

**IN THE UNITED STATES DISTRICT COURT FOR THE
MIDDLE DISTRICT OF PENNSYLVANIA
HARRISBURG DIVISION**

**U.S. SECURITIES AND
EXCHANGE COMMISSION,**

Plaintiff,

vs.

SEAN NATHAN HEALY,

Defendant,

**Civil Action No.
1:09-CV-1330**

(Judge Conner)

and

**SHALESE HEALY and
SAND DOLLAR INVESTING PARTNERS,
LLC,**

Relief Defendants.

**TEMPORARY RESTRAINING ORDER, ORDER FREEZING ASSETS
AND GRANTING OTHER RELIEF, AND ORDER TO SHOW CAUSE**

This matter came to be heard upon Plaintiff, the Securities and Exchange Commission’s (“Commission” or “SEC”) *Ex Parte* Motion for a Temporary Restraining Order, Order Freezing Assets and Granting Other Relief, and for an Order to Show Cause on a Preliminary Injunction (“Motion”).

The Court has considered the Commission’s Complaint, the Motion, the supporting Memorandum, Declaration and Exhibits thereto, and all other evidence

and argument presented regarding this action, and finds that: (i) the public interest requires that the Commission's motion for this Order be heard *ex parte*; (ii) the Commission has made a sufficient and proper showing in support of the relief granted herein, as required by Section 20(b) of the Securities Act, 15 U.S.C. § 77t(b), and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), by a substantial showing of likelihood that the Commission will prove at trial that Defendant Sean Nathan Healy (the "Defendant"), directly or indirectly, has engaged in and, unless enjoined by order of this Court, will continue to engage in, acts, transactions, practices, and courses of business constituting the violations charged in the Complaint and that Relief Defendants Sand Dollar Investing Partners, LLC and Shalese Healy (collectively "Relief Defendants") have received from the Defendant ill-gotten gains to which they have no legitimate claim; and (iii) unless restrained and enjoined by this Court, the Defendant and Relief Defendants may dissipate, conceal, or transfer from the jurisdiction of this Court assets which could be subject to an order of disgorgement or an order to pay civil penalties in this action.

I.

IT IS HEREBY ORDERED that the Motion is **GRANTED** in full.

II.

(Asset Freeze)

IT IS FURTHER ORDERED that until further order of this Court:

The Defendant, Relief Defendants, 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, withdrawing, transferring, assigning, selling, pledging, hypothecating, changing, wasting, dissipating, converting, concealing, encumbering, or otherwise disposing of, in any manner, any funds, assets, accounts, securities, claims, or other real or personal property, in whatever form and wherever located, in the name, for the benefit, or under the control of the Defendant or Relief Defendants and their subsidiaries and affiliates, whether owned by, controlled by, managed by, over which they exercise actual or apparent investment or other authority, or in the possession or custody of any of them, including assets held in corporate or partnership accounts in which the Defendant or Relief Defendants have an interest. This Order expressly includes a prohibition on opening or causing to be opened any safe deposit boxes titled in the name of, or subject to access by, the Defendant or the Relief Defendants.

III.

(Directives to Financial Institutions and Other Entities)

Any bank, savings and loan, mutual fund, or other financial or brokerage institution, or any other person, partnership, or corporation or other person or entity located within the territorial jurisdiction of the United States courts that (i) holds, controls, or maintains custody of any funds, accounts or other assets in the name, for the benefit or under the control of the Defendant or the Relief Defendants, or for which the Defendant or the Relief Defendants are signatories or have signing authority, and (ii) receives actual notice of this Order, by personal service or otherwise:

Shall hold and retain within its control and prohibit the withdrawal, removal, assignment, transfer, pledge, encumbrance, disbursement, dissipation, conversion, sale or other disposal of any funds or other assets in such accounts;

Shall deny the Defendant and Relief Defendants and all other persons or entities further access to any safe deposit box that is titled in the name of the Defendant or Relief Defendants either individually or jointly; or otherwise subject to access by the Defendant or Relief Defendants; and

Shall provide to counsel for the Commission identified below and the Receiver if contact information is provided, within five (5) business days of receiving a copy of this Order, a statement setting forth:

- A. 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 Defendant or any Relief Defendant;
- B. 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; the identification of any safe deposit box that is either titled in the name, individually or jointly, of the Defendant or Relief Defendants or is otherwise subject to access by the Defendant or Relief Defendants; and
- C. A list of all transactions involving the asset or account which have occurred within the last 30 days; and
- D. Upon request by the Commission or the Receiver, promptly provide to the Commission counsel identified below 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.

For the purposes of this section, service on counsel for the Commission shall be by express courier service or telecopy directed to Frederick L. Block, Trial Counsel, United States Securities and Exchange Commission, 100 F Street, Washington, DC 20549, facsimile number (202) 772-9245.

IV.

(Temporary Restraining Order)

IT IS FURTHER ORDERED that pending the final determination of this action, the Defendant, his agents, officers, servants, employees, and attorneys, and those persons in active concert or participation with him who receive actual notice of this Order, by personal service or otherwise, are hereby restrained and enjoined from violating Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a), by, in the offer or sale of any securities, using any means or instruments of transportation or communication in interstate commerce or using the mails, directly or indirectly, to:

- A. employ any device, scheme, or artifice to defraud;
- B. obtain money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or

C. engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

V.

(Temporary Restraining Order)

IT IS FURTHER ORDERED that pending the final determination of this action, the Defendant, his agents, officers, servants, employees, and attorneys, and those persons in active concert or in participation with him who receive actual notice of this Order, by personal service or otherwise, are hereby restrained and enjoined from violating Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b) and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5, directly or indirectly, by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, to:

- A. employ any device, scheme, or artifice to defraud,
- B. make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, or
- C. engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security.

VI.

(Accounting)

IT IS FURTHER ORDERED that the Defendant and each Relief Defendant, within five (5) business days of the entry of this Order, shall provide the Commission with a full, verified, accounting of the following:

- A. a current balance sheet showing all assets and all liabilities of such Defendant and Relief Defendant;
- B. for the period January 1, 2005 to the present, a cash flow analysis reporting all monthly income and all monthly expenses of such Defendant and Relief Defendant which identifies all sources of income and all payees;
- C. for the period January 1, 2005 to the present, an identification and description of all assets which such Defendant and/or Relief Defendant held a beneficial interest in and which such Defendant and/or Relief Defendant conveyed to any other person or entity, which identification and description are also to include the date of transfer, the name(s) of the transferee(s), the reason for the transfer, the consideration received (if any), and whether the consideration received was full and adequate;
- D. identification and description of each account with any financial institution or brokerage firm maintained in the name of such Defendant and/or the name of

his or her spouse, or in which such Defendant and/or Relief Defendant and his or her spouse has or has had any direct or indirect beneficial interest;

E. all funds received by the Defendant and/or Relief Defendant directly or indirectly, from investors, or any other person, including a list of:

1. the name, address, and telephone number of each investor; and
2. the amount invested by each investor and a statement of the location and disposition of any funds received from investors or other person;

F. the names, addresses, and telephone numbers of all persons with knowledge of investments made with, and/or use of, investor funds.

The foregoing verified accountings shall be delivered by express courier service or telecopy to Frederick L. Block, Trial Counsel, United States Securities and Exchange Commission, 100 F Street NE, Washington, DC, 20549, facsimile number (202) 772-9245 with a courtesy copy via email to BlockF@sec.gov.

Immediately after submission of the verified accountings, the Defendant and Relief Defendants shall make available to the Commission, at a time and place agreeable to the Commission, all books, records, electronic data, and other documents or tangible things underlying the verified accountings.

VII.

(Access to Assets and Records)

IT IS FURTHER ORDERED that the Defendant and Relief Defendants, within five (5) business days of the entry of this Order, shall:

- A. Transfer to the territory of the United States all funds, documents, and assets located in foreign countries which are held by them, for their benefit, or under their direct or indirect control, whether jointly or singly;
- 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, from 2005 to present; and
- C. Provide the Commission with full access to all records of the Defendant or Relief Defendants held by financial institutions located both within and outside the territorial United States by signing, upon request by the Commission, a Consent to Release of Financial Records.

VIII.

(Cooperation in Marshalling Assets)

IT IS FURTHER ORDERED that the Defendant, Relief Defendants, their agents, officers, servants, employees, and attorneys shall cooperate with the Commission in identifying, locating, marshalling, and preserving all of the assets

of the Defendant and Relief Defendants, and all funds or other assets owned or held for the direct or indirect benefit of the investors by the Defendant, Relief Defendants and/or any other entity owned or controlled by the Defendant or Relief Defendants.

IX.

(Preservation of Records)

IT IS FURTHER ORDERED that the Defendant, Relief Defendants and all persons or entities acting at their direction or on their behalf who receive actual notice of this Order, by personal service, facsimile service, or otherwise, are hereby enjoined and restrained from destroying, altering, concealing, or otherwise interfering with the Commission's access to, any and all documents, books, and records in the possession, custody, or control of the Defendant or Relief Defendants, their agents, officers, employees, servants, accountants, financial or brokerage institutions, or attorneys relating to the assets of the Defendant or the Relief Defendants to the allegations of the Complaint, including but not limited to documents relating to the business operations of the Defendant, the offer or sale of securities, and the use of investor funds.

X.

(Limitation of Actions)

IT IS FURTHER ORDERED that:

A. the Defendant, Relief Defendants, their creditors, officers, agents, servants, employees, attorneys, and those persons in active concert or participation with them who receive actual notice of this Order by personal service, facsimile service, or otherwise, are restrained and enjoined from filing a voluntary or involuntary petition in bankruptcy or any proceeding seeking liquidation on behalf of or against the Defendant or any of the Relief Defendants, without first seeking leave from this Court, with at least forty-eight (48) hours notice to the Commission. Leave shall be granted only after a hearing before this Court and upon such conditions as necessary to protect this Court's jurisdiction over the subject matter of this action; and

B. no creditor of or claimant against the Defendant or any of the Relief Defendants, or any person acting on behalf of such creditor or claimant, shall take any action to interfere with the control, possession, or management of the assets frozen pursuant to this Order or transferred to a receiver appointed in this action, nor interfere in any way with the exclusive jurisdiction of this Court over the assets frozen pursuant to this Order or transferred to the receiver under this Order.

XI.

(Expedited Discovery)

IT IS FURTHER ORDERED that the Commission's application for expedited discovery is granted and that, commencing with the time and date of this

Order, discovery may proceed without regard to the time periods, notice provisions, and other requirements of Rules 26, 30, 33, 34, 36, and 45 of the Federal Rules of Civil Procedure. In particular:

A. Pursuant to Rule 30 of the Federal Rules of Civil Procedure, the Commission or Receiver may take depositions upon oral examination, upon three calendar days' emailed, telecopied or overnight notice of any such deposition, or receipt of the notice by other service.

B. Pursuant to Rule 33 of the Federal Rules of Civil Procedure, the Defendant and Relief Defendants shall answer all of the Commission's or the Receiver's interrogatories in writing under oath within two calendar days of e-mailed, telecopied or overnight mail service of such interrogatories, or receipt of the interrogatories by other service.

C. A request for documents and tangible things pursuant to Rule 34 of the Federal Rules of Civil Procedure will be answerable, and production made, within two calendar days of e-mailed, telecopied or overnight mail service of such request, or receipt of the request by other service.

D. Pursuant to Rule 36 of the Federal Rules of Civil Procedure, the Defendant and Relief Defendants shall answer all of the Commission's or the Receiver's requests for admissions within two days of telecopied or overnight mail service of such requests, or receipt of the requests by other service.

E. The Commission or the Receiver may take more than ten depositions, and any depositions taken pursuant to this Paragraph shall not count towards the ten deposition limit set forth in Federal Rule of Civil Procedure 30(a)(2)(A);

F. The Commission and the Receiver may serve subpoenas on any and all third parties by e-mail, telecopy or overnight mail to an authorized representative and require responses to such subpoenas within five calendar days;

G. All written responses to the Commission's requests for discovery under the Federal Rules of Civil Procedure shall be delivered by the most expeditious means possible, whether by hand delivery, facsimile transmission, or overnight courier, or email, upon the Commission, directed to Frederick L. Block, Trial Counsel, 100 F Street NE, Washington, DC 20549, facsimile number (202) 772-9245, with a courtesy copy via email to BlockF@sec.gov.

XII.

(Alternative Service)

IT IS FURTHER ORDERED that service of this Order, together with the papers on which it was granted, including the Complaint, shall be sufficient if made upon the Defendant and Relief Defendants, or their attorneys by telecopy or overnight courier service, for delivery on the next day or the day following the entry of this Order. Service hereunder shall be made to the last known address and/or business address of the Defendant and Relief Defendants.

XIII.

(Service on the Commission)

IT IS FURTHER ORDERED that, unless otherwise provided herein or by Court Order, the Defendant and Relief Defendants shall serve all pleadings, correspondence, notices required by this Order, and other materials on the Commission by delivering a copy by receipted transmission to Frederick L. Block, Trial Counsel, 100 F Street NE, Washington, DC 20549, facsimile number (202) 772-9245 with a courtesy copy via email to BlockF@sec.gov.

XIV.

(Expiration)

IT IS FURTHER ORDERED that this Order shall expire at 11:59 p.m. on July 27, 2009, unless, for good cause shown, it is extended or unless the parties against whom it is directed consent that it may be extended for a longer time.

XV.

(Preliminary Injunction)

IT IS FURTHER ORDERED that a preliminary injunction hearing is scheduled to commence at **11:00 a.m. on Thursday, July 23, 2009** in Courtroom No. 2, Ninth Floor, Federal Building, 228 Walnut Street, Harrisburg, Pennsylvania. This hearing shall be consolidated with the preliminary injunction hearing to be held in the case docketed at Civil Action No. 1:09-CV-1331. At the hearing,

Defendant shall cause, if there be any, why this Court should not enter an Order preliminarily enjoining him from committing further violations of the respective provisions of the federal securities laws that the Defendant has been restrained from violating pursuant to this Order.

Should any party wish to file a memorandum of law or other papers in opposition to Plaintiff's *Ex Parte* Motion for a Temporary Restraining Order, Order Freezing Assets, and Granting Other Relief, all papers shall be filed on or before noon on July 20, 2009. Any reply papers shall be filed with the Court and delivered to opposing counsel no later than noon on July 22, 2009. Service of all papers referenced in this paragraph shall be by electronic mail, overnight mail, facsimile, or personal service.

XVI.

(Receivership)

IT IS FURTHER ORDERED that based on the record in these proceedings, the appointment of a receiver in this action is necessary and appropriate for the purposes of marshaling and preserving all assets of the Defendant Sean Nathan Healy (“Receivership Defendant” or “Defendant”) and those assets of the Relief Defendants that (a) are attributable to funds derived from investors or clients of the Defendant; and/or (b) are held in constructive trust for the Defendant; and/or (c) were fraudulently transferred by the Defendant; and/or (d) may otherwise be includable as assets of the estate of the Defendant (collectively, the “Recoverable Assets”).

NOW THEREFORE, IT IS FURTHER HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. This Court hereby takes exclusive jurisdiction and possession of the assets, of whatever kind and wherever situated, of the Defendant Sean Nathan Healy (the “Receivership Defendant”). The assets in the attached Schedule A, shall be physically, with the exception of real property, turned over to the Receiver.

2. Until further Order of this Court, **Melanie E. Damian** of Damian & Valori, LLP, located in Miami, Florida, is hereby appointed to serve without bond

as receiver (the “Receiver”) for the estate of the Receivership Defendant and the Recoverable Assets.

Asset Freeze

3. Except as otherwise specified herein, all Receivership Assets and Recoverable Assets are frozen until further order of this Court. Accordingly, all persons and entities with direct or indirect control over any Receivership Assets and/or any Recoverable Assets, other than the Receiver, are hereby restrained and enjoined from directly or indirectly transferring, setting off, receiving, changing, selling, pledging, assigning, liquidating or otherwise disposing of or withdrawing such assets. This freeze shall include, but not be limited to, Receivership Assets and/or Recoverable Assets that are on deposit with financial institutions such as banks, brokerage firms and mutual funds. A schedule of all presently known Receivership Assets and Recoverable Assets are included in Schedule A.

4. Any assets that are not listed in Schedule A and are titled, claimed to be owned or otherwise belong to either of the Relief Defendants (“Unidentified Relief Defendant Assets”) are frozen pursuant to Paragraph II above.

General Powers and Duties of Receiver

5. The Receiver shall have all powers, authorities, rights and privileges under applicable state and federal law in addition to all powers and authority of a

receiver at equity, and all powers conferred upon a receiver by the provisions of 28 U.S.C. §§ 754, 959 and 1692, and Fed. R. Civ. P. 66.

6. The Receiver shall assume possession, title and control the assets of the Receivership Defendant including those listed in Schedule A.

7. The Receiver shall assume possession and control of any Unidentified Relief Defendant Assets with a value greater than \$5,000.

8. Subject to the specific provisions outlined in this Section, the Receiver shall have the following general powers and duties:

- A. To use reasonable efforts to determine the nature, location and value of all property interests of the Receivership Defendant, including, but not limited to, monies, funds, securities, credits, effects, goods, chattels, lands, premises, leases, claims, rights and other assets, together with all rents, profits, dividends, interest or other income attributable thereto, of whatever kind, which the Receivership Defendant owns, possesses, has a beneficial interest in, or controls directly or indirectly (“Receivership Property” or, collectively, the “Receivership Estate”). A list of Receivership Property presently known is included in Schedule A;
- B. To take custody, control and possession of all Receivership Property and records relevant thereto from the Receivership Defendant for the purpose of preserving said assets until such time as the Court orders otherwise; to sue for and collect, recover, receive and take into possession from third parties all Receivership Property and records relevant thereto;
- C. To manage, control, operate and maintain the Receivership Estate and hold in his/her possession, title, custody and control all Receivership Property, pending further Order of this Court;

- D. To manage, control, operate and maintain and hold in his/her possession, custody and control any Unidentified Relief Defendant Assets with a value of greater than \$5,000, pending further Order of this Court;
- E. To use Receivership Property for the benefit of the Receivership Estate, making payments and disbursements and incurring expenses as may be necessary or advisable to preserve said assets in the ordinary course of business and to discharge his/her duties as Receiver;
- F. To engage and employ persons in his/her discretion to assist him/her in carrying out his/her asset preservation duties and responsibilities hereunder, including, but not limited to, accountants, attorneys, securities traders, registered representatives, financial or business advisers, liquidating agents, real estate agents, forensic experts, brokers, traders or auctioneers;
- G. To take such action as necessary and appropriate for the preservation of Receivership Property or to prevent the dissipation or concealment of Receivership Property;
- H. The Receiver is authorized to issue subpoenas for documents and testimony consistent with the Federal Rules of Civil Procedure in an expedited manner as set forth in XI above;
- I. To bring such legal actions based on law or equity in any state, federal, or foreign court as the Receiver deems necessary or appropriate in discharging his/her duties as Receiver;
- J. To pursue, resist and defend all suits, actions, claims and demands which may now be pending or which may be brought by or asserted against the Receivership Estate;¹ and,

¹ This provision includes, but is not limited to, the Receiver's ability to intercede, at the Receiver's discretion, in *Madeira v. Healy*, Case No. 09-60403-CIV-Martinez/Brown (S.D. Fla.), complaint filed on March 16, 2009; *In re Madeira*, Case No. 1:09-bk-02819-MDF (Bankr. M.D. Penn.), Chapter 11 petition

K. To take such other action as may be approved by this Court.

Access to Information

9. The Receivership Defendant as well as those acting in his place, are hereby ordered and directed to preserve and turn over to the Receiver forthwith all paper and electronic information of, and/or relating to, the Receivership Defendant and/or all Receivership Property; such information shall include but not be limited to books, records, documents, accounts and all other instruments and papers.

10. The Receivership Defendant shall answer under oath to the Receiver all questions which the Receiver may put to him and produce all documents as required by the Receiver regarding the business of the Receivership Defendant, or any other matter relevant to the operation or administration of the receivership or the collection of funds due to the Receivership Defendant. In the event that the Receiver deems it necessary to require the appearance of the aforementioned persons or entities, the Receiver shall make its discovery requests in accordance with the Federal Rules of Civil Procedure in an expedited as set forth in XI above.

11. The Receiver may issue subpoenas to compel testimony of persons or production of records, consistent with the Federal Rules of Civil Procedure in

filed on April 14, 2009; and *In re Ahrens*, Case No. 09-1:09-bk-02935-MDF (Bankr. M.D. Penn.), Chapter 7 petition filed on April 20, 2009.

expedited manner as set forth above in XI above and applicable Local Rules, except for the provisions of Fed. R. Civ. P. 26(d)(1), concerning any subject matter within the powers and duties granted by this Order.

12. The Receivership Defendant is required to assist the Receiver in fulfilling his duties and obligations. As such, he must respond promptly and truthfully to all requests for information and documents from the Receiver.

Access to Books, Records and Accounts

13. The Receiver is authorized to take immediate possession of all assets, bank accounts or other financial accounts, books and records and all other documents or instruments relating to the Receivership Defendant. All persons and entities having control, custody or possession of any Receivership Property are hereby directed to turn such property over to the Receiver.

14. All banks, brokerage firms, financial institutions, and other persons or entities which have possession, custody or control of any assets or funds held by, in the name of, or for the benefit of, directly or indirectly, and of the Receivership Defendant that receives actual notice of this Order by personal service, facsimile transmission or otherwise shall:

- A. Not liquidate, transfer, sell, convey or otherwise transfer any assets, securities, funds, or accounts in the name of or for the benefit of the Receivership Defendant except upon instructions from the Receiver;

- B. Not exercise any form of set-off, alleged set-off, lien, or any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Court;
- C. Within five (5) business days of receipt of that notice, file with the Court and serve on the Receiver and counsel for the Commission a certified statement setting forth, with respect to each such account or other asset, the balance in the account or description of the assets as of the close of business on the date of receipt of the notice; and,
- D. Cooperate expeditiously in providing information and transferring funds, assets and accounts to the Receiver or at the direction of the Receiver.

Access to Real and Personal Property

15. The Receiver is authorized to take title to and immediate possession of all personal property of the Receivership Defendant, wherever located, including but not limited to electronically stored information, computers, laptops, hard drives, external storage drives, and any other such memory, media or electronic storage devices, books, papers, data processing records, evidence of indebtedness, bank records and accounts, savings records and accounts, brokerage records and accounts, certificates of deposit, stocks, bonds, debentures, and other securities and investments, contracts, mortgages, furniture, office supplies and equipment for the purpose of preserving such assets against dissolution. Defendant and or Relief Defendants must fully cooperate in transfer to the Receiver of all personal property subject to this Order.

16. The Receiver is authorized to take immediate possession of any Unidentified Relief Defendant Assets with a value of greater than \$5,000. The Receiver shall maintain possession, custody or control of any Unidentified Relief Defendant Assets with a value of greater than \$5,000 until further order of this Court.

17. **Break Order.** In executing this Order, if possession of the real and personal property listed in this Order is not immediately turned over to the Receiver, his agents and the Receivership Estate, by the Receivership Defendant and/or the Relief Defendants, the United States Marshal Service shall cause such house, building, or enclosure to be broken open and shall allow for immediate repossession of the real and personal property according to this Order. This Break Order specifically directs the United States Marshal Service, the Receiver and his agents to enter physically any dwelling house or other building or enclosure. Any locked doors, cabinets, safes or enclosures within the house, building or enclosure may be broken open to allow for repossession of the property subject to this Order.

18. The Receiver is authorized to take immediate possession of all real property of the Receivership Defendant, wherever located, including but not limited to all ownership and leasehold interests and fixtures. The Receiver is specifically authorized to take immediate possession of the residence at 2672 Riviera Manor, Weston, FL 33332-3422. However, the Defendant and Relief

Defendant Shalese Healy may continue to reside at the address 2672 Riviera MNR, Weston, FL 33332-3422 until further order of this Court. Except the Receiver, upon receiving actual notice of this Order by personal service, facsimile transmission or otherwise, all persons other than law enforcement officials acting within the course and scope of their official duties, are (without the express written permission of the Receiver) prohibited from: (a) removing anything from such premises; or, (b) destroying, concealing or erasing anything on such premises.

19. Upon the request of the Receiver, the United States Marshal Service, in any judicial district, is hereby ordered to assist the Receiver in carrying out his duties to take possession, custody and control of, or identify the location of, any assets, records or other materials belonging to the Receivership Estate.

Injunction Against Interference with Receiver

20. The Receivership Defendant and all persons receiving notice of this Order by personal service, facsimile or otherwise, are hereby restrained and enjoined from directly or indirectly taking any action or causing any action to be taken, without the express written agreement of the Receiver, which would:

- A. Interfere with the Receiver's efforts to take control, possession, or management of any Receivership Property; such prohibited actions include but are not limited to, 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 Receivership Property;

- B. Hinder, obstruct or otherwise interfere with the Receiver in the performance of his duties; such prohibited actions include but are not limited to, concealing, destroying or altering records or information;
- C. Dissipate or otherwise diminish the value of any Receivership Property; such prohibited actions include but are not limited to, releasing claims or disposing, transferring, exchanging, assigning or in any way conveying any Receivership Property, enforcing judgments, assessments or claims against any Receivership Property or any Receivership Defendant, attempting to modify, cancel, terminate, call, extinguish, revoke or accelerate (the due date), of any lease, loan, mortgage, indebtedness, security agreement or other agreement executed by any Receivership Defendant or which otherwise affects any Receivership Property; or,
- D. Interfere with or harass the Receiver, or interfere in any manner with the exclusive jurisdiction of this Court over the Receivership Estates.
- E. The provisions of this paragraph, however, shall apply prospectively only; thus, they do not apply to restrain or enjoin ongoing legal actions, including, but not limited to, *Madeira v. Healy*, Case No. 09-60403-CIV-Martinez/Brown (S.D. Fla.), complaint filed on March 16, 2009; *In re Madeira*, Case No. 1:09-bk-02819-MDF (Bankr. M.D. Penn.), Chapter 11 petition filed on April 14, 2009; and *In re Ahrens*, Case No. 09-1:09-bk-02935-MDF (Bankr. M.D. Penn.), Chapter 7 petition filed on April 20, 2009. Nevertheless, consistent with this Order, the Receiver may intercede in these or other legal actions as the Receiver believes is necessary and appropriate.

21. The Receivership Defendant and the Relief Defendants shall cooperate with and assist the Receiver in the performance of his or her duties.

22. The Receiver shall promptly notify the Court and Commission's counsel of record of any failure or apparent failure of any person or entity to comply in any way with the terms of this Order.

Managing Assets

23. For the Receivership Estate, the Receiver shall establish one or more custodial accounts at a federally insured bank to receive and hold all cash equivalent Receivership Property (the "Receivership Funds").

24. The Receiver's deposit account shall be entitled "Receiver's Account, Estate of **Sean Nathan Healy**" together with the name of the action.

25. Subject to Paragraph 26 immediately below and 28 U.S.C. §§ 2001, 2002 and 2004, the Receiver is authorized to locate, list for sale or lease, engage a broker for sale or lease, cause the sale or lease, and take all necessary and reasonable actions to cause the sale or lease of all Receivership Property, either at public or private sale, on terms and in the manner the Receiver deems most beneficial to the Receivership Estate, and with due regard to the realization of the true and proper value of such property.

26. Upon further Order of this Court, pursuant to such procedures as may be required by this Court and additional authority such as 28 U.S.C. §§ 2001, 2002

and 2004, the Receiver will be authorized to sell, and transfer clear title to, all real property in the Receivership Estate.

27. The Receiver shall take all necessary steps to enable the Receivership Funds to obtain and maintain the status of a taxable “Settlement Fund,” within the meaning of Section 468B of the Internal Revenue Code and of the regulations, when applicable, whether proposed, temporary or final, or pronouncements thereunder, including the filing of the elections and statements contemplated by those provisions. The Receiver shall be designated the administrator of the Settlement Fund, pursuant to Treas. Reg. § 1.468B-2(k)(3)(i), and shall satisfy the administrative requirements imposed by Treas. Reg. § 1.468B-2, including but not limited to (a) obtaining a taxpayer identification number, (b) timely filing applicable federal, state, and local tax returns and paying taxes reported thereon, and (c) satisfying any information, reporting or withholding requirements imposed on distributions from the Settlement Fund. The Receiver shall cause the Settlement Fund to pay taxes in a manner consistent with treatment of the Settlement Fund as a “Qualified Settlement Fund.” The Receivership Defendant shall cooperate with the Receiver in fulfilling the Settlement Funds’ obligations under Treas. Reg. § 1.468B-2.

Investigate and Prosecute Claims

28. The Receiver is authorized, empowered and directed to investigate, prosecute, defend, intervene in or otherwise participate in, compromise, and/or adjust actions in any state, federal or foreign court or proceeding of any kind as may in his discretion, and in consultation with counsel for the Commission, be advisable or proper to recover and/or conserve Receivership Property.

29. Subject to his/her obligation to expend receivership funds in a reasonable and cost-effective manner, the Receiver is authorized, empowered and directed to investigate the manner in which the financial and business affairs of the Receivership Defendant were conducted and (after obtaining leave of this Court) to institute such actions and legal proceedings, for the benefit and on behalf of the Receivership Estate, as the Receiver deems necessary and appropriate; the Receiver may seek, among other legal and equitable relief, the imposition of constructive trusts, disgorgement of profits, asset turnover, avoidance of fraudulent transfers, rescission and restitution, collection of debts, and such other relief from this Court as may be necessary to enforce this Order. Where appropriate, the Receiver should provide prior notice to Counsel for the Commission before commencing investigations and/or actions.

30. The Receiver has a continuing duty to ensure that there are no conflicts of interest between the Receiver, his Retained Personnel (as that term is defined below), and the Receivership Estate.

Liability of Receiver

31. Until further Order of this Court, the Receiver shall not be required to post bond or give an undertaking of any type in connection with his fiduciary obligations in this matter.

32. The Receiver and his agents, acting within scope of such agency (“Retained Personnel”) are entitled to rely on all outstanding rules of law and Orders of this Court and shall not be liable to anyone for their own good faith compliance with any order, rule, law, judgment, or decree. In no event shall the Receiver or Retained Personnel be liable to anyone for their good faith compliance with their duties and responsibilities as Receiver or Retained Personnel, nor shall the Receiver or Retained Personnel be liable to anyone for any actions taken or omitted by them except upon a finding by this Court that they acted or failed to act as a result of malfeasance, bad faith, gross negligence, or in reckless disregard of their duties.

33. This Court shall retain jurisdiction over any action filed against the Receiver or Retained Personnel based upon acts or omissions committed in their representative capacities.

34. In the event the Receiver decides to resign, the Receiver shall first give written notice to the Commission's counsel of record and the Court of its intention, and the resignation shall not be effective until the Court appoints a successor. The Receiver shall then follow such instructions as the Court may provide.

Recommendations and Reports

35. Within thirty (30) days after the end of each calendar quarter, the Receiver shall file and serve a full report and accounting of the Receivership Estate (the "Quarterly Status Report"), reflecting (to the best of the Receiver's knowledge as of the period covered by the report) the existence, value, and location of all Receivership Property, and of the extent of liabilities, both those claimed to exist by others and those the Receiver believes to be legal obligations of the Receivership Estates. Upon consultation with the Commission's counsel of record, the Receiver may move to be relieved of the obligation to do a Quarterly Status Report.

36. The Quarterly Status Report shall contain the following:

- A. A summary of the operations of the Receiver;
- B. The amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate;
- C. A schedule of all the Receiver's receipts and disbursements (attached as Exhibit A to the Quarterly Status Report), with one

column for the quarterly period covered and a second column for the entire duration of the receivership;

- D. A description of all known Receivership Property, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended;
- E. A description of liquidated and unliquidated claims held by the Receivership Estate, including the need for forensic and/or investigatory resources; approximate valuations of claims; and anticipated or proposed methods of enforcing such claims (including likelihood of success in: (i) reducing the claims to judgment; and, (ii) collecting such judgments);
- F. A list of all known creditors with their addresses and the amounts of their claims;
- G. The status of Creditor Claims Proceedings, after such proceedings have been commenced; and,
- H. The Receiver's recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.

37. On the request of the Commission, the Receiver shall provide the Commission with any documentation that the Commission deems necessary to meet its reporting requirements, that is mandated by statute or Congress, or that is otherwise necessary to further the Commission's mission.

Fees, Expenses and Accountings

38. Subject to Paragraphs 39 – 45 immediately below, the Receiver need not obtain Court approval prior to the disbursement of Receivership Funds for expenses in the ordinary course of the administration and operation of the

receivership insofar as necessary to preserve the assets of the Receivership Estate. Further, prior Court approval is required for payments of applicable federal, state or local taxes.

39. Subject to Paragraph 40 immediately below, the Receiver is authorized to solicit persons and entities (“Retained Personnel”) to assist him in carrying out the duties and responsibilities described in this Order. The Receiver shall not engage any Retained Personnel without first obtaining an Order of the Court authorizing such engagement.

40. The Receiver and Retained Personnel are entitled to reasonable compensation and expense reimbursement from the Receivership Estates as described in the “Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission” (the “Billing Instructions”) agreed to by the Receiver. Such compensation shall require the prior approval of the Court and shall come from the assets of the Receivership Defendant.

41. Within forty-five (45) days after the end of each calendar quarter, the Receiver and Retained Personnel shall apply to the Court for compensation and expense reimbursement from the Receivership Estates (the “Quarterly Fee Applications”). At least thirty (30) days prior to filing each Quarterly Fee Application with the Court, the Receiver will serve upon the Commission’s counsel of record a

complete copy of the proposed Application, together with all exhibits and relevant billing information in a format to be provided by the Commission's staff.

42. All Quarterly Fee Applications will be interim and will be subject to cost benefit and final reviews at the close of the receivership. At the close of the receivership, the Receiver will file a final fee application, describing in detail the costs and benefits associated with all litigation and other actions pursued by the Receiver during the course of the receivership.

43. Quarterly Fee Applications may be subject to a holdback in the amount of 20% of the amount of fees and expenses for each application filed with the Court. The total amounts held back during the course of the receivership will be paid out at the discretion of the Court as part of the final fee application submitted at the close of the receivership.

44. Each Quarterly Fee Application shall:

- A. Comply with the terms of the Billing Instructions agreed to by the Receiver; and,
- B. Contain representations (in addition to the Certification required by the Billing Instructions) that: (i) the fees and expenses included therein were incurred in the best interests of the Receivership Estate; and, (ii) with the exception of the Billing Instructions, the Receiver has not entered into any agreement, written or oral, express or implied, with any person or entity concerning the amount of compensation paid or to be paid from the Receivership Estate, or any sharing thereof.

45. At the close of the Receivership, the Receiver shall submit a Final Accounting, in a format to be provided by the Commission's staff, as well as the Receiver's final application for compensation and expense reimbursement.

XVII.

(Force and Effect)

IT IS FURTHER ORDERED that this Court retains jurisdiction of this matter for all purposes.

IT IS SO ORDERED.

CHRISTOPHER C. CONNER
United States District Court Judge

Dated: July 13, 2009 at 4:00 P.M.

SCHEDULE A

All real and personal property purchased by the Defendants and Relief Defendants between 2004 and the present, including but limited to the following:

- I. All motor vehicles including but not limited to the following:
 - A. Porsche 911 TURBO - VIN # WP0AB29983S686390
 - B. Lamborghini GALLARDO SPYDER - VIN # ZHWGU22T48LA06992
 - C. Ferrari F355 GTS - VIN # ZFFPR42A9S0101284
 - D. Lamborghini GALLARDO SPYDER - VIN # ZHWGU22T08LA07153
 - E. Lamborghini GALLARDO SPYDER - VIN # ZHWGU22T58LA06581
 - F. Porsche CARRERA GT - VIN # WP0CA29875L001294
 - G. Maserati QUATTROPORTE M139 - VIN # ZAMFE39A470029810
 - H. Bentley CONTINENTAL GTC - VIN SCBDR33W57C050378
 - I. Ferrari 430 F430 SPIDER – VIN ZFFEW59A570154292
 - J. Lamborghini Murcielago – VIN ZHWBU26S46LA01879
 - K. Ferrari 360 SPIDER/SPIDER F1 – VIN ZFFYT53A940134895
 - L. Chevrolet - VIN #1GNFC36J99J125824
 - M. 1965 Convertible - VIN # AA9BMAAHV81CN1094
 - N. Black Lincoln Limousine - VIN # 111FM88W97Y632915
 - O. Vehicles titled under the following title numbers:
 - 1. 102087586
 - 2. 101567383
 - 3. 101265843
 - 4. 101836480
 - 5. 101836468
 - 6. 101414104
 - 7. 95163251
 - 8. 101880490
 - 9. 99401633
 - 10.98829358
 - 11.97723580
 - 12.89509203

- II. All Jewelry including but not limited the following items:
 - A. All Jewelry purchased or appraised at Weston Jewelers including:
 - 1. Gold writing instrument purchased
 - 2. Gregg Ruth diamond ring
 - 3. WHT MOP DIA W.26 purchased for \$52,830

4. Audemars Piquet watch serial number G21586-717707
 5. Piaget Tonneau watch serial number 995816
 6. 18kt gold ladies necklace by Levian Couture
 7. 18kt gold ladies bracelet by Levian Couture
 8. 18kt gold pair of ladies earrings by Levian Couture
 9. Platinum and rose gold bracelet with diamonds appraised by Weston Jewelers on December 29, 2009 to have a replacement value of \$219,000
 10. Platinum and rose 18kt gold necklace with diamonds appraised by Weston Jewelers on December 29, 2009 to have a replacement value of \$279,000
 11. Man BB King Hublot diamond watch serial number 10021048
 12. Pair of 18kt gold earrings with pink oval diamonds
 13. Ladies Hublot watch serial number 672602
 14. Ladies 18kt white and yellow gold bracelet with white and yellow diamonds
 15. 18kt yellow gold hoop earring with diamonds
 16. Ladies platinum cross with diamonds
 17. Rose gold Mens watch serial number 81352
 18. 18kt paris Hilton watch serial number 14-
 19. 18kt paris Hilton watch serial number 6-
 20. 18kt paris Hilton watch serial number 2.
 21. 18kt paris Hilton watch serial number 43
 22. 18kt paris Hilton watch serial number 3.
 23. ladies diamond engagement ring with diamonds appraised by Weston Jewelers on February 11, 2009 to have a replacement value of \$619,000
- III. All home improvements and home furnishings purchased during the relevant time period, including but not limited to all items purchased through Permaco, Inc., DBA Perla Lichi Design (“Permaco”) or in connection with services rendered to Defendant and/or Relief Defendants.
- IV. The property located at 2672 Riviera Manor, Weston FL 33332.
- V. All financial accounts including without limitation:

- A. All accounts in the names of Defendant and/or Relief Defendants maintained at Bank of America including Acct. Numbers xxxx xxxx 7681 and xxxx xxxx 4981;
- B. All accounts in the names of Defendant and/or Relief Defendants maintained at Bank United including Acct. Numbers xxx-xxx4740, xxx-xxx2543; xxx-xxx4783; xxx-xxx3854; xxx-xxx3862; xxx-xxx1263;
- C. All accounts in the names of Defendant and/or Relief Defendants maintained at Northern Trust including Acct. Numbers xxxxxx3289;
- D. All accounts maintained by Defendant and/or Relief Defendants at Fidelity Brokerage Services
- E. All accounts maintained by Defendant and/or Relief Defendants at TD Ameritrade, Inc.
- F. All accounts maintained by Defendant and/or Relief Defendants at Monex Deposit Company, Monex Credit Company and Monaco Financial, LLC.
- G. All accounts maintained by Defendant and/or Relief Defendants at Apmex or American Precious Metals Exchange.