

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MINNESOTA

UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,

Plaintiff,

v.

CIVIL ACTION
FILE NO. 09-cv-3333(MJD/JJK)

TREVOR G. COOK, and
PATRICK J. KILEY,

Defendants,

and

BASEL GROUP, LLC,
CROWN FROEX, 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.

**FIRST STATUS REPORT OF RECEIVER R.J. ZAYED IN
CFTC v. COOK, et. al. (09-cv-3332) AND
SEC v. COOK, et. al. (09-cv-3333)**

R. J. Zayed, the Receiver for Defendants and Relief Defendants in these cases, submits this First Report summarizing major activities undertaken since his appointment as Receiver on November 23, 2009.

The Court's Orders set forth the duties and obligations of the Receiver. The Court's Orders also require the Defendants and Relief Defendants to assist the Receiver in fulfilling these duties and obligations by promptly identifying and returning Receivership assets, responding to all requests for information and documents, and taking no direct or indirect action to hinder, obstruct, or otherwise interfere with the Receiver in the performance of his duties. Trevor Cook has asserted the Fifth Amendment privilege and refused to cooperate with the Receiver. As explained more fully below, Mr. Cook is also presently facing Motions brought by the SEC and CFTC for a Rule to Show Cause as to why he should not be held in contempt of the Court's asset freeze orders.

I. Assets Frozen By Court Order and Subject to the Jurisdiction of the Receiver

This Court's November 23, 2009 Orders froze all assets of the Defendants and Relief Defendant Shell Companies, as well as assets held by Relief Defendants Clifford Berg and Ellen Berg, that were received, directly or indirectly from the Defendants, or were acquired with funds or other assets received, directly or indirectly, from Defendants. ("Receivership Assets").

A. Bank Accounts

The Court's Orders identified the following bank accounts as frozen and subject to the Receivership:

ACCOUNT HOLDER	FINANCIAL INSTITUTION	ACCOUNT NUMBER	ACCOUNT NAME
Trevor Cook	Associated Bank	XXX – 8733	Market Shot, LLC
Trevor Cook	Associated Bank	XXX – 2331	Oxford Global FX, LLC
Trevor Cook, Jason & Hollie Beckman	Associated Bank	XXX – 2356	Oxford Global Partners, LLC
Pat Kiley Julia Smith	Associated Bank	XXX – 5214	Basel Group, LLC
Pat Kiley Julia Smith	Associated Bank	XXX – 1705	Crown Forex, LLC
Pat Kiley Julia Smith	Associated Bank	XXX – 5601 XXX – 5619	Universal Brokerage FX Management, LLC
Trevor Cook	Wells Fargo	XXX – 2686	Market Shot, LLC
Trevor Cook	Wells Fargo	XXX – 6543	Trevor Cook
Trevor Cook	Wells Fargo	XXX – 2702	Trevor Cook dba PFG Coin and Bullion
Patrick Kiley	Wells Fargo	XXX – 9716	UBS Diversified FX Advisors, LLC
Patrick Kiley	Wells Fargo	XXX - 5830	UBS Diversified FX Management, LLC
Patrick Kiley	Wells Fargo	XXX – 2710	UBS Diversified Growth, LLC
Patrick Kiley	Wells Fargo	XXX – 3573	UBS Diversified FX Growth,

			L.P.
Jason Beckman	Wells Fargo	XXX – 5606	Oxford Global Advisors, LLC
Unknown	Wells Fargo	XXX – 5598	Oxford Global Advisors, LLC
Unknown	Wells Fargo	XXX – 5614	Oxford Global Advisors, LLC
Unknown	Wells Fargo	XXX – 5572	Oxford FX Growth L.P.
Clifford and Ellen Berg	Charles Schwab	XXXX-2218	Berg Brokerage Account
Clifford Berg	Charles Schwab	XXXX-2632	Clifford Berg IRA
Ellen Berg	Charles Schwab	Currently Unknown	Ellen Berg IRA
Trevor Cook	Crown Forex, S.A.	Currently Unknown	UBS Diversified Growth LLC
Trevor Cook	Crown Forex, S.A.	Currently Unknown	Oxford FX Growth, L.P
Trevor Cook	Crown Forex, S.A.	Currently Unknown	Trevor Cook
Trevor Cook	Saxo Bank	XXX – NETD	Oxford FX Growth, L.P.
Trevor Cook	Saxo Bank	XXX – NETC	Oxford FX Growth, L.P.
Trevor Cook	Saxo Bank	XXX – NETE	Oxford FX Growth, L.P.
Trevor Cook	Saxo Bank	XXX - INET	Oxford FX Growth, L.P.
Trevor Cook	PFG Best, Inc.	XXX - 549	Oxford Global FX LLC
Trevor Cook	PFG Best, Inc.	XXX - 009	UBS Diversified Growth LLC
Trevor Cook	PFG Best, Inc.	XXX - 159	UBS Diversified Growth LLC

B. Real Estate

The Court's Orders identified the following pieces of real estate as frozen and subject to the Receivership:

1. 1900 LaSalle Ave., Minneapolis, MN, 55403;

2. 12644 Tiffany Court, Burnsville, MN, 55337;
3. Panama Bay Hotel & Casino property; Finca Nos. 291482 and 291484; Located near the intersection of Avenida Juan Pablo II and Avenida Ricardo Alfaro in the Loceria neighborhood of Panama City, Panama;
4. Parcel 4178 Rainy River, Island G 1251 containing 2.3 acres situated in Rainy Lake west of Sand Point Island District of Rainy River; and
5. The Vineyards; Finca Nos. 28268, 28269, and 31571; Located in the Coco del Mar District of Panama City, Panama.

C. Funds Held By Law Firms

Any funds that are being held for the benefit of the Defendants or Relief

Defendants by the following law firms also were frozen by the Court's Orders and are subject to the Receivership:

1. Neve & Associates, PLLC; Minnesota Center, 7760 France Avenue South, Suite 1100, Edina, MN, 55435;
2. Oberman Thompson & Segal, LLC; One Financial Plaza, 120 South Sixth Street, Suite 850, Minneapolis, MN, 55402;
3. Law Offices of William J. Mauzy; 510 First Ave North, Suite 610, Minneapolis, MN, 55403;
4. Saunders Law Group; 1891 California Ave, Suite 102, Corona, CA, 92881
5. Peter B. Wold, P.A.; Barristers Trust Building, 247 Third Ave South, Minneapolis, MN, 55415;
6. American Dream Law, LLC; 1518 East Lake Street, #206 B, Minneapolis, MN 55407; and
7. McKinzie, Wilkes, & Mahmoud; 6772 Blantyre Blvd, Stone Mountain, GA, 30007

A number of the foregoing law firms (nos. 1, 4, 6 and 7) told the Receiver that

they had no such funds while the others (nos. 2, 3 and 5) have filed motions with the Court seeking to retain the monies paid to them. A hearing on these motions has been set for January 8, 2010, at 2 p.m., in Courtroom 15E, of the U.S. Courthouse in Minneapolis, before Chief Judge Michael J. Davis.

II. Receiver Activities

A. U.S. Properties

1. 12644 Tiffany Court, Burnsville, MN 55437

On November 24, 2009, with the assistance of the United States Marshal Service, the Receiver took possession of this property, which had been used as an office for various Defendants and Relief Defendants.

All exterior locks were changed and security guards were posted to safe guard the property, including the furnishings, documents, computers and large-screen monitors that were found at that location. Numerous computers (21 hard drives) and other media were forensically copied and then they, along with the furnishings, monitors and documents that were found on the premises, were transferred to the ballroom adjoining the Van Dusen Mansion for temporary storage (see below). Before the Receiver can sell the property, he is required by law to obtain three independent appraisals. Two of the three appraisals have been conducted as of the date of this report and the third will be completed during the first week of January 2010. While the appraisals are being prepared, the Receiver is in the process of having minor repairs being made to the home to get it in condition for sale.

2. 1900 LaSalle Ave, Minneapolis, MN 55403 (the “Van Dusen Mansion”)

On November 24, 2009, with the assistance of the United States Marshal Service and the Minneapolis Police Department, the Receiver also took possession of this property. Trevor Cook, Patrick Kiley, Graham Cook and Marc Trimble were found on and escorted from the premises without being allowed to remove any property (except for Patrick Kiley who was allowed to take his personal clothing and toiletries with him). All exterior locks were changed and security guards were posted to safe guard the property, the furnishings and the documents, computers and monitors that were found at that location. Numerous computers (41 hard drives) and other media were forensically copied and then they, along with the monitors and documents that were found on the premises, were moved to the ballroom adjoining the Van Dusen Mansion. As noted above, the Receiver is required by law to obtain three independent appraisals before attempting to sell the property. Two of the three appraisals have been conducted as of the date of this report and the third will be completed during the first week of January 2010.

B. Canadian Property

1. Rainy River Island, Ontario, Canada

The Receiver requested the Ontario Superior Court of Justice to recognize the Receiver’s U.S. appointment and to grant the Receiver the same powers over the Receivership assets in Canada as in the United States. On December 21, 2009, the Ontario Superior Court of Justice granted the Receiver’s request. Based on the Receiver’s Canadian authority, the Receiver obtained a Certificate of Pending Litigation

that has been filed against the property in Canada to prevent its transfer without the authority of the Receiver. In addition, the Receiver is in the process of obtaining the three necessary appraisals to sell the property.

C. Panamanian Assets

Prior to the appointment of the Receiver, Relief Defendant Oxford FX Growth, L.P. secured Panamanian counsel and filed a lawsuit in Panama in an effort to prevent the sale of the real estate in Panama that was acquired with funds of the Receiver Estates (Finca nos. 291482, 291484, 28268, 28269 and 31571). The Receiver has taken control of the Panamanian lawsuit, including the costs of litigation.

The Receiver spoke with Panamanian counsel who reported that Panamanian counsel has successfully attached Finca nos. 291482 and 291484 owned by Panama Oxford Investment, S.A., as well as Finca nos. 28268 and 28269 owned by CDE 1, S.A. The attachment was ordered by Judge First, Civil Branch Circuit. The attachment order is being secured by a \$200,000 bond.

In addition to requesting an attachment of the real estate, Panamanian counsel on behalf of Relief Defendant Oxford FX Growth, L.P. has filed a claim against Panama Oxford Investment, S.A., CDE 1, S.A., Trevor Cook, Gary Saunders and Holger Bauchinger in the amount of \$12 million (U.S.). The claim is currently pending service on the named defendants. According to Panamanian law, service will be conducted personally with respect to the defendants located in Panama by Panamanian court officers and through letters rogatory (a formal request by the courts in Panama to courts in the United States to allow the service of process in the United States) with respect to Gary

Saunders and Trevor Cook. Panamanian counsel has asked the Panamanian court for the issuance of the letters rogatory.

D. Cash in Receivership Accounts

The Receiver has located and frozen about \$3 million in cash.¹ About \$2 million were found in the frozen accounts identified above in Part I. The Receiver has located an additional \$1 million in other accounts that are subject to the Receivership. The search for Receivership accounts is active and ongoing.

E. Vehicles

The Receiver has seized six cars: (1) a 1989 Rolls Royce; (2) a 1985 Pontiac Fiero; (3) a 1989 Mercedes 420 SEL; (4) a 1998 BMW Z3; (5) a 2000 Lexus; and (6) 2004 Audi RS6.

The Receiver has identified additional vehicles that may be subject to the Receivership. The search for Receivership vehicles is active and ongoing.

F. Other Legal Proceedings

There are two Hennepin County lawsuits between Trevor Cook and certain Relief Defendants concerning ownership of the Van Dusen Mansion and an accounting as to the business dealings among them. Because the Receiver is on both sides of the lawsuit as the Receiver for Trevor Cook and as the Receiver for the Relief Defendants, and because an accounting will be provided in these proceedings, both lawsuits will be dismissed.

A third Hennepin County lawsuit is currently pending that involves Receivership

¹ Monies are being located on an ongoing basis and transferred into the Receiver account as they are found. The Receiver is updating the Court on the precise amounts.

assets. Trevor Cook brought a lawsuit against Ed Baker for return of funds that Trevor Cook invested with Baker. The Receiver is currently evaluating the merits of the case.

G. Additional Receivership Properties, Accounts and Assets

The Receiver has developed or received leads on a number of additional properties, accounts, and vehicles that may have been obtained with Receivership assets and funds. The Receiver is actively following up on these leads.

In December, the Receiver received information that Mr. Cook had been purchasing gift cards in large denominations. As a result of this information, Mr. Cook turned over approximately \$30,000 in gift cards and now faces Motions brought by the SEC and CFTC for a Rule to Show Cause as to why he should not be held in contempt of the Court's asset freeze orders. A hearing on this motion has been set for January 8, 2010, at 2 p.m., in Courtroom 15E, of the U.S. Courthouse in Minneapolis, before Chief Judge Michael J. Davis.

The Receiver has also served every bank in Minnesota with copies of the orders freezing assets and preliminary injunctions and has filed notice of the Receivership Orders in all 94 United States District Courts in the country.

H. 1-800 Number

The Receiver has established local (612-436-9664) and toll-free (877-316-6129) numbers for investor inquiries. The Receiver is handling about 30 to 60 investor calls per day.

I. Receiver Website

The Receiver has established a website at www.cookkileyreceiver.com. The

website provides a means to provide relevant information from the Receiver to investors and to receive claim information from investors. The Court has also posted a web site for this case, which can be found at www.mnd.uscourts.gov.

J. Tax Requirements

The Internal Revenue Code requires the Receiver to file tax returns for all of the Receivership individuals and entities. As a result, the Receiver will need to hire tax specialists to assist with the Receiver's tax obligations. The most pressing matters are to determine if there are any unremitted payroll withholding taxes that need to be deposited and the issuance of W-2 and 1099 forms by the end of January, 2010.

CONCLUSION

The Receiver will update this Report on a periodic basis to summarize his ongoing activities and identify additional assets that have been secured.

Respectfully submitted,

Dated: December 30, 2010

s/R.J. Zayed
R. J. Zayed, Receiver