

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

COMMODITY FUTURES TRADING  
COMMISSION,

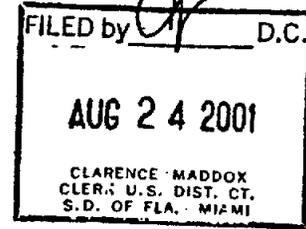
Plaintiff

v.

WORLD BANKS FOREIGN  
CURRENCY TRADERS, INC.,  
INTERNATIONAL INVESTORS  
TRADING GROUP, INC.,  
DANIEL LEDOUX,  
GAVIN LIVOTI, and  
BRYANT CROWDER,

Defendants.

CIVIL ACTION NO. 01-7402



FILED UNDER SEAL

STATUTORY RESTRAINING ORDER

Plaintiff, the Commodity Futures Trading Commission ("Commission"), has filed a complaint for permanent injunction and other relief, and moved *ex parte*, pursuant to Section 6c of the Commodity Exchange Act, as amended (the "Act"), 7 U.S.C. § 13a-1 (1994), for a Statutory Restraining Order freezing the assets of the Defendants and prohibiting the Defendants from destroying any business records, books or documents. The Court has considered the pleadings, declarations, exhibits, and memorandum filed in support of the Commission's motion and now being fully advised in the premises finds that:

(1) this Court has jurisdiction over the subject matter of this case, and Section 6c of the Act, 7 U.S.C. § 13a-1 (1994), authorizes *ex parte* relief;

(2) there is good cause to believe that the Defendants, World Banks Foreign Currency Traders, Inc. ("World Banks"), International Investors Trading Group, Inc. ("IITG"), Daniel Ledoux ("Ledoux"), Gavin Livoti ("Livoti") and Bryant Crowder ("Crowder") have engaged in, are engaging in or are about to engage in: fraud in violation of 7 U.S.C. § 6c(b) (1994) and 17 C.F.R. §32.9 (2000); the illegal sale of options contracts in violation of 7 U.S.C. § 6c(b) (1994) and 17 C.F.R. §§32.11 and 33.3(a)(2000); and the failure to make proper disclosures in violation of 17 C.F.R. § 32.5 (2000);

(3) since December 21, 2000 and possibly earlier, the defendants have fraudulently telemarketed foreign currency options contracts to individuals nationwide;

(4) the defendants operated their scheme through two corporate entities, World Banks and IITG;

(5) when soliciting members of the public to purchase these options contracts, the defendants have made false claims concerning the profitability and risks of these options contracts and failed to disclose known risks associated with these contracts with knowledge that their claims of profitability were false or with reckless disregard for the truth or falsity of these statements;

(6) absent the entry of this statutory restraining order, the defendants are likely to dissipate or transfer assets and destroy business records; and,

(7) this is a proper case for granting a statutory restraining order *ex parte* to preserve the status quo, protect public customers from loss and damage, and enable the Commission to fulfill its statutory duties.

(8) Therefore the Court orders as follows:

## DEFINITIONS

For the purposes of this Order, the following definitions apply:

1. The term "document" is synonymous in meaning and equal in scope to the usage of the term in Federal Rule of Civil Procedure 34(a), and includes, but is not limited to, writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, and other data compilations from which information can be obtained and translated, if necessary, through detection devices into reasonably usable form. A draft or non-identical copy is a separate document within the meaning of the term.

2. "Defendants" means World Banks Foreign Currency Traders, Inc., International Investors Trading Group, Inc., Daniel T. Ledoux, Gavin Livoti, and Bryant Crowder.

## RELIEF GRANTED

### I.

#### *Asset Freeze*

IT IS HEREBY ORDERED that the Defendants, except as otherwise ordered by this Court, are restrained and enjoined from directly or indirectly:

- A. transferring, selling, alienating, liquidating, encumbering, pledging, leasing, loaning, assigning, concealing, dissipating, converting, withdrawing, or otherwise disposing of any assets, including assets held in corporate or partnership accounts in which the Defendants have an interest, and assets held outside the United States, except as otherwise ordered by the Court;
- B. opening or causing to be opened any safe deposit boxes titled in the name of, or subject to access by, the Defendants.

**II.**

***Maintenance of and Access to Business Records***

**IT IS HEREBY ORDERED** that the Defendants and all persons or entities who receive notice of this Order by personal service or otherwise, are restrained and enjoined from directly or indirectly destroying, mutilating, erasing, altering, concealing or disposing of, in any manner, directly or indirectly, any documents that relate to the business practices or business or personal finances of the Defendants, their agents, attorneys, partners, servants, representatives, employees, attorneys, any person(s) acting or purporting to act for or on their behalf, and corporate and partnership entities in which the Defendants have an interest.

**III.**

***Inspection and Copying of Books and Records***

**IT IS FURTHER ORDERED** that representatives of the Commission be immediately allowed to inspect the books, records, and other documents of the Defendants, their agents, attorneys, partners, servants, representatives, employees, any person(s) acting or purporting to act for or on their behalf, and corporate and partnership entities in which the Defendants have an interest, including, but not limited to, electronically stored data, tape recordings, and computer discs, wherever they may be situated and whether they are in the person of the Defendants or others, and to copy said documents, data and records, either on or off the premises where they may be situated.

**IV.**

***Directives to Financial Institutions and Others***

**IT IS FURTHER ORDERED**, pending further Order of this Court, that any financial or brokerage institution, business entity, or person, that holds, controls, or maintains custody of any account or asset, or at any time since January 1, 2000, has held, controlled, or maintained custody of any account or asset of the Defendants shall:

- A. Prohibit the Defendants and all other persons from withdrawing, removing, assigning, transferring, pledging, encumbering, disbursing, dissipating, converting, selling or otherwise disposing of any such asset except as directed by further order of the Court;
- B. Deny the Defendants and all other persons access to any safe deposit box that is:
  - 1. titled in the name of the Defendants either individually or jointly; or
  - 2. otherwise subject to access by the Defendants.
- C. Provide counsel for the Commission, within five (5) business days of receiving a copy of this Order, a statement setting forth:
  - 1. the identification number of each and every account or asset titled in the name, individually or jointly, of , or held on behalf of, or for the benefit of, the Defendants;
  - 2. the balance of each such account, or a description of the nature and value of such asset as of the close of business on the day on which this Order is served, and, if the account or other asset has been closed or removed, the date closed or removed, the total funds removed in order to close the account, and the name of the person or entity to whom such account or other asset was remitted; and
  - 3. the identification of any safe deposit box that is either titled in the name, individually or jointly, of the Defendants or is otherwise subject to access by the Defendants;
- D. Upon request by the Commission, promptly provide the Commission with copies of all records or other documentation pertaining to such account or asset, including, but not limited to, originals or copies of account applications, account statements, signature cards, checks, drafts, deposit tickets, transfers to and from

the accounts, all other debit and credit instruments or slips, currency transaction reports, 1099 forms, and safe deposit box logs.

**V.**

***Accounting***

IT IS FURTHER ORDERED that within five (5) business days following the service of this Order, the Defendants shall:

- A. Provide the Commission with a full accounting of all funds and assets both within and outside of the United States which are held by the Defendants, on their behalf, or under their direct or indirect control, whether jointly or singly, or in which they have an interest, and a full accounting of all funds and assets that the Defendants received from their clients and the ultimate use or current location of those funds or assets;
- B. Provide the Commission with full access to and permit copying of all documents both within and outside of the United States which are held by them, on their behalf, or under their direct or indirect control, or relate to a corporate or partnership entity in which they have an interest;
- C. Provide the Commission access to all records of the Defendants held by financial institutions located both within and outside the territorial United States by signing a Consent to Release of Financial Records; and
- D. Provide the Commission with a complete customer list, including, without limitation, the names, addresses and telephone numbers of all persons who transferred funds to the Defendants from June 1, 2000 to the present.

**VI.**

***Service of Order***

IT IS FURTHER ORDERED that copies of this Order shall be served upon any entity or person that may have possession, custody, or control of any documents or assets of the

Defendants or that may be subject to any provision of this Order, and, additionally, that Lawrence Norton, Paul Hayeck, Katrina Poplawski, and Mary Kaminski are specially appointed by the Court to effect service. Service of the summons, Complaint or other process may be effected by U.S. Marshal or deputy U.S. Marshal, or in accordance with Fed. R. Civ. P.

4.

VII.

*Order to Show Cause*

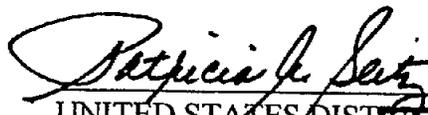
IT IS FURTHER ORDERED that the Defendants shall appear before this Court on September 7, 2001, at 2:00 p.m., before the Honorable Patricia A. Seitz at the United States Courthouse for the Southern District of Florida, 5th Floor, at Miami, Florida, to show cause why this Court should not enter a Preliminary Injunction enjoining the Defendants from further violations of the Act, and ordering any additional relief this Court deems appropriate. Should any party wish to file a memorandum of law or other papers concerning the issuance of a Preliminary Injunction against the Defendants, such materials shall be filed, served and received by all parties on or before Tuesday, September 4, 2001 at 5:00 p.m..

VIII.

*Force and Effect*

IT IS FURTHER ORDERED that this Order shall remain in full force and effect until further order of this Court, and that this Court retains jurisdiction of this matter for all purposes.

SO ORDERED, at Miami, Florida on this 24<sup>th</sup> day of August, 2001, at 10:25 a.m.

  
UNITED STATES DISTRICT COURT  
PATRICIA A. SEITZ

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| Certified to be a true and correct copy of the document on file                 |   |
| Clarence Maddox, Clerk,<br>U. S. District Court<br>Southern District of Florida |   |
| by  | <u>CARLA P. VELASCO</u><br>Deputy Clerk |
| Date  | <u>8/24/01</u>                          |