

COPY

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5 Attorneys for the Receiver

6 UNITED STATES DISTRICT COURT
 7 FOR THE DISTRICT OF ARIZONA

9 Securities and Exchange Commission,
 10 Plaintiff,

vs.

11 Ronald Stephen Holt; and International
 12 Funding Association,
 Defendants,

13 and

14 Annette Holt; American Assets Limited
 Trust; Leonora Street Trust; Dover
 15 Childrens Trust; Clarendon Avenue
 Holding Trust; Dublin Holding Trust;
 16 Jeffery Williams (aka Jeffrey Williams);
 Mari Ann Alston; Pacific Central Asset
 17 Management; and American Benefit
 Card Services, Inc.

18 Defendants Solely for
 Purposes of Equitable Relief.

Cause No. CV 03-1825 PHX PGR

PETITION NO. 39

PETITION FOR ORDER
 ESTABLISHING CLAIMS
 PROCEDURES

19 Lawrence J. Warfield, as the court appointed Receiver, respectfully petitions the

20 Court as follows:
21
22
23

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1 1. On September 18, 2003, the Court entered in this action (“SEC Action”) its
2 *Order Appointing Receiver*, which appointed Lawrence J. Warfield as Receiver of
3 Ronald Stephen Holt, International Funding Association and the Relief Defendants.

4 2. In a related action, on September 18, 2003 the Commodities Futures
5 Trading Commission (“CFTC”) filed suit in the United States District Court for the
6 District of Arizona, entitled *Commodities Futures Trading Commission v. International*
7 *Funding Association et al*, cause number CV 03-1826 PHX PGR (“CFTC Action”).
8 Named as defendants in the CFTC Action were International Funding Association,
9 Ronald Stephen Holt, Cambridge Global Group, and Global Management Group. In the
10 CFTC Action the Court, on oral motion of the CFTC, appointed Lawrence Warfield as
11 receiver in that action, of International Funding Association and the other defendants
12 (“CFTC Receivership Order”). On October 20, 2004, the Court entered its *Order Re:*
13 *Petition No. 3*, which, among other things, consolidated under this action the
14 administration of the receiverships established in the SEC Action and the CFTC Action.

15 3. The orders appointing the Receiver in the SEC Action and the CFTC
16 Action are referred to hereafter as the “Receivership Order.”

17 4. All of the assets of the receivership estate have been liquidated and
18 therefore the final expenses can be paid and the balance of funds distributed to the
19 victims of the Defendants’ fraud. The net funds held by the Receiver which are available
20 to pay final expenses and make a distribution to the approved claimants is estimated to be
21 as follows:

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1	Funds at 12/31/10	\$479,935.05
2	2009 Accrued & Unpaid Fees & Costs	(\$40,592.22)
3	2010 Accrued & Unpaid Fees & Costs	<u>(\$10,616.23)</u>
4	Estimated Funds for Final Costs ¹ & Distribution	\$428,726.55

5. The Estimated Funds available for the Final Costs¹ and to make a distribution to approved claimants as set forth in paragraph 4 above includes the amount of \$14,587.53 that was located and seized by the Receiver from an account in the name of International Funding Association at the Bank of Commerce in Idaho Falls, Idaho (“Bank of Commerce Funds”). The Receiver has determined that the Bank of Commerce Funds were funds collected by the “New Council” of IFA that was created by several investors to investigate what Defendant Holt had done with their funds and to recover those funds. The Receiver has determined that it is economically unfeasible for the Receiver to ascertain the identity of those who contributed to the Bank of Commerce Funds, the amounts contributed by those persons, and the respective share of the funds that remained at the time of seizure. In a companion case to the SEC Action and the CFTC Action, certain investors known as the Investors in IFA filed suit against IFA and others in this court entitled *Investors in IFA, et al v. International Funding Association et al*, cause number CV-03-1302 PHX PGR (“Investors Action”). The plaintiffs in the Investors’ Action were represented by the Phoenix law firm of Burch & Cracchiolo, PA. On June 29, 2009, Burch & Cracchiolo filed in the Investors’ Action a *Petition for Release of Funds for Payment of Attorneys’ Fees* seeking an order directing the Receiver to pay a portion of their fees even though the Receiver was not a party in the Investors’ Action.

¹ The Final Costs include the receivership fees and costs from January 1, 2011 to closing, the costs of the claims process including the publication and mailing expenses, the costs of the final distribution to approved claimants, and the preparation and filing of the final tax returns and final storage and destruction of records.

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1 On July 29, 2009, Burch & Cracchiolo filed a Notice withdrawing their petition for
2 payment of fees “without waiving their rights to attorneys fees and costs.” The Receiver
3 understands that Burch & Cracchiolo intends to file a claim with the Receiver to be paid
4 from the Bank of Commerce Funds.

5 6. In order to confirm the identity of the Victims and the amount of their net
6 loss, the Receiver recommends that the Court approve a claims procedure by which the
7 Receiver will solicit claims and the Court will adjudicate those claims in a fair and
8 expeditious manner. Since the Receiver estimates that he will have less than \$400,000 in
9 the estate to distribute to the approved claimants, the Receiver has designed a claims
10 process that utilizes relatively inexpensive means for notifying potential claimants and
11 recording and processing those claims. One essential element of this process is the use of
12 the internet to register the majority of claims.

13 7. The Receiver has located and reviewed several databases that were created
14 by the Defendants in connection with the fraud in this case. The most recent Cambridge
15 Global database contains 1,142 names of investors and the most recent IFA database
16 contains 3,992 names of investors. There appear to be 1,298 duplicate names in the two
17 databases thus indicating a total potential victim population of 3,836 investors. Of this
18 population, 3,644 have addresses within the United States.

19 8. In order to accomplish the foregoing, the Receiver recommends that the
20 Court enter the proposed order lodged herewith which will establish a fair and reasonable
21 adjudication procedure. The Court and all persons served with a copy of this Petition are
22 being provided with a copy of the proposed order and that order best describes the
23 procedures being recommended by the Receiver. As an aid to the Court and the parties,

1 some but not all of the terms and procedures contained in the proposed order are
2 described or explained below.

3 9. The proposed order establishes a claims bar date of June 30, 2011. Since
4 there are potentially a large number of investor claimants whose whereabouts are not
5 presently known, the Receiver proposes that the claims bar date be set late enough to
6 allow time to attempt to locate the missing claimants. Accordingly, the following dates
7 are set forth in the proposed order as part of the claims adjudication procedure:

8	Claims Bar Date	June 30, 2011
9	Date for the Receiver to File the Receiver's Claims Report	August 15, 2011
10	Date for Serving on the Receiver any Objections to the Receiver's Claims Report	September 15, 2011
11	Date for the Receiver to file copies of Objections and his Response to Objections	October 15, 2011
12	Hearing to Adjudicate Claims	To be set by the Court if requested

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16 10. The Claims Adjudication process requires all persons asserting claims
17 against the assets of any of the Receivership Entities, the Receiver, or any Receivership
18 Assets or other property in the possession of the Receiver, to file a claim on the Proof of
19 Claim form provided by the Receiver on or before the Claims Bar Date set forth above.
20 An initial draft of the Proof of Claim form prepared by the Receiver is attached as
21 Exhibits "A" and "B" to this Petition. The Receiver anticipates however that this form
22 may be revised and modified further based on input provided by the interested parties. In
23 addition, the Receiver is required to mail a postcard notice of the right to file a claim in

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1 the form attached hereto as Exhibit "C" to all potential claimants whose whereabouts is
2 known and the Receiver is required to publish at least twice in a publication with national
3 circulation a notice in the form attached hereto as Exhibit "D".

4 WHEREFORE, the Receiver respectfully requests that the Court enter the Order
5 Establishing Procedures for the Adjudication of Claims lodged with the Court.

6 Respectfully submitted this 10th day of May, 2011.

7 GUTTILLA MURPHY ANDERSON, PC
8 s/Patrick M. Murphy
9 Patrick M. Murphy
Attorneys for the Receiver

10 **PROOF OF MAILING**

11 This is to certify that on the 10th day of May, 2011, I electronically transmitted the
12 foregoing document to the Clerk's Office using the CM/ECF System for filing and
13 transmittal of a Notice of Electronic Filing to the CM/ECF registrants on the attached
14 master Service List; and that the persons on the attached Master Service List who are not
15 registered participants of the CM/ECF System have been served with a copy of the
16 foregoing document by first class mail this date.

17 s/Patrick M. Murphy
18 Patrick M. Murphy

18 0835-001(33101)

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MASTER SERVICE LIST

SEC v. Ronald Stephen Holt, et al.

United States District Court for the District of Arizona

CV 03-1825 PHX FJM

(Rev. December 8, 2010)

Lawrence J. Warfield
International Funding
14555 North Scottsdale Road, #340
Scottsdale, AZ 85254
Receiver

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Phoenix, Arizona 85054
Registered CM/ECF:
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Counsel for Receiver

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grant@phx.law.com
Attorney for Relief Defendant Annette Holt

Ronald Stephen Holt
and International Funding Association,
Leonora Street Trust,
Dover Children's Trust,
Clarendon Avenue Holding Trust
Dublin Holding Trust,
Pacific Central Asset Management,
American Benefit Card Services, Inc.
Ronald Stephen Holt
Central Arizona Detention Center
Detainee Ronald Holt 82642008
1155 N. Pinal Parkway
Florence, Arizona 85232

Robert L. Stanford
Jeffery Williams aka Jeffrey Williams
8415 W. Alex Avenue
Peoria, Arizona 85382.
Relief Defendant

American Assets Limited Trust
c/o Registered Agent
Michael Bloomquist
4410 W. Union Hills #7-233
Glendale, Arizona 85308
Relief Defendant

Mari Ann Alston
305 Nordina Street
Redlands, California 92373
Relief Defendant

James Vaughn
350414 E. 1010 Road
Sparks, Oklahoma 74869-9718

Suzanne Ingold
Burch & Cracchiolo, P.A.
702 E. Osborn Rd. #200
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Phoenix, Arizona 85014-5281

Timothy J. Mulreany
Commodity Futures Trading Commission
Division of Enforcement
1155 21st Street, N.W.
Washington, D.C. 20581

Thomas M. Connelly
2425 East Camelback Rd.
Suite 880
Phoenix, Arizona 85016-4208

0835-001(19488)

Index of Exhibits to Petition No. 39

Exhibit A

Exhibit B

Exhibit C

Exhibit D

VERIFIED PROOF OF CLAIM
International Funding Receivership

PLEASE PRINT OR TYPE THIS SECTION

<p>(1) <u>NAME, ADDRESS AND PHONE NUMBER OF CLAIMANT</u></p> <p>Reference Number (from mailing/Email):</p>
<p>(2) <u>NAME, ADDRESS AND PHONE NUMBER OF CLAIMANT'S ATTORNEY OR CONTACT PERSON, IF ANY</u></p>
<p>(3) <u>AMOUNT OF CLAIM</u></p> <p>(a) State the amount of your claim\$ _____</p> <p>(b) Credit all payments received.....\$ _____</p> <p>(b) Total Claim [(a) - (b) = (c)].....\$ _____</p>
<p>(4) <u>DOCUMENTATION OF CLAIM:</u></p> <p>Attach copies of all documents in support of this claim, such as notes, guarantees, invoices, statements, contracts, court judgments.</p>

Exhibit A

IMPORTANT

After you have fully completed this form, read and sign the Declaration below and follow the mailing instructions.

DECLARATION OF _____

(Print or Type Name)

I have read the contents of this Proof of Claim and declare under penalty of perjury that the information contained therein is true and correct in substance and in fact, to the best of the knowledge and belief of the Claimant and the undersigned. I am aware that if any of the foregoing information is false, this claim may be denied in its entirety and I may be subject to punishment for perjury.

Executed this ____ day of _____, 2011, in _____,

(City)

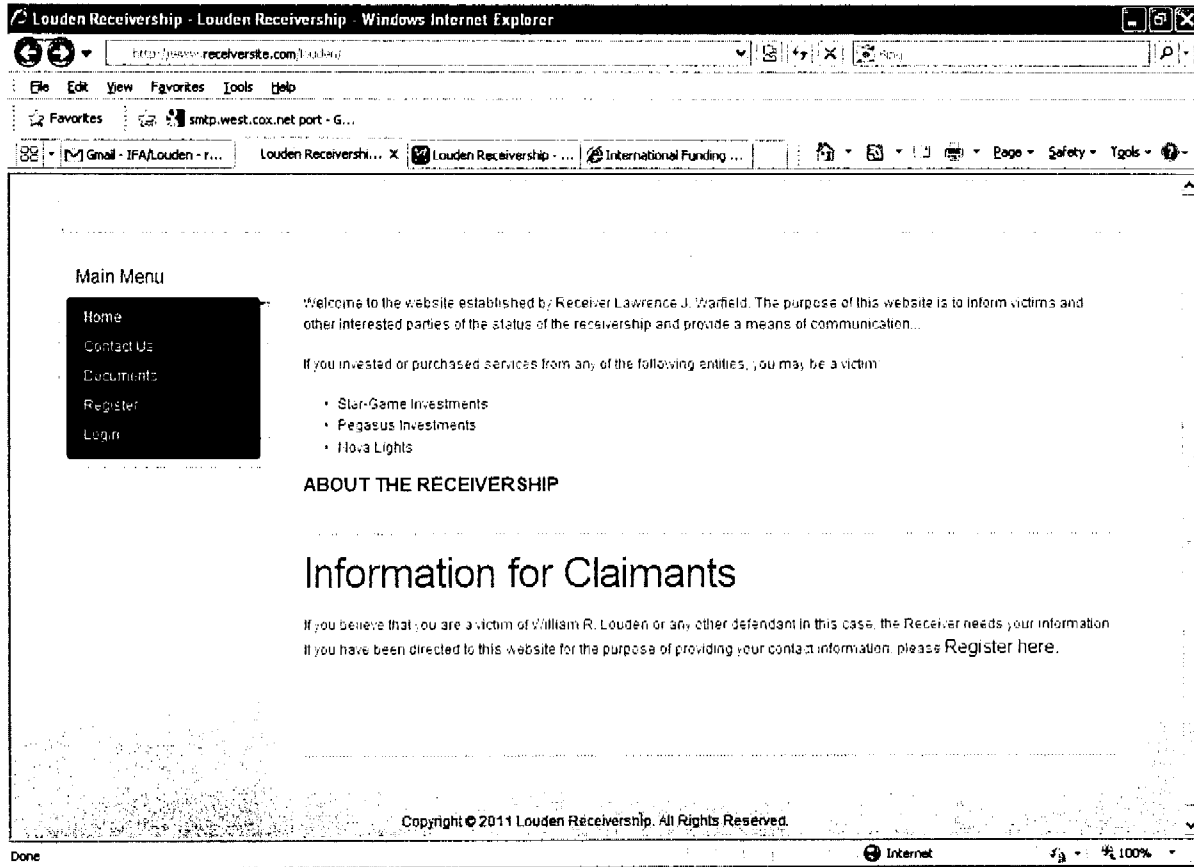
(State)

Signature of Claimant

_____ position or
authority to sign for claimant who is not
an individual.

AFTER COMPLETION, MAIL THIS FORM ON OR BEFORE JUNE 30, 2011 TO:

International Funding Receivership
P.O. Box 14050
Scottsdale, AZ 85267



Louden Receivership - Victim Information - Windows Internet Explorer

http://www.receiver-site.com/loudenreceivership/

File Edit View Favorites Tools Help

Favorites smtp.west.cox.net port - G...

Gmail - IFAA Louden - r... Louden Receivershi... x Louden Receivership - ... International Funding ... Page - Safety - Tools

Main Menu

- Home
- Contact Us
- Documents
- Blog
- Sign

Please provide as much information as possible. You must provide supporting documentation for your claim.

Victim Information

Please enter the name to create an account. You already have an account, please log in before completing this form.

USERNAME*
You can only use the letters of the alphabet, numbers, periods, and underscores.

PASSWORD*

CONFIRM PASSWORD*
Please re-enter your new account password.

PERSONAL INFO*

FIRST NAME*

LAST NAME*

Street Address*

City*

Postal Code*

Country* United States

State* - select -

ETRN*

Phone Number*

Fee*

ACCOUNT INFORMATION*

Error on page.

Internet 75%

International Funding Receivership
P.O. Box 14050
Scottsdale, AZ 85267

**Return Service Requested
First Class Service**

Presorted
First class
US Postage
PAID
Phoenix, AZ
Permit NO.
5892

[Name & Address of
Claimant]

Claimant ID#

NOTICE OF RIGHT TO FILE A CLAIM
International Funding Receivership

The following were placed in receivership in civil actions filed by the SEC and CFTC pending with the United States District Court for the District of Arizona, cause nos. CV03-1825 PHX PGR and CV03-1826 PHX PGR:

Ronald Stephen Holt, International Funding Association, Annette Holt, Jeffery Williams, Mari Ann Alston, American Assets Limited Trust Company, LLC, Leonora Street Trust, Dover Children's Trust, Dublin Holding Trust, Clarendon Avenue Holding Trust, Pacific Central Asset Management, & American Benefit Card Services, Inc.

The court appointed Receiver is attempting to solicit claims from the victims in this case and others who may have claims against any of the above persons.

For more information and to register your claim go to: <http://www.receiversite.com/ifa> and sign in using the Claimant ID# listed on the front of this card or call (480) _____ for a written proof of claim form.

PLEASE READ CAREFULLY!
YOU MUST REGISTER & FILE YOUR CLAIM BY JUNE 30, 2011

SEC v. Holt, et al.

CFTC vs. International Funding Association, et al.

UNITED STATES DISTRICT COURT - FOR THE DISTRICT OF
ARIZONA

Cause No. CV 03-1825 PHX PGR

Cause No. CV 03-1826 PHX PGR

NOTICE OF RIGHT TO FILE PROOF OF CLAIM

Notice is hereby given that any person who has a claim against the receivership entities or receivership assets or other property in the possession of the Receiver in the above case, including those who invested in International Funding Association or Cambridge Global Group, or gave money to or is owed money by International Funding Association, Cambridge Global Group, Ronald Stephen Holt, Annette Holt; American Assets Limited Trust; Leonora Street Trust; Dover Childrens Trust; Clarendon Avenue Holding Trust; Dublin Holding Trust; Jeffery Williams (aka Jeffrey Williams); Mari Ann Alston; Pacific Central Asset Management; and American Benefit Card Services, Inc., or Global Management Group, shall on or before **June 30, 2011**, file a Proof of Claim with the court appointed receiver in the above action, Lawrence J. Warfield, on a form provided by the Receiver. Any claim not filed by the above date shall be barred forever. Questions regarding the claims procedure, or requests for a Proof of Claim form, you should be directed to the Receiver, by writing to Lawrence J. Warfield, Receiver, P.O. Box 14050, Scottsdale, Arizona 85267 or by calling (480) 948-5010. **DO NOT CONTACT THE COURT OR THE CLERK OF THE COURT.**

It is possible that investors may not have given their funds directly to one of the entities named above but may instead have transferred their funds to CPA Services.

Dated _____.

Paul G. Rosenblatt, United States District Judge