

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

FILED by *PS* D.C.
JUN - 9 2005
CLARENCE MADDOX
CLERK U.S. DIST. CT.
S. D. OF FLA. - MIAMI

Case No. 05-60999

CIV-ALTONAGA

COMMODITY FUTURES TRADING
COMMISSION,

Plaintiff,

v.

MAGISTRATE JUDGE
TURNOFF

Turnoff

WORLD MARKET ADVISORS, INC.,
U. S. CAPITAL MANAGEMENT, INC.,
UNITED EQUITY GROUP, INC.,
LIBERTY ONE ADVISORS, LLC,
LIGHTHOUSE CAPITAL MANAGEMENT, LLC,
UNIVERSAL OPTIONS, INC.,
QUALIFIED LEVERAGE PROVIDERS, INC.,
SAFEGUARD FX, LLC,
JASON T. DEAN,
STEVEN D. KNOWLES,
PAUL F. PLUNKETT,
JOSEPH D. VALKO, also known as JOE VALKO
and also known as JOE VALKO, Sr., and
JEFFREY PAUL JEDLICKI, also known as
JEFFREY PAUL,

Defendants.

EX PARTE STATUTORY RESTRAINING ORDER

The Court having read the Complaint for Injunctive and Other Equitable Relief and Civil Monetary Penalties Under the Commodity Exchange Act, the Plaintiff's *Ex Parte* Motion for a Statutory Restraining Order ("SRO"), the declarations of customers: Sajad Ayub, George Benton, Silvia Carlton-Cordaro, Samuel Elliot, Teodoro Magtanong, Andrew Maycock, Sanjay Patel, James Range, Vidal Rivera, Brian Schoenknecht, Morrie Sher, Clinton Thierman, Carol Yeager, former broker Garry

ORIGINAL

Solano, former broker Dolly Jones, NFA Team Leader Robert Zickus; and, Commission Senior Investigator Donald G. Nash, the attachments thereto, the Memorandum in Support of Plaintiff's Motions for a Statutory Restraining Order and a Preliminary Injunction, and all other papers filed herein by the Plaintiff, Commodity Futures Trading Commission ("CFTC"):

THE COURT FINDS THAT:

1. The Court has jurisdiction over the subject matter.
2. Section 6c(a) of the Commodity Exchange Act, as amended ("Act"), 7 U.S.C. § 13a-1(a) (2002), permits this Court to enter a statutory restraining order.
3. It appears to the satisfaction of the Court that there is good cause to believe that World Market Advisors, Inc. ("WMA"), U.S. Capital Management, Inc. ("U.S. Capital"), United Equity Group, Inc. ("United Equity"), Liberty One Advisors LLC ("Liberty One"), Lighthouse Capital Management, LLC ("Lighthouse"), through their brokers, (collectively the "WMA Common Enterprise"), and Jeffrey Paul Jedlicki have engaged, are engaging, or are about to engage in violations of Section 4c(b) of the Act, 7 U.S.C. § 6c(b), and Commission Regulation 32.9(a) and (c), 17 C.F.R. §§ 32.9(a) and (c), (2005).
4. It further appears to the satisfaction of the Court that Jason T. Dean ("Dean"), Steven D. Knowles ("Knowles"), Paul F. Plunkett ("Plunkett"), and Joseph D. Valko ("Valko"), are liable for the WMA Common Enterprises' violations as controlling persons, pursuant to Section 13(b) of the Act, 7 U.S.C. § 13c(b), and that Universal Options, Qualified Leverage Providers, Inc. ("QLP") and Safeguard FX, LLC

("Safeguard") are liable as principals for the acts of their agents pursuant to Section 2(a)(1)(B) of the Act, 7 U.S.C. § 2(a)(1)(B), and Regulation 1.2, 17 C.F.R. § 1.2.

5. It further appears to the satisfaction of the Court that this is a proper case for granting a statutory restraining order to preserve the *status quo* and to protect public customers from further loss and damage;

IT IS ORDERED THAT:

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Statutory Restraining Order and Asset Freeze

6. That Defendants WMA, U.S. Capital, United Equity, Liberty One, Lighthouse, Dean, Knowles, Plunkett, Valko and Jedlicki, and all persons insofar as they are acting in the capacity of their agents, servants, employees, successors, assigns or attorneys, and all persons insofar as they are acting in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, shall be prohibited from directly or indirectly:

A. Withdrawing, transferring, removing, dissipating, concealing or disposing of funds, assets or other property, wherever situated, within or outside the United States, including but not limited to, all funds, personal property, money or securities held in safes, safety deposit boxes and all funds on deposit in any financial institution, bank or savings and loan account held by, under the control (directly or indirectly), or in the name of the Defendants listed in paragraph 6 above,

B. The assets affected by this Section shall include both existing assets and assets acquired after the issuance of this Order.

7. IT IS FURTHER ORDERED that each firm, corporation or other person or entity with notice, including but not limited to, Bank of America, Wachovia Bank, and

City National Bank, which holds, or which is a depository of, funds, securities, property, or other assets of or under the control of WMA, U.S. Capital, United Equity, Liberty One, Lighthouse, Dean, Knowles, Plunkett, Valko and Jedlicki, including funds and property of customers, is prohibited from transferring, withdrawing, removing or disposing of any such funds, securities, property, or other assets until further order of the Court.

Document Retention

8. Defendants WMA, U.S. Capital, United Equity, Liberty One, Lighthouse, Dean, Knowles, Plunkett, Valko and Jedlicki, and Universal Options, Inc. ("Universal Options"), Qualified Leverage Providers, Inc. ("QLP"), and Safeguard FX, LLC. ("Safeguard"), and all persons insofar as they are acting in the capacity of their agents, servants, employees, successors, assigns or attorneys, and all persons insofar as they are acting in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise, shall be prohibited from directly or indirectly:

A. Destroying, altering, concealing or disposing of any books, records, documents, correspondence, brochures, manuals, electronically stored data, meta data, tape recordings or other property, wherever stored or located, concerning all of the Defendants, including all such records concerning their business operations, until further order of the Court; and,

B. Refusing to permit authorized representatives of the Commission to inspect, when and as reasonably requested, any and all books, records, electronically stored data or other documents, wherever stored concerning all of the Defendants records, tape recordings, and other documents including all such records of their business operations, wherever they are situated and whether they are in the hands of the defendants or others, and

to copy said documents, data, and records either on or off the premises wherever they may be situated.

II.

Service of Order

9. IT IS FURTHER ORDERED that copies of this Order may be served by any means, including facsimile transmission, electronic mail or data transfer, upon any financial institution or other entity or person that may have possession, custody, or control of any documents or assets of defendants or that may be subject to any provision of this Order. Service of this Order, the summons, the complaint and all other process and pleadings may be served by any employee of the Commission, or may be effected by any U.S. Marshal or deputy U.S. Marshal, or in accordance with Fed. R. Civ. P. 4.

III.

Service on the Commission

10. IT IS FURTHER ORDERED that the Defendants shall serve all pleadings, correspondence, or notices required by this Order, and other materials on the Commission by delivering a copy to Edwin J. Yoshimura, Senior Trial Attorney, or Diane Romaniuk, Senior Trial Attorney, Division of Enforcement, Commodity Futures Trading Commission, 525 W. Monroe, Suite 1100, Chicago, Illinois 60661. Electronic transmission or e-mailing of pleadings and correspondence to the Commission will not be accepted unless expressly agreed to by Commission staff.

IV.

Court Maintains Jurisdiction

11. IT IS FURTHER ORDERED that this Statutory Restraining 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.

V.

Further Hearings

12. IT IS FURTHER ORDERED that this matter is set for a status conference upon notification of counsel, _____ before the Honorable Cecilia M. Altonaga at the U. S. Courthouse for the Southern District of Florida located at 301 N. Miami Avenue, Miami, Florida, 33128, 4th Floor, or by telephone conference as directed by the Court.

13. IT IS FURTHER ORDERED that Plaintiff's Motion for a Preliminary Injunction is set for hearing on Thursday, June 23, 2005 at 9:30 a.m. _____ m., before the Honorable Cecilia M. Altonaga at the U. S. Courthouse for the Southern District of Florida located 301 N. Miami Avenue, Miami, Florida, 33128, 4th Floor Courtroom.

SO ORDERED this 9 day of June, 2005 at 3:00 p. m.

Cecilia M. Altonaga
United States District Judge
Cecilia M. Altonaga