

Lon A. Jenkins, Esq. (USB #4060)  
Nathan D. Thomas (USB #11965)  
**JONES WALDO HOLBROOK & McDONOUGH PC**  
170 South Main Street #1500  
Salt Lake City, Utah 84101  
Tel: 801-521-3200  
Fax: 801-328-0537  
[lajenkins@joneswaldo.com](mailto:lajenkins@joneswaldo.com)  
[nthomas@joneswaldo.com](mailto:nthomas@joneswaldo.com)

*Receiver for RCH2, LLC and Related  
Entities and Attorneys for Receiver*

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**IN THE UNITED STATES DISTRICT COURT  
DISTRICT OF UTAH, CENTRAL DIVISION**

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**U.S. COMMODITY FUTURES TRADING  
COMMISSION,**

**Plaintiff,**

**v.**

**U.S. VENTURES LC, a Utah limited  
liability company, WINSOME  
INVESTMENT TRUST, an unincorporated  
Texas entity, ROBERT J. ANDRES and  
ROBERT L. HOLLOWAY,**

**Defendants.**

**OBJECTION TO RECEIVER’S  
RECOMMENDATION OF  
ALLOWABLE CLAIM AMOUNT FOR  
CLAIM NO. 1116**

**Civil No. 2:11-CV-00099 BSJ**

**Honorable Bruce S. Jenkins**

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Lon A. Jenkins, Court-appointed Receiver for RCH2, LLC and the interests of RCH2, LLC and Robert Casey Hall in Related Entities (“**RCH2 Receiver**”), by and through counsel, hereby objects to the recommendation of R. Wayne Klein, Receiver for U.S. Ventures, LC, Winsome Trust, Robert J. Andres, and Robert L. Holloway (“**U.S. Ventures Receiver**”), hereby objects to the recommendation of allowable claim amount for RCH2, LLC (“**RCH2**”) contained

in his *Receiver's Report and Recommendations on Claims Process* (Docket No. 233) filed in this proceeding. In support of his Objection, the RCH2 Receiver states as follows:

1. The RCH2 Receiver is a Court-appointed receiver himself, having been appointed by the Court in May 2007 in the case *Securities and Exchange Commission v. Novus Technologies, LLC, et al.*, Civil No. 2:07-cv-00235TC (“**SEC Enforcement Action**”). The claim at issue in this proceeding was filed by the RCH2 Receiver to recovery funds invested by RCH2 with U.S. Ventures or Robert L. Holloway. Those funds were initially invested by defrauded investors of RCH2 with RCH2, for whose benefit the RCH2 Receiver is charged with locating, marshaling and liquidating assets of the RCH2 receivership estate.

2. During the period from May 2006 to March 2007, RCH2, through its principal, Robert Casey Hall (“**Hall**”), placed in excess of \$3 million with Defendant U.S. Ventures (“**U.S. Ventures**”) and/or Defendant Robert L. Holloway (“**Holloway**”). Hall created and controlled dozens of entities through which he would solicit funds from investors and then in turn invest, at least a portion of those funds, with U.S. Ventures or Holloway. Hall would promise investors monthly returns ranging from 3% to 10%.

3. Among the entities created and controlled by Hall was an entity named Springridge, LLC, Utah limited liability company (“**Springridge**”). Through Springridge and numerous other entities, Hall took investor funds and placed those funds with U.S. Ventures, Holloway, or other “investment” vehicles. The RCH2 Receiver’s accountant has determined, based on the best information available to him, that RCH2 and its affiliated entities, including Springridge, invested \$3,642,000 with U.S. Ventures. RCH2 received from U.S. Ventures or Holloway on account of its investments the amount of \$218,462, for a net claim of \$3,423,538.

4. As result, on July 31, 2012, pursuant to the Receiver's claim submission procedures, the RCH2 Receiver submitted a claim in the amount of \$3,423,538. The claim has been designated by the U.S. Ventures Receiver as "Claim No. 1116."

5. The U.S. Ventures Receiver seeks to reduce Claim No. 1116 by \$435,000 and allow only \$2,988,538 of the claim.

6. The U.S. Ventures Receiver reasons that he is unable to determine that Robert Casey Hall was, in fact, in control of Springridge and therefore amounts invested with U.S. Ventures or Holloway by Springridge, which the RCH2 Receiver asserts were funds of defrauded investors of RCH2, are not allowable as part of the RCH2 Receiver's claim.

7. The RCH2 Receiver submits (i) that Robert Casey Hall was in sole control of Springville, (ii) that he used Springville as a vehicle to receive funds from his investors and invest those funds with U.S. Ventures or, and (iii) that accordingly the amounts invested by Springridge with U.S. Ventures or Holloway comprise a legitimate and allowable portion of Claim No. 1116 for the following reasons:

- a. The original order appointing the RCH2 Receiver in the SEC Enforcement Action (Case No. 2:07-cv-00235, Docket No. 61) ordered that "Lon A. Jenkins be appointed Receiver (the "Receiver") of the Defendant RCH2, LLC and RCH2's and Hall's interests in all subsidiaries and affiliated entities (the "Interests"), including but not limited to . . . Springridge, LLC . . ." Clearly, the SEC understood, based on its investigation, that Robert Casey Hall's interest in Springridge was a controlling interest which warranted appointing

Mr. Jenkins as receiver for Hall's interest in Springridge. A copy of the *Stipulated Order Appointing Receiver* is attached hereto as **Exhibit "A"**.

- b. In connection with RCH2 Receiver's *Motion to Clarify Appointment Order Regarding RCH2, LLC* ("**Clarification Motion**") (Case No. 2:07-cv-00235, Docket No 107), the RCH2 Receiver attached a summary of the results of his search of state corporate records (Exhibit A thereto) which shows Robert Casey Hall as the only principal of Springridge. A copy of the Clarification Motion with its attached exhibit is attached hereto as **Exhibit "B"**.
- c. The Articles of Organization of Springridge, LLC, a copy of which is attached hereto as **Exhibit "C"**, shows Robert Casey Hall as the "manager" and "organizer" of Springridge. No other individuals appear as managers or members. Further, the "designated office" for Springridge is Hall's home address. Similarly, the Utah Business Search – Details, a copy of which is attached hereto as **Exhibit "D"**, shows the address of Springridge as Hall's residence.

The cumulative effect of the foregoing leads to the inescapable conclusion that Robert Casey Hall was the sole control person of Springridge and that funds invested by Springridge with U.S. Ventures or Holloway comprise a portion of the RCH2 Receiver's claim against U.S. Ventures. Accordingly, Claim No. 1116 should be allowed in the full amount of \$3,423,538.

**CONCLUSION**

For the foregoing reasons, Lon A. Jenkins, Court-appointed Receiver for RCH2, LLC and RCH2's and Hall's interests in related entities, respectfully requests this Court to enter an order allowing Claim No. 1116 in the full amount of \$3,423,538.00.

DATED this 22nd day of January, 2013.

**JONES WALDO HOLBROOK & MCDONOUGH**

By: /s/ Lon A. Jenkins

Lon A. Jenkins (USB #4040)  
Nathan D. Thomas (USB # 11965)  
170 South Main Street, #1500  
Salt Lake City, UT 84101  
Tel: 801-521-3200

*Receiver for RCH2, LLC and Related Entities and  
Attorneys for Receiver*

**CERTIFICATE OF SERVICE**

I hereby certify that on the 22<sup>nd</sup> day of January, 2013, I caused a true and correct copy of the foregoing **Objection to Receiver's Recommendation of Allowable Claim Amount for Claim No. 1116** to be served through the Court's CM/ECF System by electronic filing, and, additionally, that I served a true and correct copy of the same by first-class mail, postage prepaid, to the following:

Wayne Klein,  
Receiver for US Ventures and Winsome  
10 Exchange Place, Suite 502  
Salt Lake City, UT 84111

/s/ Lon A. Jenkins