

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

**COMMODITY FUTURES TRADING
COMMISSION,**

Plaintiff,

v.

Case No: 6:20-cv-1657-Orl-41GJK

**HIGHRISE ADVANTAGE, LLC, BULL
RUN ADVANTAGE, LLC, GREEN
KNIGHT INVESTMENTS, LLC, KING
ROYALTY LLC, SR&B INVESTMENT
ENTERPRISES, INC., AVINASH
SINGH, RANDY ROSSEAU, DANIEL
COLOGERO, HEMRAJ SINGH and
SURUJPAUL SAHDEO,**

Defendants.

ORDER

THIS CAUSE is before the Court on Plaintiff's Motion for a Statutory Restraining Order with Notice ("Motion," Doc. 3). Plaintiff also filed a Memorandum of Law ("Memorandum," Doc. 6) in support.¹ As set forth below, the Motion will be granted and this matter will be set for a hearing.

I. BACKGROUND

Plaintiff filed a Complaint (Doc. 1), alleging, *inter alia*, that Defendants are involved in a fraudulent Ponzi-type scheme whereby Defendants solicited and accepted at least \$4,750,000 from at least 150 customers in connection with commodity pools purportedly investing in retail foreign currency contracts ("forex"), (*id.* at 13). Forex "is a financial instrument that allows retail

¹ Plaintiff was permitted to file the Memorandum, (Sept. 14, 2020 Endorsed Order, Doc. 26), which is also supportive of the separately filed Motion for Preliminary Injunction (Doc. 4).

customers to speculate on the differences in the prices of foreign currencies pairs on a leveraged basis.” (McCormack Decl., Doc. 6-2, at 7). “Commodity pools,” include “any investment trust, syndicate, or similar form of enterprise operated for the purpose of trading in commodity interests, including [forex].” 7 U.S.C. § 1a(10)(ii); *id.* § 2(c)(2)(C)(i). According to Plaintiff, Defendants misappropriated over \$3 million of the funds and utilized fraudulent statements and material misrepresentations and omissions in furtherance of the scheme. (Doc. 1 at 13–23). Further, Plaintiff alleges that Defendants violated a variety of other statutes and regulations, including failures to properly register, failures to provide proper disclosures, and improper comingling of funds and entities. (*Id.* at 23–24).

Defendants Highrise Advantage, LLC (“Highrise”) and Avinash Singh (“Singh”)² are alleged to be at the center of this scheme. According to the evidence presented by Plaintiff, Singh formed Highrise in February 2013, and he was and continues to be the registered agent and principal member of Highrise. (Doc. 6-2 at 3). Highrise operates as a “master pool,” which, through Singh, solicits and receives funds from both individuals and “feeder pools.” (*Id.* at 8–9). Defendants Bull Run Advantage, LLC (“Bull Run”), Green Knight Investments, LLC (“Green Knight”), King Royalty LLC (“King Royalty”), and SR&B Investment Enterprises, Inc. (“SR&B”)³ are each feeder pools for Highrise. (*Id.* at 12, 16, 17, 19). Each of these feeder pool entities is operated by one of the individual Defendants: Bull Run is operated by Randy Rosseau (“Rosseau”), (*id.* at 19); Green Knight is operated by Daniel Cologero (“Cologero”), (*id.* at 12);

² There are two Defendants with the last name Singh—Avinash Singh and Hemraj Singh; to avoid confusion, the Court will utilize the same references as appear throughout Plaintiff’s filings—“Singh” and “Raj.”

³ Collectively, Highrise, Bull Run, Green Knight, King Royalty, and SR&B will be referred to as the “Corporate Defendants.”

King Royalty is operated by Hemraj Singh (“Raj”), (*id.* at 17); and SR&B is operated by Surujpaul Sahdeo (“Sahdeo”), (*id.* at 16).

Plaintiff seeks a statutory restraining order (“SRO”) as to all Defendants, freezing the assets of Singh and all of the Corporate Defendants and prohibiting any Defendant from destroying or otherwise disposing of any related documents or evidence.

II. LEGAL STANDARD

“Upon a proper showing,” a district court may issue a statutory restraining order without bond. 7 U.S.C. § 13a-1(b). “A prima facie case of illegality is a proper showing.” *U.S. Commodity Futures Trading Comm’n v. Hunter Wise Commodities, LLC*, 749 F.3d 967, 974 (11th Cir. 2014). Plaintiff “need not prove irreparable injury or the inadequacy of other remedies as required in private injunctive suits.” *U.S. Commodity Futures Trading Comm’n v. Muller*, 570 F.2d 1296, 1300 (5th Cir. 1978).⁴ Because Plaintiff is not seeking an injunction against “future violations” in this specific motion, Plaintiff is not required at this time to show a reasonable likelihood of such violations. *Id.*; *see also Hunter Wise*, 749 F.3d at 974 (indicating that “where the [Commodity Futures Trading] Commission *seeks to enjoin future violations*, it must also show a reasonable likelihood of future violations in addition to a prima facie case of illegality” (emphasis added)).

III. ANALYSIS

In general, the Commodity Futures Trading Commission (“the Commission”) has jurisdiction to oversee the trading of commodity futures in the United States. *See generally* 7 U.S.C. § 2. The Commodity Exchange Act (“the Act”), 7 U.S.C. § 1 *et seq.*, establishes the statutory framework under which the Commission operates. The Act and its implementing

⁴ The decisions of the former Fifth Circuit rendered before October 1, 1981, are binding in the Eleventh Circuit. *Bonner v. City of Prichard*, 661 F.2d 1206, 1207 (11th Cir. 1981).

regulations provide a wide range of prohibitions and requirements for those involved in commodity futures trading. Plaintiff alleges that Defendants have violated several of these provisions, including the anti-fraud provisions and the registration requirements. At this stage, the Court need not address every allegation, but instead, will focus only on whether Plaintiff met its burden of establishing prima facie evidence of illegality as to each Defendant.

A. Fraud—Highrise and Singh

As to Singh and Highrise, Plaintiff alleges claims of fraud and misrepresentation under several provisions, but the Court will first address the allegations under Section 4b(a)(2)(A)–(C) of the Act, which makes it unlawful

for any person, in or in connection with any order to make, or the making of, any contract of sale of any commodity for future delivery, or swap, that is made, or to be made, for or on behalf of, or with, any other person, other than on or subject to the rules of a designated contract market—

(A) to cheat or defraud or attempt to cheat or defraud the other person;

(B) willfully to make or cause to be made to the other person any false report or statement or willfully to enter or cause to be entered for the other person any false record; [or]

(C) willfully to deceive or attempt to deceive the other person by any means whatsoever in regard to any order or contract or the disposition or execution of any order or contract, or in regard to any act of agency performed, with respect to any order or contract for or, in the case of paragraph (2), with the other person

7 U.S.C. § 6b(a)(2)(A)–(C).

This provision appears⁵ to apply to the forex transactions here. *See id.* § 2(c)(2)(B)(i)(II) (noting that the Act “applies to, . . . an agreement, contract, or transaction in foreign currency

⁵ Obviously, given the nature of this proceeding, the Court is operating on limited information presented only by Plaintiff. The findings herein are confined to this narrow

that . . . is offered to, or entered into with, a person that is not an eligible contract participant” unless certain other, seemingly inapplicable, exceptions apply); *id.* § 1a(18)(A)(xi) (defining an “eligible contract participant,” insofar as it appears to apply here, as “an individual who has amounts invested on a discretionary basis, the aggregate of which is in excess of—(I) \$10,000,000; or (II) \$5,000,000 and who enters into the agreement, contract, or transaction in order to manage the risk associated with an asset owned or liability incurred, or reasonably likely to be owned or incurred, by the individual”); *id.* § 1a(18)(A)(iv) (noting that a commodity pool cannot be an eligible contract participant if “any participant [in the commodity pool] is not otherwise an eligible contract participant”); 17 C.F.R. § 5.2(b) (making substantively identical provisions explicitly applicable to forex transactions); (Doc. 6-2 at 12 (indicating that some of the participants in the Highrise pool did not qualify as eligible contract participants)).

“To establish that Defendants committed fraud in violation of the [the Act], [Plaintiff] must prove: (1) that Defendants made a misrepresentation, misleading statement, or deceptive omission; (2) with scienter; and (3) the misrepresentation, misleading statement, or omission was material.” *U.S. Commodity Futures Trading Comm’n v. Allied Mkts. LLC*, 371 F. Supp. 3d 1035, 1047–48 (M.D. Fla. 2019) (citing *U.S. Commodity Futures Trading Comm’n v. R.J. Fitzgerald & Co.*, 310 F.3d 1321, 1328 (11th Cir. 2002); *U.S. Commodity Futures Trading Comm’n v. Premium Income Corp.*, No. 3:05-cv-0416-B, 2007 WL 4563469, at *4 (N.D. Tex. Dec. 28, 2007) (footnote omitted)). “A representation or omission is ‘material’ if a reasonable investor would consider it important in deciding whether to make an investment.” *R.J. Fitzgerald & Co.*, 310 F.3d at 1328–29.

proceeding, and the Court will be willing to revisit any determination if additional, contrary evidence is presented.

Plaintiff has presented evidence of numerous misrepresentations made by Singh and Highrise. For example, Plaintiff presented evidence that Singh and Highrise created false account statements—reflecting profits when there had actually been significant losses—and issued those statements to customers. (Doc. 6-2 at 28). A reasonable investor would consider these representations important in deciding whether to make an investment, and thus, the representations were material. *R.J. Fitzgerald & Co.*, 310 F.3d at 1330 (“[R]epresentations about profit potential and risk go to the heart of a customer’s investment decision and are therefore material as a matter of law” (quotation omitted)).

In addition, Plaintiff presented evidence that Singh and Highrise misappropriated investors’ funds and used them to pay for, among other things, personal expenses and Ponzi-type payments. (Doc. 6-2 at 25–29). “Misappropriating funds in this way constitutes willful and blatant fraudulent activity that violates the anti-fraud provisions of the [Act].” *Allied Mkts. LLC*, 371 F. Supp. 3d 1035, 1048 (M.D. Fla. 2019) (quotation omitted).

Finally, the Court turns to scienter. “For purposes of fraud or deceit in an enforcement action, scienter is established if Defendant intended to defraud, manipulate, or deceive, or if Defendant’s conduct represents an extreme departure from the standards of ordinary care.” *R.J. Fitzgerald & Co.*, 310 F.3d at 1328. At a minimum, Plaintiff has presented evidence that Highrise and Singh’s conduct in creating false statements and in misappropriating funds constitutes an extreme departure from the standards of ordinary care. Thus, Plaintiff has met its burden to present a prima facie case of illegality as to Highrise and Singh.

B. Fraud—Green Knight, Cologero, Bull Run, Rosseau, King Royalty, and Raj

With regard to the fraudulent scheme, Plaintiff alleges that Green Knight, Cologero, Bull Run, Rosseau, King Royalty, and Raj each violated Section 4o(1)(B) of the Act.⁶ That Section states:

It shall be unlawful for a commodity trading advisor, associated person of a commodity trading advisor, commodity pool operator, or associated person of a commodity pool operator, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly . . . to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or participant or prospective client or participant.

7 U.S.C. § 6o(1)(B).

Plaintiff alleges that all of the referenced Corporate Defendants above were Commodity Pool Operators and that the individual Defendants referenced above were each Associated Persons of a Commodity Pool Operator. Plaintiff further alleges that these Defendants' conduct associated with the Highrise master pool violated this provision.

1. Commodity Pool Operators

For purposes of forex transactions, a Commodity Pool Operator “means any person⁷ who operates or solicits funds, securities, or property for a pooled investment vehicle that is not an eligible contract participant as defined in [S]ection 1a(18) of the Act, [7 U.S.C. § 1a(18),] and that engages in retail forex transactions.” 17 C.F.R. § 5.1(d)(1). Plaintiff has presented prima facie evidence that Green Knight, Bull Run, and King Royalty solicited funds for a pooled investment vehicle—the Highrise master pool—which engaged in retail forex transactions. (Doc. 6-2 at 12–

⁶ Plaintiff alleges that Highrise and Singh also violated this provision, but for purposes of this Motion, the Court need not address every allegation. The prima facie evidence that Highrise and Singh violated § 6b presented above is sufficient for the issuance of an SRO as to them.

⁷ “The term ‘person’ imports the plural or singular, and includes individuals, associations, partnerships, corporations, and trusts.” 7 U.S.C. § 1a(38).

13 (“Green Knight is a feeder pool . . . that deposited participant funds into the Master Highrise pool to trade forex. . . . Green Knight pool participants were given contracts entitled ‘Terms and Conditions document’ which provided that pool participant funds are ‘traded on FOREX only.’”); *id.* at 17–18 (“King Royalty is a feeder pool . . . transferring funds into the Master Highrise pool to trade forex. . . . Pool Participant #1 was told by Mr. Raj that King Royalty was investing in forex through Highrise.”); *id.* at 19 (“Bull Run is a feeder pool . . . transferring funds into the Master Highrise pool to trade forex. . . . Pool Participant #3 understood that their deposits [with Bull Run] would be pooled with other pool participants, but would only be used to trade forex.”).

Plaintiff has also presented prima facie evidence that Highrise master pool was not an eligible contract participant. Specifically, as noted above, an “eligible contract participant,” insofar as it appears to apply here, is “an individual who has amounts invested on a discretionary basis, the aggregate of which is in excess of—(I) \$10,000,000; or (II) \$5,000,000 and who enters into the agreement, contract, or transaction in order to manage the risk associated with an asset owned or liability incurred, or reasonably likely to be owned or incurred, by the individual.” 7 U.S.C. § 1a(18)(A)(xi). And, there is prima facie evidence that investors in the Highrise master pool did not meet these qualifications. (Doc. 6-2 at 12). Thus, Plaintiff has presented prima facie evidence that Green Knight, Bull Run, and King Royalty were Commodity Pool Operators.

2. *Associated Persons*

As it applies here, an “Associated [P]erson of a [C]ommodity [P]ool [O]perator” means

any natural person associated with a commodity pool operator . . . as a partner, officer, employee, consultant or agent (or any natural person occupying a similar status or performing similar functions), in any capacity which involves:

- (i) The solicitation of funds, securities, or property for a participation in a pooled investment vehicle; or
- (ii) The supervision of any person or persons so engaged[.]

17 C.F.R. § 5.1(d)(2).

As explained above, Plaintiff has presented prima facie evidence that Green Knight, Bull Run, and King Royalty were Commodity Pool Operators. Plaintiff has also presented prima facie evidence that Cologero, Rosseau, and Raj were Associated Persons due to their high-ranking positions with Green Knight, Bull Run, and King Royalty, respectively, and due to their solicitation of funds for participation in the Highrise master pool. (Doc. 6-2 at 12–13 (explaining that “Cologero admitted being the owner and operator of Green Knight Investments,” providing examples of Cologero marketing Green Knight “as a successful private investment club,” and noting that “at least 45 pool participants have provided Green Knight funds which have been transferred to Highrise to invest in forex trading”); *id.* at 6, 17–18 (explaining that “[Raj] is the registered agent, principal and the president of King Royalty,” giving examples of Raj marketing King Royalty and himself as successfully trading in forex, and noting that “[b]etween at least January 2015 and February 2019, bank records show that King Royalty received at least \$1,300,000 in pool participant monies from at least 63 pool participants and transferred at least the same amount to Highrise to invest in forex trading”); *id.* at 6, 19–20 (“[Rosseau] is the registered agent, principal, and manager of Bull Run.” “Pool Participant #3 was told by Mr. Rosseau that they could earn 4–5% per month in forex trading profits from their investment with Bull Run. . . . Pool Participant #3 decided to deposit and invested more than \$15,000 into the Bull Run commodity pool. . . . Between at least February 2019 and July 2019, Bull Run received at least \$82,620 in pool participant monies from at least 9 pool participants and transferred at least \$75,000 of it to Highrise during that same period.”)).

3. *Fraud or Deceit*

Plaintiff has also presented prima facie evidence that Green Knight, Cologero, Bull Run, Rosseau, King Royalty, and Raj each engaged in “transaction[s], practice[s], or course[s] of business which operate[d] as a fraud or deceit upon . . . client[s] or participant[s] or prospective client[s] or participant[s].” 7 U.S.C. § 6o(1)(B). This provision does not require proof of scienter. *Messer v. E.F. Hutton & Co.*, 847 F.2d 673, 677 (11th Cir. 1988).

At a minimum, Plaintiff has presented prima facie evidence that these Defendants engaged in the practice of providing their clients with false monthly statements, incorrectly reflecting only profits when there had been losses. (Doc. 6-2 at 13–15, 18, 20, 21–22). Such a practice certainly operated as a fraud or deceit on their clients. *See U.S. Commodity Futures Trading Comm’n v. Safevest, LLC*, No. SACV08-00474 JVS (MLGx), 2009 U.S. Dist. LEXIS 75161, at *20–21 (C.D. Cal. July 13, 2009) (determining, *inter alia*, that “issuing false trading records to pool participants” and “providing false account statements to pool participants” violated § 6o(1)(B)); *U.S. Commodity Futures Trading Comm’n v. Schafer*, No. H-96-1213, 1997 U.S. Dist. LEXIS 24560, at *29–33 (S.D. Tex. Dec. 22, 1997) (finding that the defendant violated § 6o(1)(B) when he “intentionally engaged in the practice and course of business of distributing account statements that were false without making sufficient investigation”).

4. *Use of the Mails or Any Means or Instrumentality of Interstate Commerce*

The false account statements referenced above were provided to clients, at least on some occasions, via e-mail, (Doc. 6-2 at 13, 18, 20), which is a means of interstate commerce. *SEC v. Levin*, No. 12-21917-CIV-ROSENBAUM/S, 2013 U.S. Dist. LEXIS 20027, at *31–32 (S.D. Fla. Feb. 14, 2013); *see also United States v. Hornaday*, 392 F.3d 1306, 1311 (11th Cir. 2004) (“The internet is an instrumentality of interstate commerce.”).

Accordingly, Plaintiff has presented prima facie evidence that Green Knight, Cologero, Bull Run, Rosseau, King Royalty, and Raj each violated Section 4o(1)(B) of the Act, 7 U.S.C. § 6o(1)(B).

C. Failure to Register

Commodity Pool Operators and Associated Persons engaged in forex transactions must register as such. 17 C.F.R. § 5.3; *id.* § 5.1(d). As explained above, Plaintiff has presented prima facie evidence that Green Knight, Bull Run, and King Royalty were Commodity Pool Operators and Cologero, Rosseau, and Raj were Associated Persons. Plaintiff has also presented such evidence with regard to SR&B and Sahdeo. (Doc. 6-2 at 5 (“[Sahdeo] is the registered agent, principal, and president of SR&B.”); *id.* at 16 (“SR&B is a feeder pool operated by Mr. Sahdeo, transferring funds into the Master Highrise pool to trade forex. It also held its own trading account. . . . SR&B received at least \$1,350,000 in pool participant monies from at least 77 pool participants and transferred the same amount in pool participant monies to Highrise. . . . SR&B then transferred these participant deposits to Highrise via checks and electronic bank transfers, noting that the funds were being deposited to fund its forex account.”)). None of these entities or individuals were registered with the Commodities Futures Trading Commission as required nor did they obtain an exemption from registration. (*Id.* at 4–6). Accordingly, Plaintiff has met its burden of providing prima facie evidence that these Defendants, including SR&B and Sahdeo, violated the Act.⁸

⁸ Again, Plaintiff presented evidence in this regard as to Highrise and Singh, but because the Court has already concluded that Plaintiff presented prima facie evidence of intentional fraudulent conduct by Highrise and Singh, evidence of additional violations need not be considered in issuing an SRO.

D. Ex Parte Relief

As set forth above, Plaintiff has presented prima facie evidence of illegality as to each Defendant. Thus, the Court determines that there is good cause to issue the SRO. However, there is a separate question of whether the SRO can be issued on an ex parte basis.

The Act permits a limited SRO to be issued on an ex parte basis. 7 U.S.C. § 13a-1(a). However, in the Motion, Plaintiff failed to explain why ex parte relief was appropriate. Normally ex parte relief is justified when notice to the other party would result in making the restraining order ineffective—for example when there is evidence that funds will be dissipated or documents will be destroyed when notice is given. This is the precise reasoning that Plaintiff claims applies here.⁹ Inexplicably, however, Plaintiff has decimated its own reasoning by giving Defendants notice of this Motion. Relatedly, when the Motion was filed, Plaintiff did not explain why the Motion should be addressed on an emergency—as opposed to simply an expedited—basis. Indeed, had Plaintiff not given Defendants notice, there would be no emergency. However, due to Plaintiff’s stunning decision to give notice to parties they are actively seeking ex parte relief against,¹⁰ the Court is now faced with an emergency.

Ex parte relief can also be justified when there simply is not time to allow Defendants to respond before the threatened injury will take place. *See* Fed. R. Civ. P. 65(b) (providing that a district court may issue a temporary restraining order “without written or oral notice to the adverse party” if the requesting party provides “specific facts . . . [that] clearly show that immediate and irreparable injury, loss, or damage will result to the movant before the adverse party can be heard

⁹ Plaintiff supplemented its argument during a telephonic hearing on the matter. (Min. Entry, Doc. 40).

¹⁰ The Court notes that at the hearing Plaintiff could not adequately explain its decision to forego filing the Complaint and the Motion under seal or why they provided notice to Defendants, other than to metaphorically shrug and claim that is just the way they “normally” do things.

in opposition.”). At this point, such a situation exists. Further, failing to address this situation immediately could now harm the victims of Defendants’ alleged fraudulent scheme who had no say in how Plaintiff proceeded in this matter. So, the Court will issue ex parte relief, but it will schedule a hearing on the matter in an expedited manner.

E. Terms of the SRO

Turning to the terms of the SRO, Plaintiff requests an expansive list of requirements and prohibitions. (Proposed Order, Doc. 3-1, at 5–13). The Court is concerned that some of these provisions are beyond the scope of what can be issued at this time. For example, Plaintiff requests specific directions regarding Defendant’s production of documents and records. (*Id.* at 6–9). These requested provisions appear to be more expansive than what is permitted by statute on an ex parte basis. *See* 7 U.S.C. § 13a-1(a) (limiting ex parte SROs, as relevant here, to “a restraining order which prohibits any person from . . . refusing to permit authorized representatives of the Commission to inspect, when and as requested, any books and records or other documents . . .”). The Court will limit the SRO to the statutory language.

Further, for purposes of this SRO, the following definitions apply:

1. The term “assets” encompasses any legal or equitable interest in, right to, or claim to, any real or personal property, whether individually or jointly, directly or indirectly controlled, and wherever located, including but not limited to: chattels, goods, instruments, equipment, fixtures, general intangibles, effects, leaseholds mail or other deliveries, inventory, checks, notes, accounts (including, but not limited to, bank accounts and accounts at other financial institutions), credits, receivables, lines of credit, contracts (including spot, futures, options, or swaps

contracts), insurance policies, and all funds, wherever located, whether in the United States or outside the United States.

2. The term “records” encompasses “documents” and “electronically stored information” as those terms are used in Federal Rule of Civil Procedure 34(a), and includes, but is not limited to, all writings, drawings, graphs, charts, photographs, sound recordings, images, and other data or other data compilations—stored in any medium from which information can be obtained or translated, if necessary, into reasonable usable form. The term “records” also refers to each and every such item in Defendants’ actual or constructive possession, including but not limited to: (i) all such items within the custody or control of any agents, employers, employees, or partners of the Defendants; and (ii) all items which Defendants have a legal or equitable right to obtain from another person. A draft or non-identical copy is a separate item within the meaning of the term. A record also includes the file and folder tabs associated with each original and copy.
3. “Defendants” means and refers to Highrise, Singh, Green Knight, Cologero, Bull Run, Rosseau, King Royalty, Raj, SR&B, and Sahdeo.
4. “Commission” means the United States Commodity Futures Trading Commission.

IV. CONCLUSION

In accordance with the foregoing, it is **ORDERED** and **ADJUDGED** as follows:

1. Plaintiff’s Motion for a Statutory Restraining Order with Notice (Doc. 3) is **GRANTED**.
2. Asset Freeze

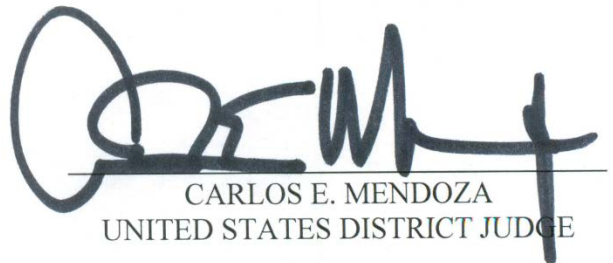
- a. Defendants Avinash Singh, Highrise, Green Knight, Bull Run, King Royalty and SR&B are immediately restrained and enjoined, except as otherwise ordered by this Court, from directly or indirectly: withdrawing, transferring, removing, dissipating, concealing, assigning, pledging, leasing, loaning, encumbering, disbursing, converting, selling, liquidating, alienating, or otherwise disposing of any assets, wherever located, including Defendants Avinash Singh, Highrise, Green Knight, Bull Run, King Royalty and SR&B's assets held outside the United States.
 - b. The assets affected by this Order shall include existing assets and assets acquired after the effective date of this Order.
 - c. To ensure the effectiveness of the asset freeze and pending further order of this Court, any financial or brokerage institution, business entity, or person that receives actual notice of this Order and holds, controls, or maintains custody of any asset or other property of Defendants Avinash Singh, Highrise, Green Knight, Bull Run, King Royalty and SR&B shall not, in active concert or participation with those Defendants, permit them or other persons to withdraw, transfer, remove, dissipate, or otherwise dispose of any of Defendants Avinash Singh, Highrise, Green Knight, Bull Run, King Royalty and SR&B's assets, except as directed by further order of the Court.
3. Maintenance and Access to Records
- a. Defendants are restrained from directly or indirectly destroying, altering, or disposing of, in any manner, any records that relate or refer to the business activities or business or personal finances of any Defendants.

- b. Defendants are restrained from refusing to permit authorized representatives of the Commission to inspect, when and as requested, any books and records or other documents relating or referring to the business activities or business or personal finances of the Defendants, including, but not limited to, both hard-copy documents and electronically stored information.
- c. Any financial or brokerage institution, business entity, or person that receives notice of this Order by personal service or otherwise shall not, in active concert or participation with any Defendant, directly or indirectly destroy, alter, or dispose of, in any manner, any records relating to the business activities and business and personal finances of any Defendant.
- d. Furthermore, any such financial or brokerage institution, business entity, or person that receives actual notice of this Order and holds, controls, or maintains custody of any account or asset of any Defendants, or has held, controlled, or maintained custody of any such account or asset of any Defendants at any time since February 2013 shall not, in active concert or participation with Defendants, refuse to permit authorized representatives of the Commission to inspect, when and as requested, any books and records or other documents relating or referring to the business activities or business or personal finances of the Defendants, including, but not limited to, both hard-copy documents and electronically stored information.

4. Persons Bound

- a. This Order is binding on any person who receives actual notice of this Order by personal service or otherwise and is acting in the capacity of an officer, agent, servant, employee, or attorney¹¹ of the Defendants, or is in active concert or participation with the Defendants.
5. **As soon as practicable, but no later than Friday, September 18, 2020**, Plaintiffs shall serve this Order on Defendants and thereafter file proof of service.¹²
6. Plaintiffs and Defendants shall appear on **Thursday, September 24, at 2:00 PM** in Courtroom 5B, George C. Young United States Courthouse Annex, 401 W. Central Boulevard, Orlando, Florida, before the Honorable Carlos E. Mendoza.¹³ The Court will hear argument and the parties may present evidence on whether the SRO should be dissolved and on Plaintiffs' Motion for Preliminary Injunction (Doc. 4). **Defendants are on notice that failure to appear at the hearing may result in the imposition of a preliminary injunction without further notice.**
7. This Order shall remain in effect for fourteen days unless dissolved or extended for good cause by this Court.

DONE and ORDERED in Orlando, Florida on September 16, 2020.



CARLOS E. MENDOZA
UNITED STATES DISTRICT JUDGE

¹¹ Except that this Order does not preclude the assertion of attorney-client privilege. Any such documents or information are not required to be disclosed to the Commission on the basis of this Order. The Court can address any such claims at a later date.

¹² For purposes of this Order, actual notice is sufficient; formal service is not required.

¹³ The hearing will be limited to three hours.

Copies furnished to:

Counsel of Record