

IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF OKLAHOMA

U.S. COMMODITY FUTURES TRADING,)
COMMISSION and OKLAHOMA)
DEPARTMENT OF SECURITIES *ex rel*)
Irving L. Faught,)

Plaintiffs,)

No. 5:09-cv-01284-R

PRESTIGE VENTURES CORP., a)
Panamanian corporation, FEDERATED)
MANAGEMENT GROUP, INC., a Texas)
corporation, KENNETH WAYNE LEE, an)
individual, and SIMON YANG (a/k/a XIAO)
YANG a/k/a SIMON CHEN), an individual,)

Defendants;)

and)

SHEILA M. LEE, an individual,)
DAVID A. LEE, an individual, and)
DARREN LEE, an individual,)

Relief Defendants.)

REPORT OF RECEIVER REGARDING INVESTOR CLAIMS

Stephen J. Moriarty, as Receiver (“Receiver”) for Prestige Ventures Corp., Federated Management Group, Inc., Kenneth Wayne Lee, Simon Yang (collectively the “Prestige Defendants”) hereby files his Report regarding Investor Claims. Receiver would state as follows:

1. On November 20, 2009, this Court entered an Order appointing Receiver for the Prestige Defendants (Docket # 9) (the “Order”).

2. Pursuant to the Order, Receiver was required to make regular reports to the Court (a) outlining the steps taken to identify customers, (b) marshalling assets, (c) determining the amounts owed each customer, (d) assets available to repay customers, and (e) an estimated time to make a distribution and wind up the receivership. *Order at par. 31.*

IDENTIFICATION OF CUSTOMERS AND AMOUNTS OWED

3. With the assistance of Plaintiffs, Receiver has compiled a report detailing the amount invested by each investor and any return of investment made by the Prestige Defendants. The report is attached as Exhibit "A" hereto.

MARSHALLING/IDENTIFICATION OF ASSETS

4. Receiver has liquidated all known assets and believes a distribution of \$325,000.00 can be made *pro rata* to the Investors. Such a distribution would represent approximately a five percent (5%) return to the Investors.

ESTIMATED TIME TO MAKE DISTRIBUTION AND WIND UP

5. At this time Receiver is ready to proceed with a Motion for Distribution and to wind up this receivership. Defendants, Kenneth Lee, Sheila Lee, Darren Lee, David Lee and Simon Yang have filed appeals from the Order and Judgment entered by this Court (the "Appeals"). The Appeals are still pending.¹ Receiver seeks direction from the Court as to whether he should proceed with the Motion for Distribution and wind down the receivership or wait for a ruling from the Tenth Circuit Court of Appeals on the Appeals.

¹ Defendants, Kenneth Lee, Sheila Lee, Darren Lee, and David Lee moved this Court and the Tenth Circuit Court of Appeals for a Stay of the Order and Judgment. All stay motions have been denied.

Dated this 24th day of October, 2011.

/s/ Stephen J. Moriarty
Stephen J. Moriarty, OBA # 6410
FELLERS, SNIDER, BLANKENSHIP,
BAILEY & TIPPENS, P.C.
100 North Broadway, Suite 1700
Oklahoma City, OK 73102
Telephone: (405) 232-0621
Fax: (405) 232-9659
E-mail: smoriarty@fellerssnider.com

RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on October 24, 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 October 24, 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
2216 Kings Gate
Mt. Pleasant, SC 29466

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

/s/ Stephen J. Moriarty
Stephen J. Moriarty

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