

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

CASE NO. 06-20975-CIV-HUCK/SIMONTON

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

JOHN P. UTSICK, ROBERT YEAGER,
DONNA YEAGER, WORLDWIDE
ENTERTAINMENT, INC., THE
ENTERTAINMENT GROUP FUND, INC.,
AMERICAN ENTERPRISES, INC., and
ENTERTAINMENT FUNDS, INC.

Defendants.

**RECEIVER, MICHAEL I. GOLDBERG'S RESPONSE TO 1ST SOURCE BANK'S
MOTION FOR INTERPLEADER AND INCORPORATED MEMORANDUM OF LAW
IN FURTHER SUPPORT OF 1ST SOURCE BANK'S MOTION FOR INTERPLEADER**

Michael I. Goldberg, as Receiver for The Entertainment Group Fund, Inc. ("TEGFI"), American Enterprises, Inc. ("AEI"), Worldwide Entertainment, Inc. ("WWE") and Entertainment Funds, Inc. ("EFI") (collectively TEGFI, AEI, WWE and EFI shall be referred to as the "Receivership Entities"), files this Memorandum of Law in Response to, and in Further Support of, the Motion for Interpleader filed by 1st Source Bank ("1st Source") and states:

I. Background

On April 17, 2006, the Plaintiff, the Securities and Exchange Commission ("SEC"), commenced this action by filing its Complaint for Injunctive and Other Relief against TEGFI, AEI, WWE, EFI, Donna Yeager and Robert Yeager (collectively the "Defendants") to enjoin the

Defendants from violating the antifraud and registration provisions of the federal securities laws in connection with the sale of unregistered securities. *See Securities and Exchange Commission v. John P. Utsick, Robert Yeager, Donna Yeager, Worldwide Entertainment, Inc., The Entertainment Group, Fund, Inc., American Enterprises, Inc., and Entertainment Funds, Inc.*, Case No. 06-20975-CIV-Huck/Simonton¹ (hereinafter referred to as the “Compl.”). [Compl., at 1, ¶1].

On or about April 20, 2006, in connection with this action, the Court entered a Judgment of Permanent Injunction and Other relief against the Defendants (the “Injunction Order”), which was entered by consent of the Defendants. The Injunction Order included an order freezing all of the Defendants’ assets, including cash, fully paid for securities and/or property pledged or hypothecated as collateral for loans (the “Asset Freeze”). The Court also entered the Order Appointing Receiver (the “Receivership Order”), which appointed the Receiver and directed him, among other things, to “administer and manage the business affairs, funds, assets, choses in action and any other property of the Defendants; marshal and safeguard all of the assets of the Defendants; and take whatever actions are necessary for the protection of the investors.” [Receivership Order, at 1]. The Receiver was also directed to “investigate the manner in which the affairs of [the Receivership Entities] were conducted...” [*Id.*, at 2, ¶2].

According to the SEC Complaint, from at least 1998 through 2005, Defendants are alleged to have raised more than \$300 million from at least 3,300 investors nationwide through the sale of securities in the form of loan agreements and units in special-purpose limited liability companies (“LLCs”). [*Id.*]. The LLCs were allegedly formed for the sole purpose of raising capital from investors nationwide and the Defendants were supposed to raise the funds through

¹ The case was originally assigned to the Honorable Judge Ungaro-Benages. By Order dated April 20, 2006, this case was transferred to the Honorable Judge Paul Huck.

the various LLCs to fund a variety of entertainment projects, including the promotion of concerts for well-known artists and groups, theatrical productions, entertainment and other projects. [*Id.*]. Defendants AEI and EFI through their principals were responsible for managing the LLCs including the administration of the loan agreements. [*Id.* at 4-5, ¶5, 8, 9, 11]. Defendants WWE and TEGFI, through its principal, Defendant Utsick, are in the business of producing and promoting concert performances and tours as well as other entertainment Projects. [*Id.* at 4-5, ¶5, 8, 9, 11].

According to the SEC action, the monies that were raised by the numerous investors were not applied for their intended use. Nor were the funds repaid to the investors in an equitable fashion that appropriately corresponded to their actual investment and the rightful rate of return on their investment. Instead, the investors' funds were then mismanaged in a variety of ways. In particular and without limitation, the Receivership Entities' principals used the funds for, among other things, options trading, improper commissions, and personal living expenses. [*Id.* at 3, ¶3; at 11, ¶33-34; at 12, ¶37; at 13, ¶38-42]. Moreover, some of the earlier investors appear to have been paid with funds raised from new investors, some of the investors were paid less than they were entitled to, others were paid more than they were entitled to, still others were never repaid their investment and remain unpaid today, and none of the investors were treated equitably and paid commensurate with their investment.

Some of the investors loaned funds to the Defendants through IRA accounts, and were repaid certain funds through these accounts. Specifically, the Receiver has traced some of the Receivership funds to certain IRA accounts (the "Accounts"), for which 1st Source Bank ("1st

Source”) acts as custodian. The relevant total amount of cash assets in the Accounts is approximately \$5.9 million as of May 22, 2006.²

Summarized, the history of the Accounts is as follows. American National Pensions and Pilot Retirement Services, LLC (“Pilot”) previously served as IRA custodians for approximately 1300 clients, the assets of which, according to Pilot, were invested primarily in promissory notes issued by the Receivership Entities or Entities affiliated with the Receivership Entities. [Interpleader Motion, at 3]. The 1300 Accounts reportedly contain approximately 1600 Receivership Entity promissory notes representing an aggregate of approximately \$138 million in principal and accrued interest and earnings. [*Id.* at 5].

In or about October 2005, Pilot asked 1st Source to act as IRA custodian for the Accounts. The Bank agreed, and subsequently, Pilot sent notification to the account holders, on or around March 1, 2006, that it was closing its business and directed the account holders to the Receiver and 1st Source. Since that time, because of Pilot’s termination, the Bank has been “inundated with inquiries and requests from the account holders, many of whom just learned of the Receivership and that their investments in the promissory notes with the Receivership Entities were potentially at risk.” [Interpleader Motion, at 5].

At this time, the Receiver is unable to identify specifically which Account funds are traceable to the Receivership Entities and which are not, and will not be able to do so until it can undertake the discovery necessary to determine the history of the assets contained in each of the Accounts. Once discovery is complete and the Receivership Entity funds are traced, the Receiver hopes to stave off the possibility of dozens of individual suits claiming entitlement to

² See Motion of 1st Source Bank for Entry of an Order Authorizing the Interpleader of Funds, Directing Disposition of Assets in IRA Accounts for Which it Serves as Custodian and for Other Relief Related Thereto with Incorporated Memorandum of Law (the “Interpleader Motion”), dated May 22, 2006, at 8.

Account assets by taking possession of the traced accounts and effect an equitable pro-rata distribution of the Receivership assets contained therein to all investors.

In the meantime, 1st Source has filed its Interpleader Motion, seeking to interplead the Account funds based upon its being subject to competing claims to such funds by account holders, the Internal Revenue Service and the Receiver. In the Interpleader Motion, 1st Source seeks to retain custody of the Accounts pending final disbursement of such funds pursuant to future court order. [See Interpleader Motion at 8].

The Receiver is in agreement with 1st Source's position as expressed in the Interpleader Motion and supports the granting of the relief sought in the Interpleader Motion. In fact, without such relief, the Receiver is concerned that substantial Receivership assets will be dissipated, as 1st Source will be forced to begin disbursing funds from the Accounts pursuant to the account holders' request and pursuant to 1st Source's obligations under IRS regulations governing IRA accounts. If the Accounts' funds are dissipated, the Receivership will be unable to undertake a fair distribution of the funds, which will leave the Receivership Entities' thousands of investors no choice but to bring individual suits against the account holders and 1st Source in order to obtain their fair share of funds traceable to the Receivership Entities.

The Court has asked for an explanation as to the basis for jurisdiction over the Accounts, which are located in the State of Indiana, and the account holders, which are located all over the United States. As more fully set forth below, the Receiver and this Court have jurisdiction over the Accounts and the account holders, and such jurisdiction is clear and unequivocal. Therefore, the Receiver agrees with the Interpleader's positions in this case, and requests that the Court grant 1st Source's Interpleader Motion to maintain the status quo while the Receiver pursues the

limited discovery it needs to trace the Receivership Funds to the Accounts and subsequently effect a fair distribution of Receivership Entity funds.

II. Argument³

A. Personal Jurisdiction

1. Statutes Conferring Personal Jurisdiction In Receivership Actions

As discussed above, in this case the Receiver is attempting to recover property of the Receivership Estate, believed to amount to several millions of dollars. Previously, courts have determined that in actions to recover receivership assets, courts are authorized to assert personal jurisdiction over third parties outside the territorial boundaries of the court if the receiver files the documents required by 28 U.S.C. §754 in that jurisdiction in which receivership assets are located, in this case, Indiana. *See, e.g., S.E.C. v. Bilzerian*, 378 F.3d 1100, 1103 (D.C.Cir. 2004); *SEC v. Vision Communications, Inc.*, 74 F.3d 287, 290 (D.C. Cir. 1996); *Haile v. Henderson National Bank*, 657 F.2d 816 (6th Cir. 1981); *Quilling v. Cristell*, 2006 WL 316981 (W.D.N.Car. 2006); *Terry v. Dempsey*, 2004 WL 3135469 (W.D. Va. 2004); *U.S. Small Business Administration v. Chimicles*, 2004 WL 2223304 (E.D.Pa. 2004). Compliance with §754 is a “stepping stone” to the exercise of personal jurisdiction in that case. *Bilzerian*, 378 F.3d at 1103; *Vision Communications*, 74 F.3d at 290.

Once it complies with §754, a receiver may invoke 28 U.S.C. §1692, which permits the receivership court to issue and execute process in other jurisdictions. That section states:

In proceedings in a district court where a receiver is appointed for property, real, personal, or mixed, situated in different districts, process may issue and be executed in any such district as if the property lay wholly within one district but orders affecting the property shall be entered of record in each of such districts.

³ The Receiver agrees with 1st Source’s position that summary proceedings are appropriate to resolve this issue. *See* Interpleader Motion at pp. 13-17, citing, *inter alia*, *SEC v. Elliot*, 953 F.2d 1560, 1566-67 (11th Cir. 1992) and *SEC v. Hardy*, 803 F.3d 1034, 1040 (9th Cir. 1986).

Moreover, once §754, is complied with, a receiver is vested with “complete jurisdiction and control of all such property with the right to take possession thereof.” See §754.

2. The Receiver Was Properly Appointed and is Authorized to Take Possession of Receivership Assets Wherever Situated

On April 20, 2006, this Court Entered its Order Appointing Receiver (the “Receivership Order”). In that Order, the Court conferred upon the Receiver full and exclusive power, duty and authority to administer and manage the assets and property of the Defendants in this case. Specifically, the Receivership Order empowers the Receiver to:

1. Take immediate possession of all the Defendants’ property, assets and estates . . . including but not limited to . . . evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities . . . ;

2. Investigate the manner in which the affairs of the Defendants were conducted and institute such actions and legal proceedings . . . against those individuals, corporations, partnerships, associations and/or unincorporated organizations, which the Receiver may claim have wrongfully, illegally or otherwise improperly misappropriated or transferred money or other proceeds directly or indirectly traceable from investors in the Defendants ;

7. Assume control of, and be named as authorized signatory for, all accounts at any bank, brokerage firm or financial institution which has possession, custody or control of any assets or funds, wherever situated, of the Defendants

A copy of the Receivership Order is attached hereto as **Exhibit “A.”**

3. The Receiver Has Taken the Steps Necessary to Confer Upon this Court and the Receiver Personal Jurisdiction Over the Accounts in Indiana

Once appointed, a receiver may obtain jurisdiction over the Accounts if it complies with the requirements of 28 U.S.C. §§ 754 and 1692, as discussed above. In this case, the Receiver has satisfied the requirements necessary under the “stepping stone” analysis outlined in *Bilzerian* and *Vision Communications*. Specifically, the Receiver timely and properly filed with the

District Courts in Indiana a copy of the complaint and the Receivership Order, as required by §754.⁴ This act vested the Receiver and this Court with jurisdiction over the Accounts pursuant to 28 U.S.C. § 1692. *See Bilzerian* at 1106.

B. Subject Matter Jurisdiction

In addition to personal jurisdiction, this Court has subject matter jurisdiction to trace defrauded funds to the discreet accounts where they have come to rest and to cause them to be disgorged to the extent the accountholders lack rightful claim thereto. *See Deckert v. Independence Shares Corp.*, 311 U.S. 282, 61 S.Ct. 229 (1940); *SEC v. Credit Bancorp, Ltd.*, 290 F.3d 80 (2d Cir. 2002); *Scholes v. Lehman*, 56 F.3d 750 (7th Cir. 1995); *SEC v. Shiv*, 379 F.Supp.2d 609, 615 (S.D.N.Y. 2005). As discussed below, this subject matter jurisdiction emanates directly from the federal securities laws and federal receivership law, which empowers district courts with broad discretion to fashion equitable remedies to the benefit of defrauded investors.

1. Powers of the SEC

The Securities Exchange Commission was established by the Securities Exchange Act to regulate the national securities markets. *Shiv*, 379 F.Supp.2d at 614, citing *Ernst & Ernst v. Hochfelder*, 425 U.S.185, 195, 96 S.Ct. 1375 (1976). Among the most effective and most enduring reforms to prevent a recurrence of the evils that led to the Great Depression, the Commission was given full delegated powers to obtain court injunctions to stop frauds and end violations of the Act. *Id.*

Section 21(d) of the Act empowers the Commission to institute proceedings “[w]henever it shall appear . . . that any person is engaged or is about to engage in acts or practices constituting a violation of any provision of the Exchange Act. *Id.* The United States District

⁴ A copy of the stamped papers is attached hereto as **Composite Exhibit “B.”**

Courts were given jurisdiction to entertain such proceedings and, as appropriate, to enjoin such acts or practices and to grant any equitable relief that may be appropriate or necessary for the benefit of investors. *Securities and Exchange Act*, 15 U.S.D. § 78u(d)(5).

The Supreme Court has interpreted the language of the Securities Act of 1933, 15 U.S.C. § 77a, as giving broad authority to district courts to grant equitable relief. The case of *Deckert v. Independence Shares Corporation*, 311 U.S. 282, 61 S.Ct. 229 is but one example. The case involved two defendant corporations, Independence and Pennsylvania. The plaintiffs, investors who had purchased contract certificates from Independence pursuant to which they made installment payments to Pennsylvania, sued Independence, alleging various claims under the Securities Act. At the time of the lawsuit, Independence was insolvent, and so the plaintiffs sought to recover funds from Pennsylvania, even though Independence was the only defendant and Pennsylvania was not accused of wrongdoing. *Id.*

The Court held that the plaintiffs had stated a cause of action entitling them to obtain equitable relief from Pennsylvania, even though Pennsylvania was not a party. The Supreme Court held that “the power to enforce implies the power to make effective the right of recovery afforded by the Act.” *Deckert*, 311 U.S. at 288; 61 S.Ct. at 229. *Deckert* establishes the power of District Courts to craft remedies involving non-parties and non-violators because “this power to make the right of recovery effective implies the power to utilize any of the procedures or actions normally available to the litigant according to the exigencies of the particular case.” *Id.*

2. Receivership Powers

The jurisdiction of the district courts to hear claims by receivers appointed under federal law has long been recognized. *Shiv*, 379 F.Supp.2d at 615. So long as an action commenced by a court appointed receiver seeks to accomplish the ends sought and directed by the suit in which

the appointment was made, such action or suit is regarded as ancillary so far as the jurisdiction of the courts of the United States are concerned. *Id.*

The case of *SEC v. Credit Bancorp, Ltd.*, 290 F.3d 80 (2d Cir. 2002) illustrates this point in the context of a case similar to the instant one. In *Credit Bancorp*, approximately 200 investors invested in what they thought was a “riskless” bank-to-bank arbitrage scheme in relation to a foreign currency, for an assured high rate of return and a source of margin credit. *Id.* at 84-85. In truth, Credit Bancorp and its officials had created a Ponzi scheme, to use proceeds from late investments to give returns to, and redeem investments of, earlier investors. *Id.*

The Ponzi scheme unraveled and the SEC filed suit. The court appointed a receiver to investigate and trace the movements of funds and assets. *Id.* at 85. The receiver subsequently proposed a ratable distribution to investors, which was upheld by the appellate court. *Id.* at 85-86. In so doing, the court held that the law of federal equity receivership applies and upheld the equitable authority of the district Court to treat all the fraud victims alike (in proportion to their investments) and order a pro rata distribution of assets. Thus, the court recognized the receiver’s equity jurisdiction to trace and repatriate funds from many discrete accounts, through an entity from which the funds had been diverted, back to the rightful owners, ratably in proportion to their losses. *Id.* at 88. In so holding, the Court noted:

[T]he use of a *pro rata* distribution has been deemed especially appropriate for fraud victims of a Ponzi scheme. In such a scheme, whether any given moment a particular customer’s assets are traceable is “a result of the merely fortuitous fact that the defrauders spent the money of the other victims first.

The instant case is on all fours with *Credit Bancorp*. Investors’ funds have been commingled and disbursed to many discrete accounts, including the Accounts at 1st Source Bank,

which are the subject of the Interpleader Motion. At least some of these funds constituted the payment of returns to earlier investors from later investors' funds – a classic Ponzi scheme. This Court is well within its discretion to grant the Interpleader relief and to permit the Receiver to trace the funds in the Accounts so that any funds attributable to the Receivership Entities may be equitably distributed pro rata to the defrauded investors.

C. If the Court Declines to Exercise Jurisdiction and the Interpleader Motion is not Granted, Receivership Assets Can and Will Be Dissipated, to the Detriment of the Receivership Entities' Thousands of Investors

As outlined in 1st Source's Interpleader Motion, the Bank finds itself in a precarious position. That is because as news of the SEC action and the Receivership have spread, more and more account holders are making demands upon 1st Source for withdrawal and/or transfer of funds located in the Accounts. Moreover, under IRS regulations, the Bank, as an IRA custodian, is required to make certain minimum distributions from the cash funds in the Accounts for account holders over the age of 70½, upon request of the account holders at any time during the year, but no later than the end of the year. Otherwise, the account holder becomes subject to penalties for not reporting the required minimum distribution. [Interpleader Motion, at 13, n. 10].

Unless the Bank is allowed to interplead the funds, there is the very substantial risk that the Bank will be required to disburse the funds upon request of the account holders—which would irreparably prejudice the Receiver and/or deprive the Receiver of the ability to trace the funds and recover assets that rightfully belong to the Receivership Estate, for proper and equitable pro-rata distribution among the Receiver Entities' investors. Because news of the SEC action and the Receivership have spread, there is a real danger that literally hundreds of investors will bring claims against the account holders and/or 1st Source seeking to take possession of

cash deposited into these IRA Accounts because they may very well reflect funds that should have been repaid to them rather than deposited into the account holders' IRA Accounts. By permitting the Receiver to take possession of the Non-Direct Funds -- a power that has already been granted to the Receiver through the Receivership Order -- the Receiver is in the best position to effect an equitable distribution of such funds to the investors.

D. The Receiver is Entitled to Conduct Limited Discovery to properly Identify the Non-Direct Funds at Issue

As previously set forth, the Non-Direct Funds are the only funds that are at issue. 1st Source has stated in its Interpleader Motion that it is unable to properly and adequately distinguish and separate the Direct from the Non-Direct Funds. [Interpleader Motion, at 7, 9]. However, 1st Source is able to determine that the relevant sum of \$5.6 million in cash, is concentrated in 160 of the Accounts. [*Id.* at 9]. Specifically, based on 1st Source's analysis thus far, out of 1300 Accounts in total, only 515 Accounts contain "cash" funds. Out of those 515 Accounts, \$5.6 million is concentrated in only 160 Accounts where the funds total \$1,000.00 or more, with the remaining 355 Accounts containing at most the sum of approximately \$262,000.00 in aggregate in them. [Interpleader Motion, at 9]. For the sake of convenience, expediency and to minimize disruptions in the Accounts, the Receiver and 1st Source have agreed to exclude the 355 cash Accounts from the Interpleader and the 785 promissory note Accounts, and to limit the Interpleader to just those 160 Accounts where the bulk of the relevant cash funds are concentrated. This already drastically reduces the number of Accounts at issue from 1300 to 160 Accounts. This also means that the Receiver's investigation of the Accounts -- the right to investigate already comprising a power of the Receiver as authorized previously by this Court pursuant to the Receivership Order -- would be limited to just those 160 Accounts.

This Court must maintain the status quo in the 160 Accounts and permit the Receiver to conduct limited discovery of those 160 Accounts identified by 1st Source, so that it may identify which of the funds in the Accounts are Receivership assets. That is, which of the 160 Accounts specifically meet the definition of Non-Direct Funds as that term has been defined in the Receiver's Demand Letter, a copy of which is attached as Exhibit D to the Interpleader Motion.

The Receiver's power to conduct discovery with respect to 1st Source, Pilot and the account holders is not only authorized by the Receivership Order but it is necessary in this case. Indeed, 1st Source recognizes in its Interpleader Motion that "[w]ithout adequate documentation supplied by account holders, the Bank [1st Source] is not able to identify precisely which accounts have non-Direct Funds." [Interpleader Motion, at 10]. In essence, it is necessary to gather documentation showing the source of the funds from 1st Source, Pilot and the 160 account holders at issue. The Receiver is in a unique position to be able to draw upon its court authorized subpoena power to gather and marshal the necessary information, and this in an expedited fashion. *See* Receivership Order, Exhibit A, attached hereto.

The necessary discovery would include, but not be limited to, the following documents:

- Copies of all documents that identify funds that can be traced to WWE or American Enterprises;
- Computer records reflecting cash (as opposed to promissory notes) positions for each of the accounts;
- Computer records reflecting promissory notes held in each of the accounts;
- Transaction records for each account;
- Computer records reflecting certificates of deposit held in each of the accounts;

The Receiver has already prepared a proposed subpoena listing the key documents required and furnished 1st Source with a copy of this proposed subpoena. 1st Source has already agreed to cooperate in gathering the necessary information at its disposal, in its custody, control and/or possession. A copy of this proposed subpoena is attached hereto as **Exhibit "C."** The

Receiver anticipates serving the same type of subpoena upon Pilot and a more abbreviated version of this subpoena upon the relevant 160 account holders. This discovery will assist the receiver in identifying which account funds and instruments are Receivership assets, and permit the Receiver to marshal them, along with all other Receivership assets, for the benefit of the Receivership Entities' investors.

E. The Interpleader Motion and the Receiver's Claim to and Jurisdiction over the Accounts are Appropriately Commensurate with the Receiver's Responsibility and Powers

The Interpleader Motion, the Receiver's claim to and jurisdiction over the Accounts and the proposed discovery, are necessary to preserve the assets of the receivership Entities and to protect the interests of the investors. These are not only consistent with the Receivership Order but they are also consistent with the traditional purposes for which receiverships have been used by the courts. *See SEC v. First Financial Group of Texas*, 645 F.2d 429, 439 (5th Cir. 1981) ("In order to protect the public welfare and especially the interests of those who invested with [the defendant] the appointment of a receiver was a necessary relief measure within the discretion of the court, as an ancillary to preliminary injunctive relief during the continuing civil enforcement proceeding."). Moreover, the Court's granting of the Interpleader Motion fits squarely with this Court's prior Injunction Order that already includes an Asset freeze order.

The circumstances described above -- the inequitable treatment of investors and improper application of investor funds -- demonstrate the importance of protecting the investors' interests, maintaining a status quo over the Accounts and conserving the Receivership Entities' assets. The Receivership Order directs the Receiver to "take whatever actions are necessary for the protection of the investors." [Receivership Order, at 1]. Moreover, the Receiver is specifically authorized to apply to this court for an Order giving the Receiver possession of funds where the

Receiver discovers that funds of persons who have invested in the Defendants have been transferred to other persons or entities. [Receivership Order, at 7]. As set forth above, it is highly likely that investors' funds or inappropriate quantities of monies owing to numerous investors have been transferred to the account holders at issue here, which should be returned to the Estate for proper equitable distribution among the investors.

III. CONCLUSION

For all the foregoing reasons, the Receiver, Michael I. Goldberg, Esq., respectfully requests that this Court: (1) grant the Interpleader Motion; (2) acknowledge that the Receiver has a *prima facie* claim to the funds in the 160 Accounts at issue; (3) permit the Receiver to conduct the proposed limited discovery with respect to the relevant 160 Accounts in order to specifically identify the Non-Direct Funds that constitute Receivership assets; (4) permit the Receiver to take possession of the Non-Direct Funds in order to effect an equitable pro-rata distribution among the Receivership Entities' investors; and (5) for such other further relief as this Court deems appropriate and just.

Respectfully submitted,

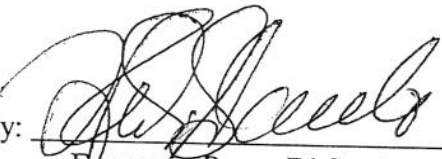
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By: 

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CERTIFICATE OF SERVICE

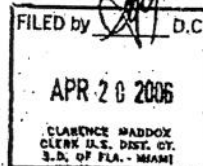
I HEREBY CERTIFY that a true and correct copy of the foregoing was served via U.S. Mail this 23rd day of May, 2006, to Andre Zamorano, Esq., Securities and Exchange Commission, 801 Brickell Avenue, Suite 1800, Miami, FL 33131, Richard A. Serafini, Esq., Greenberg Traurig, P.A., 401 East Las Olas Blvd., Suite 2000, Ft. Lauderdale, FL 33301; David M. Levine and Jonathan Etra, Esq., Tew Cardenas LLP, Four Seasons Tower, 1441 Brickell Avenue, Miami, Florida 33131; and to Russell Forkey, Esq., 2888 East Oakland Park Blvd., Ft. Lauderdale, FL 33308.

By: 

Francesca Russo-Di Staulo

EXHIBIT "A"

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION



CASE NO.

SECURITIES AND EXCHANGE COMMISSION,

06 - 20975

Plaintiff,

v.

JOHN P. UTSICK,
ROBERT YEAGER,
DONNA YEAGER,
WORLDWIDE ENTERTAINMENT, INC.,
THE ENTERTAINMENT GROUP FUND, INC.
AMERICAN ENTERPRISES, INC. and
ENTERTAINMENT FUNDS, INC.,

CIV - UNCASO - BENAGES

Defendants,

MAGISTRATE JUDGE
SULLIVAN

ORDER APPOINTING RECEIVER

WHEREAS, Plaintiff Securities and Exchange Commission has filed an agreed motion for the appointment of a Receiver for Defendants Worldwide Entertainment, Inc. ("Worldwide"), The Entertainment Group Fund, Inc. ("Entertainment Group"), American Enterprises, Inc. ("American Enterprises") and Entertainment Funds, Inc. ("Entertainment Funds") (collectively "Defendants"), with full and exclusive power, duty, and authority to: administer and manage the business affairs, funds, assets, choses in action and any other property of the Defendants; marshal and safeguard all of the assets of the Defendants; and take whatever actions are necessary for the protection of the investors; and

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Apr. 20. 2006 4:37PM

WHEREAS, the Commission has set forth grounds for appointment of a receiver over Defendants and represented that Defendants have consented to the appointment of a receiver; and

WHEREAS, the Commission has submitted the credentials of a candidate to be appointed as Receiver of all of the assets, properties, books and records, and other items of the Defendants including any properties, assets and other items held in the names of the Defendants' principals; and the Commission has advised the Court that this candidate is prepared to assume this responsibility if so ordered by the Court; and

WHEREAS, the Defendants have agreed to the appointment of a Receiver;

NOW, THEREFORE, IT IS ORDERED AND ADJUDGED that

Michael J. Goldberg is hereby appointed the Receiver for the Defendants, their subsidiaries, successors and assigns, and is hereby authorized, empowered, and directed to:

1. Take immediate possession of all the Defendants' property, assets and estates, and all other property of the Defendants of every kind whatsoever and wheresoever located belonging to or in the possession of the Defendants, including but not limited to all offices maintained by the Defendants, rights of action, books, papers, data processing records, evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities, mortgages, furniture, fixtures, office supplies and equipment, and all real property of the Defendants wherever situated, and to administer such assets as required to comply with the directions contained in this Order, and to hold all other assets pending further order of this Court;

2. Investigate the manner in which the affairs of the Defendants were conducted and institute such actions and legal proceedings, for the benefit and on behalf of the Defendants and their investors and other creditors, as the Receiver deems necessary against those individuals, corporations, partnerships, associations and/or unincorporated organizations, which the Receiver

may claim have wrongfully, illegally or otherwise improperly misappropriated or transferred money or other proceeds directly or indirectly traceable from investors in the Defendants, including against the Defendants, their officers, directors, employees, affiliates, subsidiaries or any persons acting in concert or participation with them, or against any transfers of money or other proceeds directly or indirectly traceable from investors in the Defendants; provided such actions may include, but not be limited to, seeking imposition of constructive trusts, disgorgement of profits, recovery and/or avoidance of fraudulent transfers under Florida Statute § 726.101, et. seq. or otherwise; rescission and restitution, the collection of debts, and such orders from this Court as may be necessary to enforce this Order;

3. Present to this Court a report reflecting the existence and value of the assets of the Defendants and of the extent of liabilities, both those claimed to exist by others and those which the Receiver believes to be legal obligations of the Defendants;

4. Appoint one or more special agents, employ legal counsel, actuaries, accountants, clerks, consultants and assistants as the Receiver deems necessary and to fix and pay their reasonable compensation and reasonable expenses, as well as all reasonable expenses of taking possession of the Defendants' assets and business, and exercising the power granted by this Order, and approval by this Court at the time the Receiver accounts to the Court for such expenditures and compensation;

5. Engage persons in the Receiver's discretion to assist the Receiver in carrying out the Receiver's duties and responsibilities, including, but not limited to, the United States Marshals Service or a private security firm;

6. Defend, compromise or settle legal actions, including the instant proceeding, in which the Defendants or the Receiver is a party, commenced either prior to or subsequent to this

Order, with authorization of this Court; except, however, in actions where the Defendants are nominal parties, as in certain foreclosure actions where the action does not effect a claim against or adversely affect the assets of the Defendants, the Receiver may file appropriate pleadings at the Receiver's discretion. The Receiver may waive any attorney-client or other privilege held by the Defendants;

7. Assume control of, and be named as authorized signatory for, all accounts at any bank, brokerage firm or financial institution which has possession, custody or control of any assets or funds, wherever situated, of the Defendants and, upon order of this Court, of any of their subsidiaries or affiliates, provided that the Receiver deems it necessary;

8. Make or authorize such payments and disbursements from the funds and assets taken into control, or thereafter received by the Receiver, and incur, or authorize the incurrence of, such expenses and make, or authorize the making of, such agreements as may be reasonable, necessary and advisable in discharging the Receiver's duties;

9. Have access to and review all mail of the Defendants, and the mail of Jack Utsick, Robert Yeager, and Donna Yeager (except for mail that appears on its face to be purely personal or attorney-client privileged) received at any office of the Defendants. All mail addressed to Jack Utsick, Robert Yeager, or Donna Yeager that is opened by the Receiver that, upon inspection, is determined by the Receiver to be personal or attorney-client privileged, shall be promptly delivered to the addressee and the Receiver shall not retain any copy.

IT IS FURTHER ORDERED that, in connection with the appointment of the Receiver provided for above:

10. The Defendants, and all of their directors, officers, agents, employees, attorneys, attorneys-in-fact, shareholders, and other persons who are in custody, possession, or control of any

assets, books, records, or other property of the Defendants shall deliver forthwith upon demand such property, money, books and records to the Receiver, and shall forthwith grant to the Receiver authorization to be a signatory as to all accounts at banks, brokerage firms or financial institutions which have possession, custody or control of any assets or funds in the name of or for the benefit of the Defendants;

11. All banks, brokerage firms, financial institutions, and other business entities which have possession, custody or control of any assets, funds or accounts in the name of, or for the benefit of, the Defendants shall cooperate expeditiously in the granting of control and authorization as a necessary signatory as to said assets and accounts to the Receiver;

12. Unless authorized by the Receiver, the Defendants and their principals shall take no action, nor purport to take any action, in the name of or on behalf of the Defendants;

13. The Defendants and their principals, and their respective officers, agents, employees, attorneys, and attorneys-in-fact, shall cooperate with and assist the Receiver. The Defendants and their principals, and their respective officers, agents, employees, attorneys, and attorneys-in-fact shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the Receiver in the conduct of the Receiver's duties or to interfere in any manner, directly or indirectly, with the custody, possession, management, or control by the Receiver of the funds, assets, premises, and choses in action described above;

14. The Receiver, and any counsel whom the Receiver may select, are entitled to reasonable compensation from the assets now held by or in the possession or control of or which may be received by the Defendants; said amount or amounts of compensation shall be commensurate with their duties and obligations under the circumstances, subject to approval by the Court;

15. During the period of this receivership, all persons, including creditors, banks, investors, or others, with actual notice of this Order, are enjoined from filing a petition for relief under the United States Bankruptcy Code without prior permission from this Court, or from in any way disturbing the assets or proceeds of the receivership or from prosecuting any actions or proceedings which involve the Receiver or which affect the property of the Defendants;

16. The Receiver is fully authorized to proceed with any filing the Receiver may deem appropriate under the Bankruptcy Code as to the Defendants;

17. Title to all property, real or personal, all contracts, rights of action and all books and records of the Defendants and their principals, wherever located within or without this state, is vested by operation of law in the Receiver;

18. Upon request by the Receiver, any company providing telephone services to the Defendants shall provide a reference of calls from the number presently assigned to the Defendants to any such number designated by the Receiver or perform any other changes necessary to the conduct of the receivership;

19. Any entity furnishing water, electric, telephone, sewage, garbage or trash removal services to the Defendants shall maintain such service and transfer any such accounts to the Receiver unless instructed to the contrary by the Receiver;

20. The United States Postal Service is directed to provide any information requested by the Receiver regarding the Defendants, and to handle future deliveries of the mail of the Defendants as directed by the Receiver;

21. No bank, savings and loan association, other financial institution, or any other person or entity shall exercise any form of set-off, alleged set-off, lien, or any form of self-help

whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Court;

22. No bond shall be required in connection with the appointment of the Receiver. Except for acts of willful misconduct or gross negligence, the Receiver shall not be liable for any loss or damage incurred by the Defendants or by the Receiver's officers, agents or employees, or any other person, by reason of any act performed or omitted to be performed by the Receiver in connection with the discharge of the Receiver's duties and responsibilities;

23. Service of this Order shall be sufficient if made upon the Defendants and their principals by facsimile or overnight courier;

24. In the event that the Receiver discovers that funds of persons who have invested in the Defendants have been transferred to other persons or entities, the Receiver shall apply to this Court for an Order giving the Receiver possession of such funds and, if the Receiver deems it advisable, extending this receivership over any person or entity holding such investor funds; and

25. This Court shall retain jurisdiction of this matter for all purposes.

DONE AND ORDERED this 20th day of April, 2006, at Miami, Florida.


UNITED STATES DISTRICT JUDGE

PAUL C. HUCK

Copies to:

All counsel and parties of record.

COMPOSITE EXHIBIT "B"

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

FILED by *[Signature]* D.C.
APR 20 2006
CLARENCE MADDOX
CLERK U.S. DIST. CT.
S.D. OF FLA. - MIAMI

CASE NO.

SECURITIES AND EXCHANGE COMMISSION, **06 - 20975**

Plaintiff,

IP-06 049 -MISC.

v.

JOHN P. UTSICK,
ROBERT YEAGER,
DONNA YEAGER,
WORLDWIDE ENTERTAINMENT, INC.,
THE ENTERTAINMENT GROUP FUND, INC.
AMERICAN ENTERPRISES, INC. and
ENTERTAINMENT FUNDS, INC.,

CIV-UNCASO-BENAGES

FILED
DISTRICT COURT
DIVISION
06 MAY - 1 PM 3:05
LAURA A. BR...
CLERK
MAGISTRATE JUDGE
O'SULLIVAN

Defendants,

ORDER APPOINTING RECEIVER

WHEREAS, Plaintiff Securities and Exchange Commission has filed an agreed motion for the appointment of a Receiver for Defendants Worldwide Entertainment, Inc. ("Worldwide"), The Entertainment Group Fund, Inc. ("Entertainment Group"), American Enterprises, Inc. ("American Enterprises") and Entertainment Funds, Inc. ("Entertainment Funds") (collectively "Defendants"), with full and exclusive power, duty, and authority to: administer and manage the business affairs, funds, assets, choses in action and any other property of the Defendants; marshal and safeguard all of the assets of the Defendants; and take whatever actions are necessary for the protection of the investors; and

Certified to be a true and correct copy of the document on file
Clarence Maddox, Clerk,
U.S. District Court
Southern District of Florida
By *[Signature]*
Deputy Clerk
Date **4/24/06**

12/5

WHEREAS, the Commission has set forth grounds for appointment of a receiver over Defendants and represented that Defendants have consented to the appointment of a receiver; and

WHEREAS, the Commission has submitted the credentials of a candidate to be appointed as Receiver of all of the assets, properties, books and records, and other items of the Defendants including any properties, assets and other items held in the names of the Defendants' principals, and the Commission has advised the Court that this candidate is prepared to assume this responsibility if so ordered by the Court; and

WHEREAS, the Defendants have agreed to the appointment of a Receiver;

NOW, THEREFORE, IT IS ORDERED AND ADJUDGED that Michael I. Goldberg is hereby appointed the Receiver for the Defendants, their subsidiaries, successors and assigns, and is hereby authorized, empowered, and directed to:

1. Take immediate possession of all the Defendants' property, assets and estates, and all other property of the Defendants of every kind whatsoever and wheresoever located belonging to or in the possession of the Defendants, including but not limited to all offices maintained by the Defendants, rights of action, books, papers, data processing records, evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities, mortgages, furniture, fixtures, office supplies and equipment, and all real property of the Defendants wherever situated, and to administer such assets as required to comply with the directions contained in this Order, and to hold all other assets pending further order of this Court;
2. Investigate the manner in which the affairs of the Defendants were conducted and institute such actions and legal proceedings, for the benefit and on behalf of the Defendants and their investors and other creditors, as the Receiver deems necessary against those individuals, corporations, partnerships, associations and/or unincorporated organizations, which the Receiver

may claim have wrongfully, illegally or otherwise improperly misappropriated or transferred money or other proceeds directly or indirectly traceable from investors in the Defendants, including against the Defendants, their officers, directors, employees, affiliates, subsidiaries or any persons acting in concert or participation with them, or against any transfers of money or other proceeds directly or indirectly traceable from investors in the Defendants; provided such actions may include, but not be limited to, seeking imposition of constructive trusts, disgorgement of profits, recovery and/or avoidance of fraudulent transfers under Florida Statute § 726.101, et. seq. or otherwise, rescission and restitution, the collection of debts, and such orders from this Court as may be necessary to enforce this Order;

3. Present to this Court a report reflecting the existence and value of the assets of the Defendants and of the extent of liabilities, both those claimed to exist by others and those which the Receiver believes to be legal obligations of the Defendants;

4. Appoint one or more special agents, employ legal counsel, actuaries, accountants, clerks, consultants and assistants as the Receiver deems necessary and to fix and pay their reasonable compensation and reasonable expenses, as well as all reasonable expenses of taking possession of the Defendants' assets and business, and exercising the power granted by this Order, and approval by this Court at the time the Receiver accounts to the Court for such expenditures and compensation;

5. Engage persons in the Receiver's discretion to assist the Receiver in carrying out the Receiver's duties and responsibilities, including, but not limited to, the United States Marshals Service or a private security firm;

6. Defend, compromise or settle legal actions, including the instant proceeding, in which the Defendants or the Receiver is a party, commenced either prior to or subsequent to this

Order, with authorization of this Court; except, however, in actions where the Defendants are nominal parties, as in certain foreclosure actions where the action does not effect a claim against or adversely affect the assets of the Defendants, the Receiver may file appropriate pleadings at the Receiver's discretion. The Receiver may waive any attorney-client or other privilege held by the Defendants;

7. Assume control of, and be named as authorized signatory for, all accounts at any bank, brokerage firm or financial institution which has possession, custody or control of any assets or funds, wherever situated, of the Defendants and, upon order of this Court, of any of their subsidiaries or affiliates, provided that the Receiver deems it necessary;

8. Make or authorize such payments and disbursements from the funds and assets taken into control, or thereafter received by the Receiver, and incur, or authorize the incurrence of, such expenses and make, or authorize the making of, such agreements as may be reasonable, necessary and advisable in discharging the Receiver's duties;

9. Have access to and review all mail of the Defendants, and the mail of Jack Utsick, Robert Yeager, and Donna Yeager (except for mail that appears on its face to be purely personal or attorney-client privileged) received at any office of the Defendants. All mail addressed to Jack Utsick, Robert Yeager, or Donna Yeager that is opened by the Receiver that, upon inspection, is determined by the Receiver to be personal or attorney-client privileged, shall be promptly delivered to the addressee and the Receiver shall not retain any copy.

IT IS FURTHER ORDERED that, in connection with the appointment of the Receiver provided for above:

10. The Defendants, and all of their directors, officers, agents, employees, attorneys, attorneys-in-fact, shareholders, and other persons who are in custody, possession, or control of any

assets, books, records, or other property of the Defendants shall deliver forthwith upon demand such property, money, books and records to the Receiver, and shall forthwith grant to the Receiver authorization to be a signatory as to all accounts at banks, brokerage firms or financial institutions which have possession, custody or control of any assets or funds in the name of or for the benefit of the Defendants;

11. All banks, brokerage firms, financial institutions, and other business entities which have possession, custody or control of any assets, funds or accounts in the name of, or for the benefit of, the Defendants shall cooperate expeditiously in the granting of control and authorization as a necessary signatory as to said assets and accounts to the Receiver;

12. Unless authorized by the Receiver, the Defendants and their principals shall take no action, nor purport to take any action, in the name of or on behalf of the Defendants;

13. The Defendants and their principals, and their respective officers, agents, employees, attorneys, and attorneys-in-fact, shall cooperate with and assist the Receiver. The Defendants and their principals, and their respective officers, agents, employees, attorneys, and attorneys-in-fact shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the Receiver in the conduct of the Receiver's duties or to interfere in any manner, directly or indirectly, with the custody, possession, management, or control by the Receiver of the funds, assets, premises, and choses in action described above;

14. The Receiver, and any counsel whom the Receiver may select, are entitled to reasonable compensation from the assets now held by or in the possession or control of or which may be received by the Defendants; said amount or amounts of compensation shall be commensurate with their duties and obligations under the circumstances, subject to approval by the Court;

15. During the period of this receivership, all persons, including creditors, banks, investors, or others, with actual notice of this Order, are enjoined from filing a petition for relief under the United States Bankruptcy Code without prior permission from this Court, or from in any way disturbing the assets or proceeds of the receivership or from prosecuting any actions or proceedings which involve the Receiver or which affect the property of the Defendants;

16. The Receiver is fully authorized to proceed with any filing the Receiver may deem appropriate under the Bankruptcy Code as to the Defendants;

17. Title to all property, real or personal, all contracts, rights of action and all books and records of the Defendants and their principals, wherever located within or without this state, is vested by operation of law in the Receiver;

18. Upon request by the Receiver, any company providing telephone services to the Defendants shall provide a reference of calls from the number presently assigned to the Defendants to any such number designated by the Receiver or perform any other changes necessary to the conduct of the receivership;

19. Any entity furnishing water, electric, telephone, sewage, garbage or trash removal services to the Defendants shall maintain such service and transfer any such accounts to the Receiver unless instructed to the contrary by the Receiver;

20. The United States Postal Service is directed to provide any information requested by the Receiver regarding the Defendants, and to handle future deliveries of the mail of the Defendants as directed by the Receiver;

21. No bank, savings and loan association, other financial institution, or any other person or entity shall exercise any form of set-off, alleged set-off, lien, or any form of self-help

whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Court;


22. No bond shall be required in connection with the appointment of the Receiver. Except for acts of willful misconduct or gross negligence, the Receiver shall not be liable for any loss or damage incurred by the Defendants or by the Receiver's officers, agents or employees, or any other person, by reason of any act performed or omitted to be performed by the Receiver in connection with the discharge of the Receiver's duties and responsibilities;

23. Service of this Order shall be sufficient if made upon the Defendants and their principals by facsimile or overnight courier;

24. In the event that the Receiver discovers that funds of persons who have invested in the Defendants have been transferred to other persons or entities, the Receiver shall apply to this Court for an Order giving the Receiver possession of such funds and, if the Receiver deems it advisable, extending this receivership over any person or entity holding such investor funds; and

25. This Court shall retain jurisdiction of this matter for all purposes.

DONE AND ORDERED this 20th day of April 2006, at Miami, Florida.


UNITED STATES DISTRICT JUDGE
PAUL C. HUCK

Copies to:

All counsel and parties of record.

FILED

FILED by *[Signature]* D.C.
APR 20 2006
CLARENCE MADDOX
CLERK U.S. DIST. CT.
S.D. OF FLA. - MIAMI

UNITED STATES DISTRICT COURT 54
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

CLERK
FOR THE SOUTHERN DISTRICT
OF FLORIDA

CASE NO.

SECURITIES AND EXCHANGE COMMISSION, **06 - 20975**
Plaintiff, **1:06-mc-5**

v.

JOHN P. UTSICK,
ROBERT YEAGER,
DONNA YEAGER,
WORLDWIDE ENTERTAINMENT, INC.,
THE ENTERTAINMENT GROUP FUND, INC.
AMERICAN ENTERPRISES, INC. and
ENTERTAINMENT FUNDS, INC.,

CIV - UNCARO - PENAGES

Defendants,

MAGISTRATE JUDGE
O'SHEEVAN

ORDER APPOINTING RECEIVER

WHEREAS, Plaintiff Securities and Exchange Commission has filed an agreed motion for the appointment of a Receiver for Defendants Worldwide Entertainment, Inc. ("Worldwide"), The Entertainment Group Fund, Inc. ("Entertainment Group"), American Enterprises, Inc. ("American Enterprises") and Entertainment Funds, Inc. ("Entertainment Funds") (collectively "Defendants"), with full and exclusive power, duty, and authority to: administer and manage the business affairs, funds, assets, choses in action and any other property of the Defendants; marshal and safeguard all of the assets of the Defendants; and take whatever actions are necessary for the protection of the investors; and

Certified to be a true and correct copy of the document on file
Clarence Maddox, Clerk,
U.S. District Court
Southern District of Florida
By *[Signature]* Deputy Clerk
Date **4/21/06**

12/5

WHEREAS, the Commission has set forth grounds for appointment of a receiver over Defendants and represented that Defendants have consented to the appointment of a receiver, and

WHEREAS, the Commission has submitted the credentials of a candidate to be appointed as Receiver of all of the assets, properties, books and records, and other items of the Defendants including any properties, assets and other items held in the names of the Defendants' principals, and the Commission has advised the Court that this candidate is prepared to assume this responsibility if so ordered by the Court; and

WHEREAS, the Defendants have agreed to the appointment of a Receiver;

NOW, THEREFORE, IT IS ORDERED AND ADJUDGED that Michael I. Goldberg is hereby appointed the Receiver for the Defendants, their subsidiaries, successors and assigns, and is hereby authorized, empowered, and directed to:

1. Take immediate possession of all the Defendants' property, assets and estates, and all other property of the Defendants of every kind whatsoever and wheresoever located belonging to or in the possession of the Defendants, including but not limited to all offices maintained by the Defendants, rights of action, books, papers, data processing records, evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities, mortgages, furniture, fixtures, office supplies and equipment, and all real property of the Defendants wherever situated, and to administer such assets as required to comply with the directions contained in this Order, and to hold all other assets pending further order of this Court;

2. Investigate the manner in which the affairs of the Defendants were conducted and institute such actions and legal proceedings, for the benefit and on behalf of the Defendants and their investors and other creditors, as the Receiver deems necessary against those individuals, corporations, partnerships, associations and/or unincorporated organizations, which the Receiver

may claim have wrongfully, illegally or otherwise improperly misappropriated or transferred money or other proceeds directly or indirectly traceable from investors in the Defendants, including against the Defendants, their officers, directors, employees, affiliates, subsidiaries or any persons acting in concert or participation with them, or against any transfers of money or other proceeds directly or indirectly traceable from investors in the Defendants; provided such actions may include, but not be limited to, seeking imposition of constructive trusts, disgorgement of profits, recovery and/or avoidance of fraudulent transfers under Florida Statute § 726.101, et. seq. or otherwise, rescission and restitution, the collection of debts, and such orders from this Court as may be necessary to enforce this Order;

3. Present to this Court a report reflecting the existence and value of the assets of the Defendants and of the extent of liabilities, both those claimed to exist by others and those which the Receiver believes to be legal obligations of the Defendants;

4. Appoint one or more special agents, employ legal counsel, actuaries, accountants, clerks, consultants and assistants as the Receiver deems necessary and to fix and pay their reasonable compensation and reasonable expenses, as well as all reasonable expenses of taking possession of the Defendants' assets and business, and exercising the power granted by this Order, and approval by this Court at the time the Receiver accounts to the Court for such expenditures and compensation;

5. Engage persons in the Receiver's discretion to assist the Receiver in carrying out the Receiver's duties and responsibilities, including, but not limited to, the United States Marshals Service or a private security firm;

6. Defend, compromise or settle legal actions, including the instant proceeding, in which the Defendants or the Receiver is a party, commenced either prior to or subsequent to this

Order, with authorization of this Court; except, however, in actions where the Defendants are nominal parties, as in certain foreclosure actions where the action does not effect a claim against or adversely affect the assets of the Defendants, the Receiver may file appropriate pleadings at the Receiver's discretion. The Receiver may waive any attorney-client or other privilege held by the Defendants;

7. Assume control of, and be named as authorized signatory for, all accounts at any bank, brokerage firm or financial institution which has possession, custody or control of any assets or funds, wherever situated, of the Defendants and, upon order of this Court, of any of their subsidiaries or affiliates, provided that the Receiver deems it necessary;

8. Make or authorize such payments and disbursements from the funds and assets taken into control, or thereafter received by the Receiver, and incur, or authorize the incurrence of, such expenses and make, or authorize the making of, such agreements as may be reasonable, necessary and advisable in discharging the Receiver's duties;

9. Have access to and review all mail of the Defendants, and the mail of Jack Utsick, Robert Yeager, and Donna Yeager (except for mail that appears on its face to be purely personal or attorney-client privileged) received at any office of the Defendants. All mail addressed to Jack Utsick, Robert Yeager, or Donna Yeager that is opened by the Receiver that, upon inspection, is determined by the Receiver to be personal or attorney-client privileged, shall be promptly delivered to the addressee and the Receiver shall not retain any copy.

IT IS FURTHER ORDERED that, in connection with the appointment of the Receiver provided for above:

10. The Defendants, and all of their directors, officers, agents, employees, attorneys, attorneys-in-fact, shareholders, and other persons who are in custody, possession, or control of any

assets, books, records, or other property of the Defendants shall deliver forthwith upon demand such property, money, books and records to the Receiver, and shall forthwith grant to the Receiver authorization to be a signatory as to all accounts at banks, brokerage firms or financial institutions which have possession, custody or control of any assets or funds in the name of or for the benefit of the Defendants;

11. All banks, brokerage firms, financial institutions, and other business entities which have possession, custody or control of any assets, funds or accounts in the name of, or for the benefit of, the Defendants shall cooperate expeditiously in the granting of control and authorization as a necessary signatory as to said assets and accounts to the Receiver;

12. Unless authorized by the Receiver, the Defendants and their principals shall take no action, nor purport to take any action, in the name of or on behalf of the Defendants;

13. The Defendants and their principals, and their respective officers, agents, employees, attorneys, and attorneys-in-fact, shall cooperate with and assist the Receiver. The Defendants and their principals, and their respective officers, agents, employees, attorneys, and attorneys-in-fact shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the Receiver in the conduct of the Receiver's duties or to interfere in any manner, directly or indirectly, with the custody, possession, management, or control by the Receiver of the funds, assets, premises, and choses in action described above;

14. The Receiver, and any counsel whom the Receiver may select, are entitled to reasonable compensation from the assets now held by or in the possession or control of or which may be received by the Defendants; said amount or amounts of compensation shall be commensurate with their duties and obligations under the circumstances, subject to approval by the Court;

15. During the period of this receivership, all persons, including creditors, banks, investors, or others, with actual notice of this Order, are enjoined from filing a petition for relief under the United States Bankruptcy Code without prior permission from this Court, or from in any way disturbing the assets or proceeds of the receivership or from prosecuting any actions or proceedings which involve the Receiver or which affect the property of the Defendants;

16. The Receiver is fully authorized to proceed with any filing the Receiver may deem appropriate under the Bankruptcy Code as to the Defendants;

17. Title to all property, real or personal, all contracts, rights of action and all books and records of the Defendants and their principals, wherever located within or without this state, is vested by operation of law in the Receiver;

18. Upon request by the Receiver, any company providing telephone services to the Defendants shall provide a reference of calls from the number presently assigned to the Defendants to any such number designated by the Receiver or perform any other changes necessary to the conduct of the receivership;

19. Any entity furnishing water, electric, telephone, sewage, garbage or trash removal services to the Defendants shall maintain such service and transfer any such accounts to the Receiver unless instructed to the contrary by the Receiver;

20. The United States Postal Service is directed to provide any information requested by the Receiver regarding the Defendants, and to handle future deliveries of the mail of the Defendants as directed by the Receiver;

21. No bank, savings and loan association, other financial institution, or any other person or entity shall exercise any form of set-off, alleged set-off, lien, or any form of self-help

whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Court;


22. No bond shall be required in connection with the appointment of the Receiver. Except for acts of willful misconduct or gross negligence, the Receiver shall not be liable for any loss or damage incurred by the Defendants or by the Receiver's officers, agents or employees, or any other person, by reason of any act performed or omitted to be performed by the Receiver in connection with the discharge of the Receiver's duties and responsibilities;

23. Service of this Order shall be sufficient if made upon the Defendants and their principals by facsimile or overnight courier;

24. In the event that the Receiver discovers that funds of persons who have invested in the Defendants have been transferred to other persons or entities, the Receiver shall apply to this Court for an Order giving the Receiver possession of such funds and, if the Receiver deems it advisable, extending this receivership over any person or entity holding such investor funds; and

25. This Court shall retain jurisdiction of this matter for all purposes.

DONE AND ORDERED this 20th day of April, 2006, at Miami, Florida.


UNITED STATES DISTRICT JUDGE

PAUL C. HUCK

Copies to:

All counsel and parties of record.

EXHIBIT "C"

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA- MIAMI**

SECURITIES AND EXCHANGE COMMISSION

SUBPOENA IN A CIVIL CASE

Plaintiff(s),
v.
JOHN P. UTSICK, ROBERT YEAGER,
DONNA YEAGER, WORLDWIDE
ENTERTAINMENT, INC., WORLDWIDE
ENTERTAINMENT GROUP FUND, INC.,
AMERICAN ENTERPRISES, INC. and
ENTERTAINMENT FUNDS, INC.
Defendant(s).

CASE NO: 06-20975-CIV-HUCK/SIMONTON

TO: 1st Source Bank's Records Custodian
c/o Jonathan Etra, Esq.
Four Seasons Tower
1441 Brickell Avenue
Miami, FL 33131

YOU ARE COMMANDED to appear in the United States District Court at the place, date, and time specified below to testify in the above case.

PLACE OF TESTIMONY

COURTROOM

DATE AND TIME

YOU ARE COMMANDED to appear at the place, date, and time specified below to testify at the taking of a deposition in the above case.

PLACE OF DEPOSITION

DATE AND TIME

YOU ARE COMMANDED to produce and permit inspection and copying of the following documents or objects at the place, date, and time specified below. **See attached EXHIBIT "A"**

PLACE

Kluger Peretz Kaplan & Berlin, P.L. 201 Biscayne Blvd., 17 Fl, Miami, FL 33131

DATE AND TIME

June 17, 2006 @9:00 a.m.

YOU ARE COMMANDED to permit inspection of the following premises at the date and time specified below

PREMISES

DATE AND TIME

Any subpoenaed organization not a party to this proceeding case shall designate one or more officers, directors, or managing agents, or other persons who consent to testify on its behalf, and may set forth, for each person designated, the matters on which the person will testify, Fed.R.Civ.P. 30(b)(6).

ISSUING OFFICER SIGNATURE AND TITLE (INDICATE IF ATTORNEY FOR PLAINTIFF OR DEFENDANT)

Francesca Russo Di-Staulo, Attorney for Defendants

DATE:

201 S. Biscayne Blvd., Suite 1700, Miami, FL 33131, 305-370-9000

ISSUING OFFICER'S NAME, ADDRESS AND PHONE NUMBER

SCHEDULE "A"

1. A copy of any and all documents reflecting, relating to, or concerning, the IRA accounts (the "Accounts") that Pilot Retirement Services, LLC ("Pilot") previously held on behalf of various clients (the "Account Holders") which Pilot transferred over to 1st Source Bank ("1st Source") in or about October, 2005 and/or which formed part of a safekeeping agreement (the "Safekeeping Agreement") entered into between 1st Source and Pilot in October, 2005.
2. A computer printout reflecting or revealing the cash position for each of the Accounts as at October 21, 2005 and all interim cash positions in each of the Accounts from October 21, 2005 through the present date.
3. A copy of any and all documents that reflect, or reveal all transactions that have transpired with respect to the Accounts, including but not limited to, the current monetary balance held in the Accounts, all notes and/or secured interests held in any of these Accounts, as at October 21, 2005 and from October 21, 2005 through the present date.
4. To the extent not already covered by Request No. 3., a computer printout that reflects, reveals or describes, all promissory notes held in the Accounts by 1st Source from October 21, 2005 through the present date, including the identification of the issuer and identification of the Account Holder.
5. A computer printout listing any and all certificates of deposits outstanding as of October 21, 2005, related to the Accounts and/or the Account Holders, through the present date.
6. A computer printout listing, reflecting and/or describing any and all deposits made to the Accounts from October 21, 2005 through the present date.
7. A computer printout listing, reflecting and/or describing any and all disbursements, withdrawals or transfers from the Accounts from October 21, 2005 through the present date and which reveals the destination of the disbursement, withdrawal or transfer.
8. A copy of all documents that reflect or describe any deposits the Account Holders may have deposited into predecessor IRA accounts which derive from monies received from the Account Holders as well as other financial institutions, other than Pilot, and which were not received from Worldwide Entertainment, Inc., American Enterprises, Inc., or any of its affiliates.
9. A copy of all documents that reflect, describe or identify any funds held in any of the Accounts that can be traced to Worldwide Entertainment, Inc., American Enterprises, Inc., or any of its affiliates.
10. To the extent not already covered by Requests No. 8 and 9, any and all documents that reflect, identify or describe the source of the Accounts as at October 1, 2005 and from October 21, 2005 through the present date.