

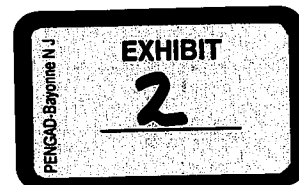
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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
(MIAMI DIVISION)**

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**CASE NO. 99-2360-CIV-DAVIS
Magistrate Judge Brown**



SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

LATIN AMERICAN SERVICES CO.,
LTD., CYPRUS FUNDS, INC., ERIC
BARTOLI, DOUGLAS R. SHISLER,
JAMES BINGE, PETER J. ESPOSITO,

Defendants.

B&S FARMS, INC., and FLANDERS
INVESTMENT HOLDINGS LIMITED,
INC.,

Relief Defendants.

**RECEIVER'S MOTION TO DEFINE AND EXPAND
SCOPE OF SPECIAL COUNSEL'S DUTIES**

MICHAEL I. GOLDBERG (the "Receiver"), Receiver for Defendants, Cyprus Funds, Inc. and Latin American Services Co., Ltd. (the "Receivership Defendants"), by and through undersigned counsel, hereby files this Motion to Define and Expand the Scope of Special Counsel's Duties. In support of this Motion, the Receiver states as follows:

1. The Receiver was appointed by Order of this Court dated August 27, 1999 (the

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NON-COMPLIANCE OF S.D. flr. L.R. 7.1A.4

153
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"Receivership Order"). Since his appointment, the Receiver has diligently investigated the Receivership Defendants' business dealings, which includes interviewing many witnesses, including some of the individual Defendants, and extensive review of documents obtained from the Receivership Defendants, financial institutions, professionals and other parties. The Receiver has further expended substantial effort in management and oversight of the Receivership Defendants' assets.

2. As a part of his duties, the Receiver has been actively investigating whether there are potential claims that the Receiver should assert against third parties to recover funds for the benefit of defrauded investors.

3. In the course of the Receiver's investigation, the Receiver discovered information which suggested to the Receiver that he should investigate whether there is any basis for a claim against one particular entity (the "Potential Defendant") which is currently a client of the Receiver's law firm, Akerman, Senterfitt & Eidson, P.A. ("AS&E").¹ As a result of this potential conflict, the Receiver filed a Motion with the Court on January 21, 2000 for permission to retain the law firm of Kozyak, Tropin and Throckmorton, P.A. ("Kozyak Tropin") as special counsel to investigate and determine whether the Receiver has claims against the Potential Defendant and, if so, to ultimately prosecute those claims on behalf of the receivership estate. By Order dated January 25, 2000, this Court granted the Receiver's Motion and authorized the retention of Kozyak Tropin as special counsel to the Receiver.

¹The Receiver does not wish to reveal the identify of this party at this time since after investigation, it may be determined that there is no basis to assert claims.

4. The Receiver has concluded that in order to avoid any question regarding the independence of the Receiver's judgment, the scope of Kozyak Tropin's representation should be clarified and expanded so as to give Kozyak Tropin exclusive decision-making authority, subject to Court approval, with respect to all matters regarding the Potential Defendant, including the determination of whether to pursue a claim against the Potential Defendant and, if a claim is pursued, the negotiation of any settlement agreement. The Receiver's role would be limited to negotiation of the terms of Kozyak Tropin's fee arrangement and serving as the nominal plaintiff if an action is brought against the Potential Defendant.

5. In making this request, the Receiver seeks to avoid any question or objection by the investors or other interested parties that his judgment might be affected because of the client relationship that his firm has with the Potential Defendant. While the Receiver believes such objections would be unfounded, the Receiver, in an abundance of caution, seeks to avoid any such objection or appearance of impropriety by divesting himself of decision making authority over this one matter and having that authority placed with Kozyak Tropin.

WHEREFORE, Michael I. Goldberg, as Receiver for Defendants, Cyprus Funds, Inc. and Latin American Services Co., Ltd., respectfully requests this Court enter an Order defining and expanding the scope of Kozyak, Tropin & Throckmorton P.A.'s retention as special counsel as more

fully set forth herein and granting such further relief as the Court deems just and proper.

Respectfully submitted,

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By: 

MARC J. GOTTLIEB
FLORIDA BAR NO. 827819

CERTIFICATION PURSUANT TO LOCAL RULE 7.1(A)(3)

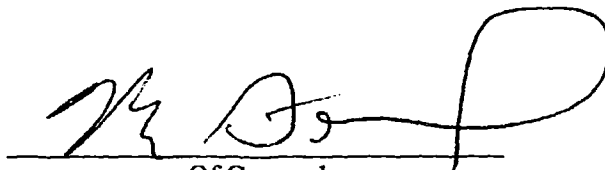
Undersigned counsel has conferred with counsel for Plaintiff, Securities and Exchange Commission, counsel for Defendant, James L. Binge and *pro se* Defendants, Peter Esposito and Douglas R. Shisler, none of whom intend to object to the relief requested in this Motion.

Undersigned counsel has made a reasonable good faith effort to confer with counsel for Defendant, Eric Bartoli, both via telephone and facsimile, but has been unable to do so.


Marc J. Gottlieb

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been mailed to all persons on the attached Service List on this 8th day of May, 2000.



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