



**APPOINTMENT OF TEMPORARY RECEIVER, EXPEDITED DISCOVERY, ACCOUNTING, ORDER TO SHOW CAUSE AND OTHER EQUITABLE RELIEF (Doc # 9, Nov. 20, 2009), and ORDER GRANTING MOTION TO AMEND STATUTORY RESTRAINING ORDER (Doc # 36, Mar. 4, 2010)** seeking approval of the payment of fees and expenses incurred for the period from **April 1, 2011 through October 31, 2011**, and in support thereof would respectfully show the Court as follows:

**PROCEDURAL BACKGROUND**

1. On November 20, 2009, U.S. Commodities Futures Trading Commission and Oklahoma Department of Securities ex rel Irving L. Faught (collectively "Plaintiffs") commenced this action alleging that the Prestige Defendants, acting directly or through their agents, employees or officers, fraudulently solicited and accepted at least \$8.7 million from at least 140 members of the general public to participate in commodity pools for trading commodity futures contracts and other financial instruments, including stocks, stock options, and foreign currency. (Docket # 4).

2. On November 20, 2009, this Court entered a Statutory Restraining Order and Order appointing Receiver for the Prestige Defendants (Docket # 9) (the "Order").

3. Pursuant to the Order, Receiver was directed to (a) take possession of all assets of the Prestige Defendants, (b) secure the residential and business assets of the Prestige Defendants, and (c) initiate any action to preserve or increase the assets of the Prestige Defendants. Order at par. 27 (b), (c) and (h). Receiver is entitled to retain professionals, including attorneys, and to seek reasonable compensation upon application to this Court. Order at pars. 27 (i) and 30.

**APPLICATION FOR APPROVAL OF COMPENSATION**

4. By this Application, Applicant seeks entry of an order allowing payment of compensation and reimbursement for attorneys whose services have been authorized by this Court and for Receiver.

5. Compensation is requested for (a) Receiver and (b) FSBBT, as counsel for Receiver.

6. All services for which compensation is requested in this Application by FSBBT are legal services and none of the services for which compensation is requested were on behalf of any person other than the Receiver. The source of payment for this requested compensation shall be cash on hand from the receivership estate.

7. FSBBT is not a party to any agreement with any other party for the sharing of compensation in this case other than an agreement for sharing compensation among members of their firm.

8. As to FSBBT, the standards for evaluating this Application are set forth in *Ramos v. Lamm*, 713 F.2d 546 (10th Cir. 1983). Those standards include primarily the hours reasonably expended by counsel based upon contemporaneous time records, reasonable hourly rates based upon what lawyers of comparable skill and experience practicing in the area in which the proceeding is pending would charge for their time, and the results obtained. Other secondary factors include the novelty and difficulty of the questions undertaken, the skill required to perform the legal services and time limitations involved, the experience, reputation and ability of the law firm, the complexity of the case, and the issues presented. The work performed by FSBBT has not only been necessary in representing the Receiver but also in protecting the interests of the receivership estate as well as the creditors of the estate, and the compensation requested is reasonable and necessary in light of the factors listed above.

9. Receiver has devoted considerable time and effort to this matter. In particular, Receiver has:

a. Receiver reviewed the Prestige Defendants known bank records, along with an analysis of such records performed by Plaintiff, Oklahoma Department of Securities. This review has allowed Receiver to identify over \$8,000,000.00 in probable investor inflow and approximately \$450,000.00 in possible investor inflow; this analysis continues.

b. Receiver has been in contact with a significant number of investors. Receiver has established a database for known investors, including their contact information. As the information has not been produced by the Prestige Defendants, Receiver has requested that investors provide copies of amounts invested, amounts returned, and copies of all agreements and correspondence.

c. Receiver has identified several accounts maintained by the Prestige Defendants and obtained turnover of account balances

d. Receiver has participated in discovery in this case, including the depositions of all Prestige Defendants.

e. Receiver identified over \$1,800,000.00 in payments, directly and indirectly, to the Lee family, to purchase three (3) homes and two (2) boats, to pay salaries to Darren and David Lee, and to pay personal living expenses.

f. Receiver has taken the following actions regarding these assets: (a) record a copy of the TRO and Order appointing Receiver in Charleston County, South Carolina, (b) file Notice of Lis Pendens regarding the residence of Kenneth and Sheila Lee in Charleston County, South Carolina, (c) send claw back letters and demands to Darren Lee regarding residence, boat and salary, and (d) send claw back letters and demands to David Lee regarding residence, boat and salary.

g. Receiver has sold the Kenneth and Sheila Lee Residence and netted the sum of \$290,078.70 for the receivership estate. *Docket # 171.*

h. Receiver has sold the Darren Lee Residence and netted the sum of \$177,900.81 for the receivership estate. *Docket # 176.*

10. The detailed time and expense records are attached hereto as Exhibits "A" and "B". A summary of the time charged by timekeeper is as follows:

**A. RECEIVER:**

<u>TIMEKEEPER</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
Stephen J. Moriarty	\$335.00	66.60	\$22,311.00

**B. FSBBT:**

<u>TIMEKEEPER</u>	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
Warren F. Bickford (S)	\$275.00	3.30	\$907.50
Charlotte Howard (P)	\$130.00	3.70	\$481.00
<b>TOTALS</b>		<b>7.00</b>	<b>\$1,388.50</b>

In addition, FSBBT seeks reimbursement of expenses of \$263.94 as set forth in Exhibit "B" hereto.

**WHEREFORE**, Receiver respectfully prays that the Court enter an order approving the compensation of Receiver and his professionals as set forth herein and for such other and further relief as is just and equitable.

**DATED NOVEMBER 4, 2011**

/s/ Stephen J. Moriarty  
Stephen J. Moriarty, OBA #6410  
Warren F. Bickford, OBA # 773  
FELLERS, SNIDER, BLANKENSHIP,  
BAILEY & TIPPENS, P.C.  
100 North Broadway, Suite 1700  
Oklahoma City, Oklahoma 73102  
Main Phone: (405) 232-0621  
Facsimile: (405) 232-9659

RECEIVER AND ATTORNEYS  
FOR RECEIVER

**CERTIFICATE OF SERVICE**

I hereby certify that on November 4, 2011, I electronically transmitted the attached document to the Clerk of Court using the ECF System for filing and transmittal of a Notice of Electronic Filing to the following ECF registrants: James Holl, Patricia A. Labarthe, Katherine S. Driscoll and Terra S. Bonnell.

I hereby certify that on November 4, 2011, a true and correct copy of the above and foregoing document was mailed by regular first class mail, postage prepaid, to:

SimonYang  
1912NW176thTerrace  
Edmond, OK 73012

Darren Lee  
2676 Palmetto Blvd.  
Mount Pleasant, SC 29466

Kenneth Lee  
1660 Jorrington Street  
Mount Pleasant, SC 29466

David Lee  
2676 Palmetto Blvd.  
Mount Pleasant, SC 29466

Sheila Lee  
1660 Jorrington Street  
Mount Pleasant, SC 29466

Darren Lee  
Kenneth Lee  
Sheila Lee  
David Lee  
P.O. Box 924065  
Houston, TX 77018

Darren Lee  
2216 Kings Gate  
Mount Pleasant, SC 29466

/s/ Stephen J. Moriarty  
Stephen J. Moriarty

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**EXHIBIT "A"**

FELLERS, SNIDER, BLANKENSHIP, BAILEY & TIPPENS, P.C.

PRESTIGE VENTURES CORP, ET AL  
 Client: P5147-62509  
 Reference: 250648

November 4, 2011  
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RE: U.S. COMMODITY FUTURES TRADING COMMISSION

For Professional Services Rendered Through 10/31/11: 159  
 SJM

REGARDING: U.S. COMMODITY FUTURES TRADING COMMISSION P5147-62509  
 AND OKLAHOMA DEPARTMENT OF SECURITIES, ET AL  
 v. PRESTIGE VENTURES CORP., ET AL

<u>DATE</u>	<u>DESCRIPTION OF SERVICES RENDERED</u>	<u>ATTY</u>	<u>HOURS</u>
04/01/11	FACTUAL RESEARCH RE PVC TAX ID NUMBER; CORRESPONDENCE WITH CFTC AND ODS RE SAME	SJM	0.60
04/04/11	LEGAL RESEARCH RE SC FILING ISSUES; PREPARE SC FILING	SJM	2.30
04/11/11	WORK ON JORRINGTON CLOSING DOCUMENTS (1.2); CORRESPONDENCE WITH STEVE PARSONS RE REPAIRS NECESSARY TO CLOSE (0.2)	SJM	1.40
04/12/11	FINALIZE CLOSING DOCUMENTS (2.1); COMMUNICATIONS RE EXTENSION OF CLOSING (0.2)	SJM	2.30
04/14/11	CLOSE JORRINGTON UTILITY ACCOOUNTS (0.2); COMMENCE WORK ON PALMETTO CLOSING DOCUMENTS (1.8)	SJM	2.00
04/15/11	DRAFT AND REVISE REPORT RE SALE OF JORRINGTON (2.8); DRAFT AND REVISE FIRST INTERIM FEE REQUEST AND CORRESPONDENCE TO CFTC AND ODS RE SAME (2.3)	SJM	5.10
04/20/11	REVIEW MOTION TO DIVEST AND FACTUAL AND LEGAL RESEARCH RE SAME	SJM	2.40
04/22/11	CONTINUE REVIEW AND REVISION OF PALMETTO CLOSING DOCUMENTS	SJM	1.50
04/25/11	REVIEW DOCS FOR PALMETTO CLOSING	SJM	0.80

## FELLERS, SNIDER, BLANKENSHIP, BAILEY &amp; TIPPENS, P.C.

PRESTIGE VENTURES CORP, ET AL  
 Client: P5147-62509  
 Reference: 250648

November 4, 2011  
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RE: U.S. COMMODITY FUTURES TRADING COMMISSION

<u>DATE</u>	<u>DESCRIPTION OF SERVICES RENDERED</u>	<u>ATTY</u>	<u>HOURS</u>
04/26/11	PALMETTO CLOSING	SJM	1.10
04/27/11	ADDRESS PALMETTO POST-CLOSING ITEMS	SJM	0.40
04/28/11	DRAFT, REVISE AND FINALIZE REPORT RE SALE OF PALMETTO	SJM	2.20
05/04/11	FACTUAL AND LEGAL RESEARCH RE MOTION TO DIVEST	SJM	4.20
05/05/11	CONTINUE ANALYSIS OF CASES UNDER 28 U.S.C. § 754	SJM	3.70
05/06/11	DRAFT AND REVISE RESPONSE TO MOTION TO DIVEST RECEIVER	SJM	4.20
05/10/11	DRAFT AND REVISE FEE ORDER	SJM	1.20
05/18/11	COMMENCE INVESTOR CLAIM ANALYSIS	SJM	3.60
06/29/11	COMMUNICATION WITH BRENDA AT WEEKS & IRVINE RE NEED FOR CORRECTIVE DEED ON LEE PROPERTY	SJM	0.50
07/07/11	MULTIPLE COMMUNICATIONS WITH TITLE COMPANY RE AMENDED DEED FOR PALMETTO HALL PROPERTY; REVIEW AND EXECUTE AMENDED DEED	SJM	0.50
07/12/11	COMMENCE INVESTOR DISTRIBUTION SCHEDULES	SJM	3.20
07/18/11	REVIEW AND RESPOND TO CORRESPONDENCE FROM SOUTHWELL RE CLAIM	SJM	0.30
10/12/11	CONTINUE ANALYSIS OF INVESTOR CLAIMS	SJM	4.60
10/24/11	REVISE AND FINALIZE INVESTOR CLAIMS REPORT	SJM	2.80

FELLERS, SNIDER, BLANKENSHIP, BAILEY & TIPPENS, P.C.

PRESTIGE VENTURES CORP, ET AL  
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November 4, 2011  
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RE: U.S. COMMODITY FUTURES TRADING COMMISSION

<u>DATE</u>	<u>DESCRIPTION OF SERVICES RENDERED</u>	<u>ATTY</u>	<u>HOURS</u>
10/25/11	COMMENCE PREPARATION OF MOTION TO ESTABLISH CLAIMS PROCEDURES/NOTICE TO CREDITORS/NOTICE TO INVESTORS	SJM	5.60
10/26/11	CONTINUE PREPARATION OF CLAIMS PROCEDURES MOTION; LEGAL RESEARCH RE FEDERAL RECEIVERSHIP CLAIMS PROCEDURES	SJM	3.20
10/27/11	CONTINUE DRAFTING CLAIMS PROCESS DOCUMENTS	SJM	2.10
10/28/11	CONTINUE DRAFTING CLAIMS DOCUMENTS	SJM	3.40
10/31/11	REVIEW 10TH CIRCUIT OPINION (0.5); FINALIZE CLAIMS PROCEDURES MOTION (0.4); DRAFT AND REVISE CLAIMS PROCEDURES ORDER (0.5)	SJM	1.40

	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
S J. MORIARTY	335.00	66.60	22,311.00
TOTAL FEES:			22,311.00

TOTAL DUE THIS INVOICE: \$ 22,311.00

**EXHIBIT "B"**

FELLERS, SNIDER, BLANKENSHIP, BAILEY & TIPPENS, P.C.

PRESTIGE VENTURES CORP, ET AL  
 Client: P5147-62510  
 Reference: 250649

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For Professional Services Rendered Through 10/31/11: 159  
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REGARDING: U.S. COMMODITY FUTURES TRADING COMMISSION P5147-62510  
 AND OKLAHOMA DEPARTMENT OF SECURITIES, ET AL  
 v. PRESTIGE VENTURES CORP., ET AL

<u>DATE</u>	<u>DESCRIPTION OF SERVICES RENDERED</u>	<u>ATTY</u>	<u>HOURS</u>
04/14/11	PREPARE AND FILE SUPPLEMENTAL CERTIFICATE OF SERVICE.	CGH	0.20
05/04/11	CONFERENCE WITH S. MORIARTY; REVIEW OF DRAFT RESPONSE TO MOTION TO DIVEST RECEIVER	WFB	0.40
05/05/11	REVIEW OF DRAFT ORDER; PREPARATION OF E-MAIL TO S. MORIARTY; REVIEW OF HOSTILE E-MAILS FROM DARREN LEE; REVIEW OF E-MAIL FROM K. DRISCOLL	WFB	0.40
05/06/11	CONFERENCE WITH S. MORIARTY; REVISE AND FINALIZE RESPONSE TO MOTION TO DIVEST RECEIVER; LEGAL RESEARCH RE SAME	WFB	1.20
05/09/11	REVIEW OF YANG REPLY BRIEF; CONFERENCE WITH SJM RE: SAME; REVIEW OF EMAIL FROM SJM; PREPARATION OF EMAIL TO SJM	WFB	0.50
10/21/11	DISCUSS WITH S.MORIARTY INVESTOR COMMUNICATIONS AND STATUS OF DATABASE. REVIEW ALL INVESTOR COMMUNICATIONS RECEIVED AND COMPARE TO DATABASE INFORMATION.	CGH	3.50
10/24/11	REVIEW OF E-MAIL FROM S. MORIARTY WITH ATTACHED DRAFT PLEADINGS; OFFICE CONFERENCE WITH S. MORIARTY RE SAME; REVIEW OF RECEIVER'S REPORT AS FILED WITH COURT	WFB	0.80

FELLERS, SNIDER, BLANKENSHIP, BAILEY & TIPPENS, P.C.

PRESTIGE VENTURES CORP, ET AL  
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RE: U.S. COMMODITY FUTURES TRADING COMMISSION

	<u>RATE</u>	<u>HOURS</u>	<u>AMOUNT</u>
W F. BICKFORD	275.00	3.30	907.50
C G. HOWARD	130.00	3.70	481.00
			<hr/>
TOTAL FEES:			1,388.50

<u>DATE</u>	<u>EXPENSE NAME</u>	<u>AMOUNT</u>
	POSTAGE	4.63
	TELECOPYING	1.00
	PHOTOCOPIES	146.55
04/11/11	FEDERAL EXPRESS CH / LISA COLLINS; FEDEX	61.36
04/26/11	FEDERAL EXPRESS CH / TRACY NEWTON; FEDEX	25.20
04/27/11	FEDERAL EXPRESS CH / TRACY NEWTON; FEDEX	25.20
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	TOTAL EXPENSE ADVANCES:	263.94

TOTAL DUE THIS INVOICE: \$ 1,652.44