

**UNITED STATES DISTRICT COURT  
Southern District of Florida  
Miami Division**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

Case No.: 06-20975-CIV-HUCK  
Magistrate Judge Simonton

vs.

JACK P. UTSICK,  
ROBERT YEAGER,  
DONNA YEAGER,  
WORLDWIDE ENTERTAINMENT, INC.,  
THE ENTERTAINMENT GROUP FUND, INC.,  
AMERICAN ENTERPRISES, INC., and  
ENTERTAINMENT FUNDS, INC.,

Defendants.

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**IMPORTANT NOTICE:**

**THIS MOTION SEEKS TO UTILIZE A  
SIGNIFICANT PORTION OF THE RECEIVERSHIP ENTITIES'  
CURRENT FUNDS IN ORDER TO PURSUE THE RECEIVERSHIP  
ENTITIES' PRE-EXISTING RIGHTS IN A POTENTIAL OIL WELL.  
PLEASE READ THIS MOTION CAREFULLY AND IF YOU OBJECT TO  
THE RELIEF REQUESTED HEREIN, PLEASE SERVE A WRITTEN  
OBJECTION ON THE RECEIVER ON OR BEFORE MARCH 23, 2007**

**RECEIVER'S MOTION FOR AUTHORIZATION TO CONTINUE WITH  
RECEIVERSHIP ENTITIES' INVESTMENT IN OIL AND GAS WELL**

Michael I. Goldberg, in his capacity as receiver (the "Receiver") of Worldwide Entertainment, Inc., the Entertainment Group Fund, Inc., American Enterprises, Inc. and Entertainment Funds, Inc. (collectively, the "Receivership Entities"), by and through undersigned counsel, respectfully requests the Court to authorize the Receiver to utilize approximately \$1.8 million of the Receivership Entities' funds in order to proceed with the Receivership Entities'

pre-receivership interest in potential oil and gas well projects located in southwestern Louisiana.

In support of this Motion, the Receiver states as follows:

1. On April 18, 2006, the Securities and Exchange Commission ("SEC") commenced this case in the United States District Court for the Southern District of Florida against Worldwide Entertainment, Inc. ("Worldwide"), The Entertainment Group Fund, Inc., American Enterprises, Inc., Entertainment Funds, Inc., John P. Utsick , Robert Yeager ("Yeager") and Donna Yeager (Yeager and Donna Yeager are jointly referred to as "the Yeager's") .
2. The SEC alleged that Utsick and the Yeagers sold unregistered securities in the form of loan agreements or units in special purpose limited liability companies to raise funds for a variety of entertainment ventures, violating various sections of the Securities Act of 1933 and the Securities Exchange Act of 1934.
3. On April 20, 2006, upon the request of the SEC, the Court entered an Order Appointing Receiver (the "Receivership Order") appointing Michael I. Goldberg as receiver over the Receivership Entities.
4. Pursuant to the Receivership Order, the Receiver is authorized, empowered and directed to take immediate possession of all the Receivership Entities' assets of every kind whatsoever and wheresoever located belonging to or in the possession of the Receivership Entities. Additionally, the Court entered an order freezing the Yeager's personal assets.
5. The Receiver is also authorized to investigate the manner in which the affairs of the Receivership Entities were conducted and institute legal proceedings against those parties which the Receiver may claim have improperly misappropriated or transferred money or other proceeds directly or indirectly traceable from investors in the Receivership Entities, including against the Receivership Entities' officers, directors, employees, affiliates, subsidiaries or any

persons acting in concert or participation with them, or against any transfer of money or other proceeds directly or indirectly traceable from investors in the Receivership Entities.

6. Immediately after his appointment, the Receiver traveled to New Orleans to meet with the Yeagers in an effort to gather information concerning the Yeagers' assets and background information on the Yeagers' pre-receivership business operations.

7. During the meeting, the Yeagers informed the Receiver that in addition to engaging in investments in entertainment related projects, they also invested in oil and gas ventures. The Yeagers informed the Receiver that they had a pending investment, which was solely funded from the Yeagers' personal assets, in an oil and gas well prospect in southwestern Louisiana (the "Oil Well"). Pursuant to that investment, the Yeagers informed the Receiver that they transferred \$1,097,000.00 (the "Escrowed Funds") of their personal funds to a broker in Dallas, Texas, in order to fund their share of the expenses of drilling the Oil Well.

8. Immediately after his meeting with the Yeagers, the Receiver contacted the Yeagers' partner in the Oil Well, Browning Oil & Gas, Inc. ("Browning") located in Dallas, Texas and requested a meeting. Thereafter, the Receiver travelled to Dallas to meet with Browning in an effort to gather information related to the Yeagers' investment in the Oil Well. It was the Receiver's primary intention to attempt to obtain the return of the Escrowed Funds for the benefit of creditors. At the meeting, Browning's representative informed the Receiver that it had very high expectations that the Oil Well would be profitable. At the conclusion of Browning's presentation, the Receiver, noting Browning's enthusiasm with respect to the Oil Well, requested Browning to not only return the Escrowed Funds but to also buy the Yeager's interest in the Oil Well. To the Receiver's surprise, Browning said it would be interested in purchasing the Yeagers' interest in the Oil Well and agreed to send the Receiver a written offer. Shortly thereafter, the Receiver received a letter from Browning consenting to the transfer of the

Escrowed Funds to the Receiver and reimbursing the Yeagers for all of their expenses in connection with their due diligence, up to the amount of \$200,000.00. Accordingly, Browning's initial offer was approximately \$1.3 million.

9. Browning's enthusiasm concerning the Oil Well, and their written offer to purchase the Yeagers' interest by consenting to the return of the Escrowed Funds and reimbursing them all of their out of pocket expenses up to \$200,000.00, peaked the Receiver's curiosity as to the value of the Oil Well. Accordingly, the Receiver discussed the Oil Well with the Investor Advisory Panel ("IAP") and after extensive discussion, the Receiver and the IAP determined that the Receiver should engage the services of a licensed geophysicist to opine on the potential value of the Oil Well and its related risks. Accordingly, the Receiver immediately retained the services of an independent licensed geophysicist in Texas to review the various data with respect to the Oil Well and provide the Receiver with a report detailing the risks attendant with investing in the Oil Well. The geophysicist reviewed the geophysical data and other data and opined that although the well had some risk of being "dry", it had a decent chance of being successful. Ultimately, this geophysicist recommended that the estate sell a portion of its interest in the Oil Well in order to lessen its exposure, but nonetheless move forward with the investment.

10. The Receiver reviewed the geophysicist's report with the IAP and it was determined that a second opinion should be obtained from another independent, licensed geophysicist. Accordingly, the Receiver retained a second geophysicist located in Louisiana to opine on the Oil Well's potential value. The second geophysicist reviewed all of the available data, including data of other neighboring oil wells and opined that the Oil Well was one of the more promising prospects he has ever seen and has a significant potential value. The Receiver and the IAP discussed the second geophysicist's report and it was determined that the Receiver

should move forward with this investment opportunity. The IAP reached this conclusion, in large part, based on the fact that it is anticipated that creditors will not receive all of their money back and the IAP believes that most creditors would rather take the chance of losing a couple of percent of their potential distribution in order to have the opportunity to achieve a significantly larger distribution. In fact, this very concept has been discussed in open court in the presence of most members of the IAP where it was aptly described that creditors would rather "take the potential of a very healthy bird in the bush rather than the sickly bird in their hand".

11. The Receiver has moved forward with the Receiver Entities' potential investment in the "Oil Well" and has received a pro-forma statement indicating that the Receivership Entities will need to invest approximately \$1.8 million dollars in order to drill the Oil Well. The Receiver notes that this a large amount of money - - representing almost one-sixth of the Receivership Entities' current assets and possibly five percent (5%) of the total future estimated value (without taking into account litigation) of the Receivership Entities'. Accordingly, the Receiver, as a fiduciary, is nervous about risking creditors' funds in making an investment in the Oil Well as the Receiver is extremely risk adverse and is cognizant of the fact that numerous promising oil well prospects turn up dry.

12. Notwithstanding the highly speculative nature of investing in oil wells and the fact that numerous promising prospects turn up dry, the IAP has instructed the Receiver to commence finalizing the Receivership Entities' investment in the Oil Well. Accordingly, the Receiver files this Motion seeking the Court's authorization (and direction) to utilize up to \$1.8 million of the Receivership Entities' funds that would otherwise be available for distribution to creditors, in order to complete the Receivership Entities' investment in the Oil Well.

13. Due to the fact that it is highly unusual for fiduciaries such as the Receiver to invest receivership assets in highly speculative investments such as the Oil Well, the Receiver

requests that any creditor who disagrees with the IAP's decision to proceed with the investment in the Oil Well, serve a written objection to this motion on the Receiver to: Michael I. Goldberg, 350 East Las Olas Blvd, Suite 1600, Fort Lauderdale, Florida 33301 on or before March 23, 2007 so that the Court and the Receiver can determine whether or not the IAP's wishes truly reflect the wishes of all creditors. If the Receiver receives numerous objections, the Receiver intends to withdraw this motion and not proceed with the Receivership Entities' investment in the Oil Well as the Receiver believes that an investment such as this is not appropriate unless the vast majority of creditors desire to take this risk. However, if the Receiver receives a small percentage of objections, he may restructure the Receivership Entities' investment in the Oil Well so that those investors who wish to opt out of the investment will not have their portion of the Receivership Entities' funds used for the investment and will not share in profits generated from the Oil Well if it turns out to be successful.

**WHEREFORE**, Michael I. Goldberg, in his capacity as Receiver of the Receivership Entities, hereby respectfully requests this Court to approve the Receivership Entities' investment in the Oil Well, in the approximate amount \$1.8 million dollars and to grant such other relief as is just and proper.

Respectfully submitted,

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By: /s/ Michael I. Goldberg  
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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 8th day of March, 2007, I electronically filed the foregoing Motion with the Clerk of the Court by using the Electronic Filing System, and that a true and correct copy of the forgoing was furnished via U.S. Mail to the parties on the attached Service List.

/s/ Michael I. Goldberg

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