

Apr 14 2006

CLARENCE MADDOX
CLERK U.S. DIST. CT.
S. D. OF FLA. - MIAMI

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

THE BIG FOUR-OH, LLC,
a South Carolina limited liability company,
SUMMER 2003, LLC, a South Carolina
limited liability company and
EFI NO. 32, LLC, a South Carolina
limited liability company,

Case No. 06-20089-CIV-HUCK/SIMONTON

Plaintiffs,

v.

THE ENTERTAINMENT GROUP, INC.,
a Florida corporation and
WORLDWIDE ENTERTAINMENT, INC.,
a Delaware corporation,

Defendants.

RECEIVER'S REPORT ON HIS UNDERSTANDING OF THE STATUS OF
THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION'S
INVESTIGATION INTO THE AFFAIRS OF THE RECEIVERSHIP
ENTITIES AND RELATED PARTIES

Michael I. Goldberg, the Court appointed receiver (the "Receiver") of The Entertainment Group Fund, Inc. and Worldwide Entertainment, Inc., hereby files this report, at the Court's request, setting forth the Receiver's understanding of the status of the United States Securities and Exchange Commission's investigation of The Entertainment Group Fund, Inc., Worldwide Entertainment, Inc. Entities") and related parties, and states:

1. On January 15, 2006, The Big Four-Oh, LLC, Summer 2003, LLC and EFI No. 32, LLC (collectively the "Plaintiffs"), filed their Verified Complaint for the Appointment of a Receiver and Related Relief (the "Complaint") against Worldwide Entertainment, Inc. ("Worldwide") and The Entertainment Group Fund, Inc. ("TEGFI") ("Worldwide" and "TEGFI"

are hereafter jointly referred to as the "Receivership Entities") in the United States District Court for the Southern District of Florida (the "Court"), seeking the appointment of a receiver for the Receivership Entities and an accounting. The Plaintiffs are owed substantial monies by the Receivership Entities.

2. The Receivership Entities consented to the appointment of a receiver and pursuant to this Court's Agreed Order Appointing Receiver entered on January 18, 2006, the Court appointed Michael I. Goldberg as receiver over the Receivership Entities with the power, duty and authority to administer and manage the Receivership Entities' business affairs, funds and assets.

3. As is more fully set forth in the Receiver's Initial Report Concerning the Condition of the Entertainment Group Fund, Inc. and Worldwide Entertainment, Inc. dated March 1, 2006, the Receiver learned that prior to being placed into receivership, the Receivership Entities raised millions of dollars from thousands of investors located across the world in contravention of Federal securities laws. The Receiver also learned that the Receivership Entities' conduct was being examined by the United States Securities and Exchange Commission ("SEC"). To that end, upon his appointment, the Receiver immediately started fully cooperating with the SEC by providing them all documents and information requested. Thereafter, the Receiver entered into a consent decree for the SEC staff to present to the Commission agreeing, among other things, that the Receivership Entities would (i) cease and desist from further violating Federal securities laws; and (ii) consented to the Receivership Entities being placed into an SEC equity receivership (subject to this Court's prior receivership order).

4. Although SEC investigations are not public, in the context of entering into a settlement with the SEC, the Receiver has recently learned that the SEC staff has submitted its recommended enforcement action for consideration by the Commission and expects to commence its lawsuit against the Receivership Entities and others shortly. The Receiver has been informed that the SEC intends to file its lawsuit in the United States District Court for the Southern District of Florida. Moreover, the Receiver has learned that, in the interest of judicial efficiency and to conserve assets, the SEC will seek to have its action transferred to this Court and request that the Receiver be appointed receiver in the SEC's case. Upon information and belief, the Receiver believes that the SEC has also obtained consent decrees from all other potential parties and the Receiver does not expect the SEC's action to be contested.

Respectfully submitted,

/s/ Michael I. Goldberg
Michael I. Goldberg, Receiver for
Entertainment Group Fund, Inc. and
Worldwide Entertainment, Inc.
350 East Las Olas Boulevard, Suite 1600
Fort Lauderdale, FL 33301
Tel.: (954) 463-2700
Email: michael.goldberg@akerman.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on April 14, 2006, I electronically filed the foregoing *Receiver's Report On His Understanding Of The Status Of The United States Securities And Exchange Commission's Investigation Into The Affairs Of The Receivership Entities And Related Parties* with the Clerk of Court by using the Electronic Filing system, and a true and correct copy of the foregoing was sent via U.S. Mail to Russell L. Forkey, Esq., 2888 East Oakland Park Boulevard, Fort Lauderdale, Florida 33306; Richard A. Serafini, Esq., Greenberg Traurig, P.A., 401 E. Las Olas Boulevard, Suite 2000, Fort Lauderdale, FL 33301; and Henry H. Wallace, Esq., 310 Grant Street, Pittsburgh, PA 15219.

/s/ Michael I. Goldberg
Attorney