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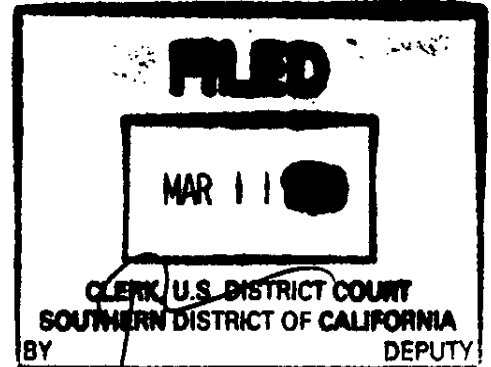
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8 **UNITED STATES DISTRICT COURT**
 9 **FOR THE SOUTHERN DISTRICT OF CALIFORNIA**

10 **SECURITIES AND EXCHANGE**
 11 **COMMISSION,**

12 **Plaintiff,**

13 **vs.**

14 **GLOBAL MONEY MANAGEMENT, L.P.,**
 15 **LF GLOBAL INVESTMENTS, LLC, and**
 16 **MARVIN I. FRIEDMAN,**

17 **Defendants.**

18 **'04 CV 00521 BTM (WMC)**

19 Case No.

20 **[PROPOSED] TEMPORARY**
 21 **RESTRAINING ORDER AND**
 22 **ORDERS: (1) FREEZING ASSETS;**
 23 **(2) PROHIBITING THE**
 24 **DESTRUCTION OF DOCUMENTS; (3)**
 25 **APPOINTING A RECEIVER; AND (4)**
 26 **FOR ACCOUNTINGS; AND ORDER**
 27 **TO SHOW CAUSE RE PRELIMINARY**
 28 **INJUNCTION**

1 This matter came to be heard upon Plaintiff Securities and Exchange
2 Commission's ("Commission") Ex Parte Application For A Temporary Restraining
3 Order And Orders: Freezing Assets, Prohibiting Destruction Of Documents,
4 Appointing A Receiver, and For Accountings, And To Show Cause Re
5 Preliminary Injunction ("Application").

6 The Court, having considered the Commission's Complaint, the Application,
7 the supporting Memorandum of Points and Authorities, Declarations and Exhibits,
8 and all other evidence and argument presented regarding the Application, finds
9 that:

10 A. This Court has jurisdiction over the parties to, and the subject matter
11 of, this action.

12
13 B. Good cause exists to believe that defendants Global Money
14 Management, L.P. ("GMM"), LF Global Investments, LLC ("LF Global"), and
15 Marvin I. Friedman ("Freidman"), and each of them, have engaged in, are
16 engaging in, and are about to engage in transactions, acts, practices and courses of
17 business which constitute violations of Section 17(a) of the Securities Act of 1933
18 ("Securities Act"), 15 U.S.C. § 77q(a).

19 C. Good cause also exists to believe that defendants GMM, LF Global,
20 and Friedman, and each of them, have engaged in, are engaging in, and are about
21 to engage in transactions, acts, practices and courses of business which constitute
22 violations of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange
23 Act"), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

24 D. Good cause also exists to believe that defendants LF Global and
25 Friedman, and each of them, have engaged in, are engaging in, and are about to
26 engage in transactions, acts, practices and courses of business which constitute
27 violations of Sections 206(1) and (2) of the Investment Advisers Act of 1940
28 ("Advisers Act"), 15 U.S.C. § 80b-6(1) and (2).

1 E. The Commission has demonstrated a probability of success on the
2 merits in this action.

3 F. Good cause exists to believe that the defendants will continue to
4 engage in such violations to the immediate and irreparable loss and damage to
5 investors and to the general public unless they are restrained and enjoined.

6 G. It is appropriate and the interest of justice require that the
7 Commission's Application be granted, and this temporary restraining order and
8 related orders be issued.

9 I.

10 IT IS HEREBY ORDERED that the Commission's Application For A
11 Temporary Restraining Order; Order Freezing Assets; Order Prohibiting
12 Destruction Of Documents; Order Appointing A Receiver; Order For
13 Accountings; And Order To Show Cause Re Preliminary Injunction is
14 GRANTED.

15 II.

16 IT IS FURTHER ORDERED that defendants GMM, LF Global, and
17 Friedman and their officers, agents, servants, employees, attorneys, subsidiaries
18 and affiliates, and those persons in active concert or participation with any of
19 them, who receive actual notice of this Order, by personal service or otherwise,
20 and each of them, be and hereby are temporarily restrained and enjoined from,
21 directly or indirectly, in the offer or sale of any securities, by the use of any means
22 or instruments of transportation or communication in interstate commerce or by
23 use of the mails:

24 A. employing any device, scheme or artifice to defraud;

25 B. obtaining money or property by means of any untrue statement of a
26 material fact or any omission to state a material fact necessary in order to make the
27 statements made, in light of the circumstances under which they were made, not
28 misleading; or

1 C. engaging in any transaction, practice, or course of business which
2 operates or would operate as a fraud or deceit upon the purchaser; in violation of
3 Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

4 III.

5 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
6 defendants GMM, LF Global, and Friedman and their agents, servants, employees
7 and attorneys, and those persons in active concert or participation with them who
8 receive actual notice of this Order by personal service or otherwise, are
9 temporarily restrained and enjoined from, directly or indirectly, in connection with
10 the purchase or sale of any security, by the use of any means or instrumentality of
11 interstate commerce, or of the mails, or of any facility of any national securities
12 exchange:

13 A. employing any device, scheme, or artifice to defraud;

14 B. making any untrue statement of a material fact or omitting to state a
15 material fact necessary in order to make the statements made, in the light of the
16 circumstances under which they were made, not misleading; or

17 C. engaging in any act, practice, or course of business which operates or
18 would operate as a fraud or deceit upon any person;
19 in violation of Section 10(b) of the Securities Exchange Act of 1934 ("Exchange
20 Act"), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b.

21 IV.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
23 defendants LF Global and Friedman and their officers, agents, servants,
24 employees, attorneys, and those persons in active concert or participation with any
25 of them, who receive actual notice of this Order, by personal service or otherwise,
26 and each of them, be and hereby are temporarily restrained and enjoined from, by
27 the use of the mails or any means or instrumentality of interstate commerce,
28 directly or indirectly:

1 A. employing any device, scheme, or artifice to defraud any client or
2 prospective client;

3 B. engaging in any transaction, practice, or course of business which
4 operates as a fraud or deceit upon any client or prospective client;
5 in violation of Sections 206(1) and (2) of the Investment Advisers Act of 1940
6 (“Advisers Act”), 15 U.S.C. § 80b-6(1) and (2).

7 V.

IT IS FURTHER ORDERED that, except as otherwise ordered by this Court, defendants GMM, LF Global, and Friedman and their officers, agents, servants, employees, attorneys, subsidiaries and affiliates, and those persons in active concert or participation with any of them, who receive actual notice of this Order, by personal service or otherwise, and each of them, be and hereby are temporarily restrained and enjoined from, directly or indirectly transferring, assigning, selling, hypothecating, changing, wasting, dissipating, converting, concealing, encumbering, or otherwise disposing of, in any manner, any funds, assets, securities, claims, or other real or personal property, wherever located, of defendants GMM, LF Global, and Friedman, and their subsidiaries and affiliates, whether owned by, controlled by, managed by or in the possession or custody of any of them.

0 VI.

1 IT IS FURTHER ORDERED that, except as otherwise ordered by this
2 Court, an immediate freeze shall be placed on all monies and assets (with an
3 allowance for necessary and reasonable living expenses to be granted only upon
4 good cause shown by application to the Court with notice to and an opportunity
5 for the Commission to be heard) in all accounts at any bank, financial institution
6 or brokerage firm, all certificates of deposit, and other funds or assets, held in the
7 name of, for the benefit of, or over which account authority is held by GMM, LF
8 Global, and Friedman, or any trust, partnership, joint venture, person or entity

1 affiliated with any of the defendants, including but not limited to the following
 2 accounts:

<u>Institution Name</u>	<u>Account Holder</u>	<u>Account Number(s)</u>
Union Bank of California	Global Money Management	0050013928
	Marv Friedman	6441014310
	LF Global	0050014614
		6440010065
Spear Leeds & Kellogg	Global Money Management	4J81
	LF Global	7W5F
UBOC Investment Services	Global Money Management	763V
	LF Global	A4T-143278
Granite Financial Group	Global Money Management	A4T-179663
		1500-0006

VII.

17 IT IS FURTHER ORDERED that, except as otherwise ordered by this
 18 Court, defendants GMM, LF Global, and Friedman, and their officers, agents,
 19 servants, employees, attorneys, subsidiaries and affiliates, and those persons in
 20 active concert or participation with any of them, who receive actual notice of this
 21 Order, by personal service or otherwise, and each of them, be and hereby are
 22 temporarily restrained and enjoined from, directly or indirectly: destroying,
 23 mutilating, concealing, transferring, altering, or otherwise disposing of, in any
 24 manner, any documents, which includes all books, records, computer programs,
 25 computer files, computer printouts, correspondence, memoranda, brochures, or
 26 any other documents of any kind in their possession, custody or control, however
 27 created, produced, or stored (manually, mechanically, electronically, or otherwise),
 28 pertaining in any manner to defendants GMM, LF Global, and Friedman.

VIII.

IT IS FURTHER ORDERED that defendants GMM, LF Global, and Friedman, shall, within five days of the date of issuance of this Order, prepare and deliver to the Commission a detailed and complete schedule of all of their assets, including all real and personal property exceeding \$5,000 in value, and all bank, securities, futures and other accounts identified by institution, branch address and account number. The accountings shall include a description of the source(s) of all such assets. Such accountings shall be filed with the Court and copies shall be delivered to the Commission's Pacific Regional Office located at 5670 Wilshire Boulevard, 11th Floor, Los Angeles, California 90036. After completion of the accountings, defendants GMM, LF Global, and Friedman shall each produce to the Commission's Pacific Regional Office, at a time agreeable to the Commission, all books, records and other documents supporting or underlying their accountings.

IX.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Charles La Bella, Esq. is appointed as temporary receiver of GMM and LF Global, and their subsidiaries and affiliates, with full powers of an equity receiver, including, but not limited to, full power over all funds, assets, collateral, premises (whether owned, leased, occupied, or otherwise controlled), choses in action, books, records, papers and other property belonging to, being managed by or in the possession of or control of GMM and LF Global, any of its subsidiaries, affiliates, joint ventures or other entities for which GMM and LF Global is the managing general partner or in control, and that such receiver is immediately authorized, empowered and directed:

- A. to have access to and to collect and take custody, control, possession, and charge of all funds, assets, collateral, premises (whether owned, leased, occupied, or otherwise controlled), choses in action, books, records, papers and other real or personal property, wherever located,

1 of or managed by GMM and LF Global, and their subsidiaries and
2 affiliates, with full power to sue, foreclose, marshal, collect, receive,
3 and take into possession all such property;

4 B. to have control of, and to be added as the sole authorized signatory
5 for, all accounts of GMM and LF Global, and their subsidiaries and
6 affiliates, including all accounts over which GMM and LF Global,
7 and any of their employees or agents, have signatory authority, at any
8 bank, title company, escrow agent, financial institution or brokerage
9 firm which has possession, custody or control of any assets or funds
10 of GMM and LF Global, or which maintains accounts over which
11 GMM and LF Global, and/or any of their employees or agents have
12 signatory authority;

13 C. to conduct such investigation and discovery as may be necessary to
14 locate, account for and recover all of the assets of (and to account for
15 and pursue recovery of the losses of) GMM and LF Global, and their
16 subsidiaries and affiliates and to engage and employ attorneys,
17 accountants and other persons to assist in such investigation and
18 discovery;

19 D. to take such action as is necessary and appropriate to preserve and
20 take control of and to prevent the dissipation, concealment, or
21 disposition of any assets of or managed by GMM and LF Global, and
22 their subsidiaries and affiliates;

23 E. to make an accounting, as soon as practicable, to this Court and the
24 Commission of the assets and financial condition of GMM and LF
25 Global, and the assets under their management, and to file the
26 accounting with the Court and deliver copies thereof to all parties;

27 F. to make such payments and disbursements from the funds and assets
28 taken into custody, control, and possession or thereafter received by

1 him or her, and to incur, or authorize the making of, such agreements
2 as may be necessary and advisable in discharging his or her duties as
3 receiver;

4 G. to employ attorneys, accountants and others to investigate and, where
5 appropriate, to institute, pursue, and prosecute all claims and causes
6 of action of whatever kind and nature which may now or hereafter
7 exist as a result of the activities of GMM and LF Global or present or
8 past employees or agents of GMM and LF Global; and

9 H. to have access to, monitor, and redirect all mail (including email and
10 facsimile) of GMM and LF Global in order to review such mail which
11 he or she deems relates to the business of GMM and LF Global and
12 the discharging of his or her duties as receiver.

13 X.

14 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that
15 defendants GMM, LF Global, and Friedman and their subsidiaries and affiliates,
16 and their officers, agents, servants, employees and attorneys, and any other
17 persons who are in custody, possession or control of any assets, collateral, books,
18 records, papers, or other property of or managed by GMM, LF Global, and
19 Friedman, shall forthwith give access to and control of such property to the
20 receiver.

21 XI.

22 IT IS FURTHER ORDERED, ADJUDGED AND DECREED that no
23 officer, agent, servant, employee, or attorney of GMM, LF Global, and Friedman,
24 or their subsidiaries or affiliates shall take any action or purport to take any action,
25 in the name of or on behalf of GMM or LF Global, or any of their subsidiaries or
26 affiliates, without the written consent of the receiver or order of this Court.

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XII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, except by leave of this Court, during the pendency of this receivership, all clients, investors, trust beneficiaries, note holders, creditors, claimants, lessors, and all other persons or entities seeking relief of any kind, in law or in equity, from GMM and LF Global or their subsidiaries, and all persons acting on behalf of any such investor, trust beneficiary, note holder, creditor, claimant, lessor, or other person, including sheriffs, marshals, servants, agents, employees, and attorneys, are hereby restrained and enjoined from, directly or indirectly, with respect to GMM and LF Global and their subsidiaries:

- A. commencing, prosecuting, continuing or enforcing any suit or proceeding (other than the present action by the Commission) against GMM or LF Global or their subsidiaries;
- B. using self-help or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any property or property interests owned by or in the possession of GMM or LF Global, or any of their subsidiaries or affiliates, wherever situated; and
- C. doing any act or thing whatsoever to interfere with taking control, possession or management by the receiver appointed hereunder of the property and assets owned, controlled or managed by or in the possession of GMM or LF Global, or any of their subsidiaries or affiliates, or in any way to interfere with or harass the receiver or his or her attorneys, accountants, employees or agents or to interfere in any manner with the discharge of the receiver's duties and responsibilities hereunder.

XIII.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants GMM, LF Global, and Friedman, and their subsidiaries, affiliates, officers, agents, servants, employees and attorneys, shall cooperate with and assist the receiver and shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the receiver or his or her attorneys, accountants, employees or agents, in the conduct of the receiver's duties or to interfere in any manner, directly or indirectly, with the custody, possession, management, or control by the receiver of the funds, assets, collateral, premises, and choses in action described above.

XIV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants GMM and LF Global shall pay the costs, fees and expenses of the receiver incurred in connection with the performance of his or her duties described in this Order, including the costs and expenses of those persons who may be engaged or employed by the receiver to assist him or her in carrying out his or her duties and obligations. All applications for costs, fees and expenses for services rendered in connection with the receivership other than routine and necessary business expenses in conducting the receivership, such as salaries, rent and any and all other reasonable operating expenses, shall be made by application setting forth in reasonable detail the nature of the services and shall be heard by the Court.

XV.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that no bond shall be required in connection with the appointment of the receiver. *The receiver* ~~Except for an act of gross negligence, the receiver shall not be liable for any loss or damage incurred by any of the defendants, their officers, agents, servants, employees and attorneys or any other person, by reason of any act performed or omitted to be~~ *shall have such liability as is allowed by law.*

1 ~~performed by the receiver in connection with the discharge of his or her duties and~~
 2 ~~responsibilities.~~

3 XVI.

4 IT IS FURTHER ORDERED that this Temporary Restraining Order shall
 5 expire at 3 o'clock PM.m. on March 25, 2004, unless, for good
 6 cause shown, it is extended or unless the parties against whom it is directed
 7 consent that it may be extended for a longer period.

8 XVII.

9 IT IS FURTHER ORDERED that at 2:00 o'clock P.m. on
 10 March 25, 2004, or as soon thereafter as the parties can be heard, the
 11 Defendants, and each of them, shall appear before the Honorable
 12 BARRY TED MOSKOWITZ Judge of the United States District Court for the
 13 Southern District of California, in San Diego, California, to show cause, if there be
 14 any, why a preliminary injunction should not be granted in accordance with the
 15 prayer for relief contained in this Complaint filed by the Commission. Any
 16 declarations, affidavits, points and authorities, or other submissions in support of,
 17 or in opposition to, the issuance of such an Order shall be filed with the Court and
 18 delivered to the Commission's Los Angeles office and the offices of the
 19 Defendants and/or their attorneys no later than 5 o'clock P.m. on
 20 March 18, 2004. Any reply papers shall be filed with the Court and
 21 delivered to opposing counsel no later than 5 o'clock P.m. on
 22 March 22, 2004.

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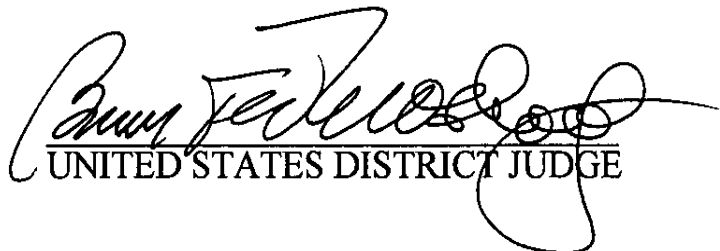
XVIII.

IT IS FURTHER ORDERED that this Court shall retain jurisdiction over this action for the purpose of implementing and carrying out the terms of all orders and decrees which may be entered herein and to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.


IT IS SO ORDERED.

DATED:

TIME: 3:10 o'clock P.m.


UNITED STATES DISTRICT JUDGE

Presented by:



Nicolas Morgan
Janet Rich Weissman
Attorneys for Plaintiff
Securities and Exchange Commission