

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

U.S. Commodity Futures Trading Commission,)	
)	Civil Action No.: 07 C 3598
Plaintiff,)	
)	Honorable Judge Manning
vs.)	
)	Magistrate Judge Mason
Lake Shore Asset Management)	
Limited, et al.)	
)	
)	
Defendants.)	

NOTICE OF RELATED ACTION

Lake Shore Asset Management Limited (“LSAM”) respectfully requests that the Court take judicial notice of the proceeding commenced in England on September 21, 2007, by account holders¹ against the three Custodians of assets in London that are holding the account holders’ assets as a result of the asset freeze imposed by this Court. A copy of the Claim Form is attached hereto as Exhibit A.

Judicial notice is appropriate for the following reasons:

1. The Court may take judicial notice of proceedings in other jurisdictions that have a “direct relation to matters at issue.” *Opoka v. INS*, 94 F.3d 392, 394 (7th Cir. 1996) (internal citation omitted). A court may take judicial notice of a document filed in another court, not for the truth of the matters asserted in the other litigation, but rather to establish the fact of such litigation. *Id.* at 395, citing *Liberty Mut. Ins. Co. v. Rotches*

¹ Lake Shore Alternative Financial Asset Limited, Lake Shore Alternative Financial Asset Account I Limited, Lake Shore Alternative Financial Asset Account II Limited, Geneva Corp Funds World Limited (formerly known as Lake Shore Alternative Financial Asset Fund IV Limited) and Hanford Investments Limited comprise the Claimants in the English proceeding.

Pork Packers, Inc., 969 F.2d 1384, 1388 (2d Cir. 1992) & *Kramer v. Time Warner, Inc.*, 937 F.2d 767, 774 (2d Cir. 1991). Judicial notice may be taken at any stage of a proceeding. *Id.*, citing Fed. R. Evid. 201(f).

2. The English proceeding instituted by the Claimants has a “direct relation to matters at issue” in this action as follows:
 - a. Based on principles of international comity and judicial efficiency, the Court should abstain from taking any further action that affects the assets held with the three Custodians in London, including the appointment of a receiver, pending resolution of the English proceeding. *See, e.g., Ingersoll Milling Mach. Co. v. Granger*, 833 F.2d 680, 685 (7th Cir. 1987) (upholding district court’s decision to stay U.S. proceedings pending resolution of a proceeding in Belgium that, when concluded, would adjudicate the rights of the parties).
 - b. In its reply brief in support of the appointment of a receiver, the CFTC argues that there are “no impediments under English law” to the appointment of a receiver who could seek to repatriate assets held in England. (Reply Brief at 9-11.) However, the account owners have alleged such impediments in the proceeding in England because they are claiming the right to control their own assets. The English court is in the best position to determine the rights of these account owners, who are not parties to the U.S. court action, to control their assets held with these three English Custodians.
3. For these reasons, the Court may take judicial notice of this proceeding.

WHEREFORE, Lake Shore Asset Management Limited respectfully requests that the Court take judicial notice of the proceeding instituted in England on September 21, 2007.

Respectfully Submitted,

Of Counsel:
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/s/ William J. Nissen
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Management Limited

CERTIFICATE OF SERVICE

I, Steven E. Sexton, an attorney, hereby certify that I have caused a true and correct copy of the foregoing Notice of Related Action and the exhibit attached thereto to be served upon the following individuals by ECF Notification and Electronic Means on September 25, 2007.

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