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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 January 2011, 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; and

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

**(A) Outstanding Bills**

*i) WayPoint, Inc.*

6. With the Court's approval, I retained private investigators Rick Ostrom and Dennis Sackreiter and their firm WayPoint, Inc. to assist me in fulfilling my duties and obligations as Receiver. WayPoint organized and coordinated a review of approximately 150 boxes of hard copy files that were seized from the Van Dusen Mansion and are currently in the possession of the IRS, created a detailed index of the contents of the boxes, and located and copied documents relevant to the Receiver's clawback action against the Investor Respondents. Waypoint also helped to prepare for and participated in the Receiver's interview of Jon Greco and conducted background checks and asset searches of individuals suspected of holding Receivership assets.

7. I have received invoice number 2010146 from WayPoint, Inc., describing investigative work performed from October 1, 2010 through November 30, 2010. I have also received invoice number 2011006 from WayPoint, Inc., describing investigative work performed from December 1, 2010 through January 30, 2011. I am submitting these statements to the Court under separate correspondence for *in camera* review. The statements include 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 statements reflect the amount of compensation requested for the work performed by WayPoint, Inc. Invoice

number 2010146 sets forth \$6,150.99 in total fees. Invoice number 2011006 sets forth \$12,007.73 in total fees.

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

9. I have reviewed the itemized statements describing services provided by WayPoint, Inc. 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 WayPoint, Inc. \$18,158.72 out of the assets of the Receivership.

***ii) Weiler, Maloney, Nelson***

11. Weiler, Maloney, Nelson (“Weilers”) is a law firm located in Thunder Bay, Ontario, Canada. With the Court’s approval, I retained Weilers to represent me as the Receiver in Canadian litigation. Weilers assisted the Receiver with regard to Canadian tax issues associated with the sale of the Rainy Lake property.

12. I have received a statement from Weilers describing work performed from December 2, 2010 through January 31, 2011. 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 Weilers. The statement sets forth \$744.94 in total fees and expenses.

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

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

15. I request Court approval to pay Weilers \$744.94 out of the assets of the Receivership.

***iii) McMillan LLP***

16. McMillan LLP (“McMillan”) is a law firm located in Toronto, Ontario, Canada. With the Court’s approval, I retained McMillan to represent me as the Receiver in Canadian court proceedings. McMillan assisted the Receiver in efforts to obtain the Canadian court’s approval of the sale of the Rainy Lake property, including drafting and filing motion papers, negotiating terms of the sale, and attending a Canadian court hearing. McMillan also assisted the Receiver in Canadian court proceedings necessary to remove an encumbrance from the title to the Rainy Lake property.

17. I have received invoice number 1001244 from McMillan describing work performed from July 9, 2010 through September 15, 2010. I have also received invoice number 1005628 from McMillan describing work performed from November 9, 2010

through December 31, 2010. I am submitting these statements to the Court under separate correspondence for *in camera* review. The statements include 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 statements reflect the amount of compensation requested for the work performed by McMillan. Invoice number 1001244 sets forth \$7,359.66 in total fees. Invoice number 1005628 sets forth \$4,676.54 in total fees.

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

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

20. I request Court approval to pay McMillan \$12,036.20 out of the assets of the Receivership.

***iv) Dorsey & Whitney LLP***

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

22. I have received a statement from Dorsey describing work performed from January 1, 2011 through January 11, 2011 concerning the Receiver's claims against Ed

Baker and insurance related issues, including participating in protracted settlement negotiation with Ed Baker's counsel and finalizing the settlement agreement. 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 \$2,675.37 in total fees and expenses.

23. 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.

24. 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.

25. I therefore request Court approval to pay Dorsey a total of \$2,675.37 out of the assets of the Receivership.

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

26. 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, including obtaining the bankruptcy trustee's approval of the settlement agreement.

27. I have received a statement from Leonard describing work performed from January 13, 2011 through January 31, 2011, including reviewing documents related to the bankruptcy proceedings and filing a stipulation. 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 \$375.25 in total fees and expenses.

28. 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.

29. 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.

30. I therefore request Court approval to pay Leonard a total of \$375.25 out of the assets of the Receivership.

***vi) Lewis and Roca, LLP***

31. The Leonard, O'Brien, Spencer, Gale, & Sayre, Ltd. law firm retained the Phoenix, Arizona-based Lewis and Roca law firm ("Lewis") to assist the Receiver with

bankruptcy law issues related to the Receiver's claims against Ed Baker and his bankruptcy filing.

32. I have received invoice number 947428 from Lewis describing work performed from October 5, 2010 through October 28, 2010 concerning the Receiver's claims against Ed Baker. This invoice was inadvertently omitted from the Receiver's previous fee petitions. I am now 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, and a description of the tasks performed. The statement reflects the amount of compensation requested for the work performed by Lewis. The statement sets forth \$1,543.34 in total fees.

33. I am familiar with the rates charged in the local community by other firms offering legal services similar to those provided by Lewis 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.

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

35. I therefore request Court approval to pay Lewis a total of \$1,543.34 out of the assets of the Receivership.

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

36. 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).

37. I have received a statement from CCVL describing work performed by me and my agents from January 1, 2011 through January 31, 2011. 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 \$117,660.90.

38. 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.

39. CCVL assisted the Receiver in continuing efforts to claw back profits received by “winning” investors in Trevor Cook’s scheme, including fielding calls from “winning” investors, negotiating and finalizing settlements, and drafting and sending letters confirming settlement. CCVL also assisted the Receiver in finalizing the settlement agreement with Ed Baker and related entities. CCVL also negotiated and finalized a settlement of the Receiver’s legal action to claw back Receivership funds from

Wells Fargo Home Mortgage. CCVL also continued work on the Receiver's legal action to claw back Receivership funds from New York Community Bank, including participating in settlement negotiations, drafting discovery requests, and reviewing discovery responses. CCVL also continued work on the Receiver's legal action seeking to claw back Receivership funds from 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 gathering, reviewing, and analyzing documents pursuant to ongoing discovery, drafting and responding to correspondence regarding discovery disputes, reviewing documents subject to a third party subpoena served on the Mauzy firm and creating a log noting the Receiver's specific objections to the production of certain documents, negotiating the terms of a protective order, and participating in settlement negotiations. 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 and continued work on outstanding tax issues. CCVL also assisted the Receiver in efforts to arrange for the sale of personal property seized from Trevor Cook. CCVL also assisted the Receiver in efforts to clear title to and finalize the sale of the Rainy Lake property. CCLVL also assisted the Receiver in efforts to repatriate funds currently located outside of the United States and to settle debts owed to Receivership entities. CCVL also continued to perform various other asset recovery tasks which are in their initial, and non-public, stages.

40. 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.

41. 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 December 2010. These expenses are summarized on pages 12-13 of CCVL invoice number 7358, 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 \$16,475.78. These disbursements include, among other things, payments to contract attorneys, rent and support costs for independent contractors, fees for accounting services, court reporter fees for a deposition, utilities expenses and maintenance and repair fees incurred by Receivership property, and fees for service of process.

42. 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.

43. 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.

44. I request Court approval to pay CCVL \$117,660.90 in fees and \$16,475.78 in costs, for a total of \$134,136.68 out of the assets of the Receivership.

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

45. 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.

46. I have received a statement from BMG Avocats describing work performed from October 1, 2010 through December 31, 2010, including assisting the Receiver in Receiver in investigating and corresponding with Swiss banks and advising the Receiver as to Swiss bankruptcy law. 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 \$1,550.00 in legal fees and \$70.05 in expenses incurred, for a total amount due of \$1,620.05

47. 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.

48. 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.

49. I request Court approval to pay BMG Avocats \$1,620.05 out of the assets of the Receivership.

Executed on: February 24, 2011

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