

Shore Limited and Mr. Baker's present and unfortunate pattern of pertinacious behavior persists and they fail to comply with the preliminary injunction and receivership orders, the court will impose additional contempt sanctions." *Id.* at 22. Accordingly, to keep a close watch on the progress of this matter, the Court held that "[LSAM] must, and the CFTC and the receiver may, file status reports regarding any progress (or lack thereof) made [by LSAM and/or Baker] in response to this order." *Id.*

2. The Receiver regrets to report that there has been no progress whatsoever in its efforts to obtain LSAM's and Baker's compliance with the Receivership Order. Indeed, neither LSAM nor Baker has produced any documents, executed the consent and transfer directives or otherwise complied with the Receivership Order since the Court levied its sanctions.

3. Consistent with its contemptuous conduct to date, LSAM recently failed to produce a representative in response to the CFTC's Rule 30(b)(6) Notice of Deposition.

4. Still further, the CFTC and the Receiver have learned that LSAM's and Baker's counsel in Switzerland, Alexandre Schwab, directly participated in the transfer of LSAM's documents from Bermuda to Switzerland on or about September 11, 2007. As the Court is well aware, the transfer of these documents was in direct violation of the Court's Preliminary Injunction Order. The CFTC has requested Mr. Schwab to turnover the documents immediately, but the Receiver does not anticipate Mr. Schwab's cooperation in this or any other regard.

5. In light of the foregoing, the Receiver respectfully submits that further sanctions should be imposed against LSAM and Baker including, but not limited to, the sanctions suggested in the Receiver's November 28, 2007 Response to the Court's

November 20, 2007 Order. *See* Docket No. 325. The Receiver respectfully suggests an additional sanction preventing LSAM from filing any pleadings or otherwise seeking any relief in these proceedings unless or until LSAM complies with the Preliminary Injunction and Receivership Orders, purges itself of the any and all contempt orders and otherwise pays all other outstanding monetary sanctions/fines issued against it. Indeed, it would be the height of injustice for LSAM to seek, much less obtain, any benefit from this Court while it continues to flout this Court's Orders.

6. The Receiver has consulted with the CFTC, and the CFTC is in agreement with the additional sanctions suggested by the Receiver.

7. The Receiver shall submit further status reports as requested by this Court.

Dated: December 21, 2007

Respectfully submitted,

**Robb Evans & Associates LLC,
Temporary Equity Receiver for the Lake
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