geneva, Switzerland. With the Court's approval, I retained BMG Avocats to advise me as to matters of Swiss law and to assist me in locating and retrieving Receivership assets located in Switzerland.

36. I have received a statement from BMG Avocats describing work performed from July 1, 2010 through September 30, 2010, including assisting the Receiver in Receiver in investigating and corresponding with Swiss banks and advising the Receiver as to strategies available to recover Receivership assets located in Switzerland. I am submitting this statement to the Court under separate correspondence for *in camera* review. The statement includes a description of the tasks performed, the name of the person performing the work, the applicable hourly rate, the time expended, and a description of additional expenses. The statement reflects \$7,025.00 in legal fees and \$201.15 in expenses incurred, for a total amount due of \$7,226.15.

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

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

39. I request Court approval to pay BMG Avocats \$7,226.15 out of the assets of the Receivership.

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

40. 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. With the Court's approval, the Receiver has assumed control of the Panamanian litigation and has continued using Morgan & Morgan to help the Receiver repatriate assets located in Panama.

41. I have received statements from Morgan & Morgan describing work performed from October 27, 2010 through November 11, 2010, including helping the Receiver in his efforts to retrieve Receivership funds paid by Trevor Cook towards the purchase of two sets of properties in Panama. Among other things, Morgan & Morgan helped the Receiver with the submission of evidence designation in Panama. 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 statement sets out the amount of compensation requested for the work performed. The statement reflects attorneys' fees of \$2,000.00 and taxes of \$140.00, for a total amount due of \$2,140.00.

42. I have reviewed the itemized statement describing services provided by Morgan & Morgan and certify that all of the stated work was necessary to fulfill my duties and responsibilities as Receiver.

43. 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.

44. I request Court approval of the Receiver's fee application in favor of Morgan & Morgan in the total amount of \$2,140.00 for attorneys' fees and expenses incurred in and around November 2010 out of the assets of the Receivership.

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

Executed on: December 23, 2010

s/ R.J. Zayed  
R.J. Zayed (MN Bar No. 309,849)  
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