U.S. Securities and Exchange Commission

David Mobley/Maricopa Investment Funds Case: Questions and Answers

November 2000

What legal action has the SEC taken?

On February 23, 2000, the SEC filed an emergency enforcement action in federal court charging David M. Mobley, Sr., Maricopa Investment Fund, Ltd., Maricopa Index Hedge Fund, Ltd., Maricopa Financial Corporation, and Ensign Trading Corporation with fraud.

At the SEC's request, the court froze the defendants' assets — including Mr. Mobley's personal assets — and ordered Mr. Mobley to stop violating the federal securities laws. Mr. Mobley, who has confessed to the fraud, consented to the court's order.

On March 1, 2000, the court appointed a receiver to take control of the defendants' assets and search for any undisclosed assets.

Who is the receiver?

The receiver is Otto G. Obermaier, Esq. of the law firm of Weil, Gotshal & Manges.

What is the receiver's job?

The court has directed the receiver to take control of the defendants' assets, prepare a complete accounting of Mr. Mobley's funds and corporations, and search for any hidden assets. He is also preparing a list of investors, the amounts invested, and the amounts of any redemptions. Eventually, subject to the court's approval, he will distribute the assets to the defrauded investors.

How may I contact the receiver?

You may contact him through his counsel, Oscar Cantu and Debra Dandeneau, at the Miami Office of Weil, Gotshal & Manges. You may call (305) 577-3160 and leave a message.

If you wish to write, their address is:

> 701 Brickell Avenue, Suite 2100
> Miami, Florida 33131

Their e-mail addresses are:

oscar.cantu@weil.com
debra.dandeneau@weil.com

Will I get my money back?

The receiver will locate assets and will, with the approval of the court, gather and fairly distribute money back to the appropriate parties. At this point, it is too early to tell how the assets will be redistributed or how much money anyone will receive. However, it is highly unlikely that any investors will get back all of their original investments, much less the fictional profits indicated on their account statements.

What should investors do?

If you would like to be considered in any distributions of the defendants' remaining assets, you must submit to the receiver a completed Proof of Investment Form along with all of the supporting documentation requested in the form. All Proof of Investment Forms must ACTUALLY BE RECEIVED by the receiver at the address indicated on the form by January 15, 2001, 5:00 p.m. (Eastern Time). If you do not meet this deadline, you will not receive any distributions of the defendants' assets.

What should creditors who are not investors do?

If you are a creditor of David Mobley, Sr., or any of his funds or other entities, and you wish to make a claim on the defendants' remaining assets, you must submit to the receiver a completed Proof of Claim Form along with all of the supporting documentation requested in the form. All Proof of Claim Forms must ACTUALLY BE RECEIVED by the receiver at the address indicated on the form by January 15, 2001, 5:00 p.m. (Eastern Time). If you do not meet this deadline, you will not receive any distributions of the defendants' assets.

Do I need an attorney to represent me?

You are not required to have an attorney to submit a claim. It is up to you to decide whether you wish to consult an attorney.

What is the SEC doing?

We are continuing to investigate whether any other persons or entities have violated the federal securities laws in this matter. The receiver is in charge of handling the assets.

May I contact the SEC?

You may leave a message at (202) 942-4700 if you have information that you believe may help us in our investigation.

http://www.sec.gov/divisions/enforce/alerts/mobleyma.htm