

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES COMMODITY FUTURES)	
TRADING COMMISSION,)	
)	No. 07 C 3598
Plaintiff,)	
)	HON. BLANCHE M. MANNING
v.)	
)	MAG. JUDGE MICHAEL T. MASON
LAKE SHORE ASSET MANAGEMENT)	
LIMITED, <i>et al.</i> ,)	
)	
Defendants.)	

NOTICE OF MOTION

TO: SEE ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that on **Tuesday, April 22, 2008 at 11:00 a.m.**, or as soon thereafter as counsel may be heard, I shall appear before the **Honorable Blanche Manning** in Courtroom 2125 of the United States District Court for the Northern District of Illinois, 219 South Dearborn Street, Chicago, Illinois, or in her absence, before such other Judge who may be sitting in her place and stead and hearing bankruptcy motions, and shall then and there present the **Motion of Receiver for Order Authorizing Payment of Administrative Fees and Expenses Incurred for the Period October 4, 2007 through January 31, 2008**, a copy of which is attached and herewith served upon you, and shall request for the entry of an order in conformity with that motion.

AT WHICH TIME AND PLACE you may appear if you so see fit.

DATED: April 9, 2008

Respectfully Submitted,

ROBB EVANS & ASSOCIATES, LLC

By: /s/ Ira Bodenstein
One of Its Attorneys

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CERTIFICATE OF SERVICE

Ira Bodenstein certifies that he caused to be served a true copy of the above and foregoing notice and attached pleadings upon the attached Service List via electronic ECF delivery, unless otherwise indicated, on this **9th day of April, 2008**.

By: /s/ Ira Bodenstein

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**IN THE UNITED STATES DISTRICT COURT
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UNITED STATES COMMODITY FUTURES)	
TRADING COMMISSION,)	
)	No. 07 C 3598
Plaintiff,)	
)	HON. BLANCHE M. MANNING
v.)	
)	MAG. JUDGE MICHAEL T. MASON
LAKE SHORE ASSET MANAGEMENT)	
LIMITED, <i>et al.</i> ,)	
)	
Defendants.)	

**MOTION OF RECEIVER FOR ORDER AUTHORIZING
PAYMENT OF ADMINISTRATIVE FEES AND EXPENSES INCURRED
FOR THE PERIOD OCTOBER 4, 2007 THROUGH JANUARY 31, 2008**

Robb Evans & Associates LLC, the Court appointed temporary equity Receiver (the “Receiver”) for Lake Shore Asset Management Limited, and its affiliates and subsidiaries (“LSAM”), pursuant to LR 66.1 moves for the entry of an order authorizing the payment of the administrative fees and expenses incurred by the Receiver for the period October 4, 2007 through January 31, 2008. In support of this motion, the Receiver respectfully represents as follows:

INTRODUCTION

1. This action was commenced by the Commodity Futures Trading Commission (“CFTC”) against the receivership defendants, who are alleged to have committed fraud against investors by making material misrepresentations and omissions regarding certain commodity pools operated by the defendants, specifically, by presenting false financial statements to investors and providing false performance tables to investors that misrepresented the pools’ respective and collective track records.

2. The CFTC Complaint was filed June 26, 2007; the First Amended Complaint was filed on August 8, 2007. A Second Amended Complaint was filed February 19, 2008, naming the commodity funds and pools as defendants.

3. On October 4, 2007, Robb Evans & Associates LLC was appointed as temporary equity Receiver. This appointment followed the entry of an Order of Preliminary Injunction on August 28, 2007.

4. Pursuant to the terms of the October 4, 2007 Order of Appointment, the Receiver was appointed as Receiver for the Defendants, Lake Shore Asset Management Limited, Lake Shore Group of Companies, Inc. Ltd., and the Lake Shore Common Enterprise. This Order is currently the subject of a Motion to Amend based on the decision of the Seventh Circuit Court of Appeals dated December 28, 2007.

5. Pursuant to the Order of Appointment, the Receiver is directed to take custody and control of all of the funds, properties, premises, accounts and other assets directly or indirectly owned, beneficially or otherwise, by the receivership defendants.

6. Since the appointment, the Receiver has investigated and is attempting to take control of assets of the receivership estate in excess of \$150 million. This includes funds held by three Future Commission Merchants in London and funds held by the bankruptcy estate in the case of Sentinel Management Group, Inc.

7. The Receiver has been unable to make a distribution to investors as the funds and assets of LSAM have not been transferred to the Receiver.

8. The Receiver seeks approval of its fees and expenses for the period set forth in this request, but does not anticipate payment of the requested fees and expenses until such time as the funds of the receivership entities are transferred to the Receiver.

9. There have been no prior requests for approval of fees and expenses.

10. The Receiver seeks approval and authority for payment of the fees and expenses of the Receiver, the Receiver's staff, and the Receiver's counsel for the period October 4, 2007 through January 31, 2008. The fees and expenses for which approval is requested are set forth in the summary entitled "Receivership Expenses by Month" attached hereto as Exhibit "1".

11. For this current application, the fees and expenses of the Receiver include the following itemized items: Receiver's fees of \$118,862.20, staff fees for financial reconstruction and accounting of \$73,905.00, staff fees for information technology and database maintenance of \$4,394.53, staff fees for asset evaluation and management of \$5,788.60, and legal fees for foreign counsel and outside counsel, of \$210,703.55.

12. As set forth in detail in Exhibit 1, and including additional out-of-pocket expenses of \$8,504.45, support staff fees, and legal fees as itemized on Exhibit "1," the Receiver has incurred \$422,158.33 in fees and expenses for the period October 4, 2007 through January 31, 2008.

13. During the relevant period, the Receiver, its staff and its outside counsel engaged in ongoing legal and administrative activities relating to the receivership estate, including the following:

i. The Receiver and its staff have met with, and are in regular contact with, investors and their representatives to identify the clients and investments made by these clients with the receivership defendants.

ii. The Receiver and its staff have reviewed documents and conducted discovery regarding the investments made by the clients with the receivership defendants. Because the receivership defendants have refused to produce the books and records of LSAM, the Receiver and its staff have spent a considerable amount of time attempting to reconstruct the investor database and create a substitute record of the investments of the LSAM clients.

iii. The Receiver is conducting worldwide discovery, including efforts to contact, interview, subpoena and depose individuals, banks and business affiliations with information about the assets of the receivership defendants.

iv. The Receiver and its staff are working with foreign counsel to take custody and control of all funds held on behalf of the LSAM and have prepared numerous documents regarding the transfer and repatriation of such funds to the Receiver.

v. The Receiver and its staff are working with the CFTC to gain access to all books and records of LSAM.

vi. The Receiver and its staff have reviewed records relating to customer deposits with Sentinel Management Group, Inc. and prepared a detailed report and analysis of all Lake Shore funds, and deposits and transfers to the Lake Shore accounts at Sentinel for those funds.

vii. The Receiver and its staff are continuing the accounting and investigative work to identify all additional assets of the receivership defendants, including all transfers to third parties.

viii. The Receiver has reviewed records held by Sentinel Management Group, Inc. relating to the Lake Shore accounts at Sentinel in order to prepare a claim on behalf of the Lake Shore investors in the bankruptcy proceedings. The Receiver and its staff and counsel are also in contact with and working closely with the Sentinel Trustee and other Sentinel creditors.

14. Pursuant to LR 66.1(a)(1), the court shall have discretion to fix the allowance of compensation of the Receiver and its attorneys. The Receiver has served all parties who have filed appearances in the case with a copy of this Motion and all Exhibits by electronic mail through the court noticing system. The Receiver will also post a copy of the Notice of Motion, Motion, with all Exhibits on the Receiver's website. The Receiver will also provide a written copy of the Motion and all Exhibits to any investor, upon request. The Receiver believes that under the circumstances such notice is sufficient.

15. In support of this Motion, the Receiver attaches the Declaration of Brick Kane as Exhibit 2.

CONCLUSION

16. In light of the extensive work performed, and the necessity of verifying and reconstructing financial information and investor details due to lack of any document production by the receivership defendants, it is respectfully submitted that the fees and expenses of the Receiver and its professionals are reasonable and should be approved and authorized for payment.

WHEREFORE, the Receiver prays that this Court enter an Order as follows:

1. Approving and confirming the administrative fees and expenses of the Receiver and its staff and counsel for the Receiver, for the period October 4, 2007 through January 31, 2008, as more particularly set forth herein.
2. Approving the procedures for notice of this Motion by serving all parties who have appeared in this case through the courts electronic noticing system, and providing notice to all investors by posting the Notice of Motion, Motion and all Exhibits on the Receiver's website.
3. For such other and further relief as the Court may deem just and proper.

DATED: April 9, 2008

Respectfully Submitted,

ROBB EVANS & ASSOCIATES, LLC

By: /s/ Ira Bodenstein
One of Its Attorneys

Ira Bodenstein (#3126857)
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DECLARATION OF BRICK KANE

I, BRICK KANE, declare as follows:

1. I am the Chief Executive Officer of Robb Evans & Associates LLC, the duly appointed, qualified and acting Receiver in the within action. I have reviewed the foregoing Motion and know the contents thereof, and the same is true of my own knowledge, except as to those matters, which are stated upon information or belief, and as to those matters, I believe them to be true.

2. This is the Receiver's first request for approval of fees and expenses of the Receiver its staff and its counsel. By this Motion, the Receiver submits its first Application of fees and expenses and seeks an Order approving and authorizing payment of administrative fees of the Receiver and its staff of \$202,950.33, legal fees and costs of \$210,703.55 and expenses of \$8,504.45 for the period October 4, 2007 through January 31, 2008.

3. Attached hereto as Exhibit "1" is an accounting entitled "Receivership Expenses by Month." These expenses include Receiver's fees of \$118,862.20; staff fees for financial reconstruction and accounting of \$73,905.00; staff fees for information technology and database maintenance of \$4,394.50; staff fees for asset evaluation and management of \$5,788.60; and legal fees of \$210,703.55 for foreign counsel and outside counsel. As set forth in detail in Exhibit "1", including out-of-pocket expenses as itemized, the Receiver has incurred \$422,158.33 in fees and expenses for the period October 4, 2007 through January 31, 2008.

4. During the period October 4, 2007 through January 31, 2008, the Receiver and its staff engaged in ongoing legal and administrative activities relating to the Receivership Estate, including the following:

A. The Receiver and its staff have met with, and are in regular contact with, investors and their representatives to identify the clients and investments made by these clients with the Receivership Defendants.

B. The Receiver and its staff have reviewed documents and conducted discovery regarding the investments made by the clients with the Receivership Defendants. Because the Receivership Defendants have refused to produce the books and records of the Lake Shore companies, the Receiver and its staff have spent a considerable amount of time attempting to reconstruct the investor database and create a substitute record of the investments of the Lake Shore clients.

C. The Receiver is conducting worldwide discovery, including efforts to contact, interview, subpoena and depose individuals, banks and business affiliations with information about the assets of the Receivership Defendants.

D. The Receiver and its staff are working with foreign counsel to take custody and control of all funds held on behalf of the Lake Shore companies and have prepared numerous documents regarding the transfer and repatriation of such funds to the Receiver.

E. The Receiver and its staff are working with the CFTC to gain access to all the Lake Shore companies' books and records.

F. The Receiver and its staff have reviewed records relating to customer deposits with Sentinel Management Group, Inc. and prepared a detailed report and analysis of all Lake Shore funds, and deposits and transfers to the Lake Shore accounts at Sentinel for those funds.


G. The Receiver and its staff are continuing the accounting and investigative work to identify all additional assets of the Receivership Defendants, including all transfers to third parties.

H. The Receiver has reviewed records held by Sentinel Management Group, Inc. relating to the Lake Shore accounts at Sentinel in order to prepare a claim on behalf of the Lake Shore investors in the bankruptcy proceedings. The Receiver and its staff and counsel are also in contact with and working closely with the Sentinel Trustee and other Sentinel creditors.

5. In light of the extent of the work performed during this period, and the results achieved, I believe that the fees and expenses of the Receiver its staff, and its counsel are reasonable and should be approved and authorized for payment.

6. The Notice of Motion, Motion, and all Exhibits, have been served on all parties who have filed appearances in this case. The Notice of Motion and Motion and all Exhibits also will be posted on the Receiver's website at <http://www.robbevans.com/html/lakeshore.html>, with written instructions on how to request a copy by mail if needed. I believe that these procedures will save time and money for the receivership estate. I am aware that many of the investors communicate with the Receiver by email and regularly check the Receiver's website for updates on the case. I would respectfully request that the Court approve these notice procedures as being reasonable, appropriate and cost-effective.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 7 day of April 2008 at Sun Valley, California.


BRICK KANE