

**ROBB EVANS & ASSOCIATES LLC**  
**Temporary Receiver of**  
**Lake Shore Asset Management, Ltd., et al.**  
11450 Sheldon Street  
Sun Valley, California 91352-1121

**RECEIVER'S NOTICE TO INVESTORS**  
**January 10, 2008**

The Receiver continues its efforts to secure the return of the funds held by the London FCM's and to obtain copies of account records to review all transactions relating to the funds. In this regard, the Receiver has filed a number of motions seeking sanctions against Lake Shore Asset Management Limited and Philip J. Baker for failure to comply with the Receiver's requests to authorize the transfer of funds and the production of documents by the London FCM's. Baker and Lake Shore have been found in civil contempt of court for failure to comply, and the Court has issued an Order to Show Cause why the matter should not be referred to the United States Attorney's Office for possible criminal prosecution. The Court has also imposed a fine of \$25,000 per day against Baker and Lake Shore for noncompliance. The Court Order for Contempt Sanctions may be seen [here](#).

The Court of Appeals for the Seventh Circuit recently upheld the Order of Preliminary Injunction against Lake Shore Asset Management Limited. The Order Appointing a Receiver remains in place and has not been overturned on appeal. The assets of Lake Shore Asset Management Limited, which the Receiver believes include all assets held by the various funds into which Lake Shore clients' investments were deposited, are receivership property and the Receiver continues its efforts to collect and take control of these assets for repayment to the Lake Shore clients. The Court of Appeals held that the individual funds and companies must be served and given an opportunity to respond before they are subject to the Order of Preliminary Injunction. The CFTC has now served all of the funds and companies that make up the Lake Shore Group of Companies.

The Receiver will continue to seek the return of the funds and the production of the account records and Lake Shore administrative files to protect all investors and ensure repayment as quickly as possible, subject to the Orders of the United States District Court.