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FILED IN UNITED STATES DISTRICT
COURT, DISTRICT OF UTAH

MAR 04 2008

D. MARK JONES, CLERK
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IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, CENTRAL DIVISION

SECURITIES AND EXCHANGE COMMISSION,

PLAINTIFF,

COMPLAINT

v.

THOMPSON CONSULTING, INC., a Utah corporation,
KYLE J. THOMPSON, E. SHERMAN WARNER and
DAVID C. CONDIE

DEFENDANTS, and

APEX EQUITY OPTIONS FUND, LP, a Delaware limited
partnership, PREMIER PORTFOLIO, LP, an Anguilla
limited partnership, M & K HOLDINGS, LLC, a Utah
limited liability company, WILLOWBEND PROPERTY
COMPANY, LLC, a Utah limited liability company,
MICHAEL T. MORLEY and KRYSTIN P. MORLEY,

Civil No.

Judge

RELIEF DEFENDANTS.

Case: 2:08-cv-00171
Assigned To: Jenkins, Bruce S.
Assign Date: 3/4/2008
Description: SEC v. Thompson
Consulting et al

Plaintiff, Securities and Exchange Commission (the "Commission"), for its
Complaint against Defendants and Relief Defendants alleges as follows:

INTRODUCTION

1. Thompson Consulting, Inc. ("TCI") is an investment adviser registered with the Commission. During the period of this action, TCI managed seven

accounts, two of which are hedge funds, the APEX Equity Options Fund, LP (“Apex”) and Premier Portfolio, LP (“Premier”). Until recently, TCI managed an account for M & K Holdings, LLC, a Utah limited partnership (“M & K Holdings”).

2. This action arises out of events that transpired during 2007, some of which lead to the collapse of the Apex and Premier funds in August 2007. The collapse of those funds was a result of a high-risk trading strategy implemented by TCI.
3. The high-risk trading strategy TCI utilized was contrary to an extremely low-risk investment strategy TCI had pitched to investors to solicit their funds. The trading strategy described by TCI to induce investors to invest in Apex and Premier emphasized that protection of an investor’s principal was TCI’s core purpose.
4. Also during 2007, TCI misappropriated investor funds and made preferential transfers from Apex into accounts it managed for individual investors. Thompson, Condie and Warner also misappropriated investor funds by transferring large sums of money after the collapse of the funds in August 2007.
5. In March 2007, a high-risk investment by TCI in the options of a sub-prime lending company resulted in significant losses to certain TCI accounts.
6. One of the accounts that sustained substantial losses was M & K Holdings. To compensate for the loss to M & K Holdings, TCI transferred at least \$3 million from the Apex account to accounts owned and/or controlled by one of the owners of M & K Holdings.
7. The transfers of \$3 million by TCI to the benefit of M & K Holdings were characterized as loans by Apex. However, no loan documents were prepared

at the time of the transfers of the \$3 million dollars and no funds have been repaid. The transfers were, in fact, a misappropriation of Apex investor funds.

JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction by authority of Sections 20 and 22 of the Securities Act of 1933 (the "Securities Act") [15 U.S.C. §§ 77t and 77v], Sections 21 and Section 27 of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §§ 78u and 78aa] and Sections 209(d) and (e) of the Investment Advisers Act of 1940 (the "Advisers Act") [15 U.S.C. §§ 80b-9(d) and (e)].
9. Defendants, directly and indirectly, singly and in concert, have made use of the means and instrumentalities of interstate commerce and the mails in connection with the transactions, acts and courses of business alleged herein, certain of which have occurred within the District of Utah.
10. Venue for this action is proper in the District of Utah under Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and under Section 27 of the Exchange Act [15 U.S.C. § 78aa] Section 214 of the Advisers Act, [15 U.S.C. § 80b-14], because certain of the transactions, acts, practices, and courses of business alleged in this Complaint took place in this district and because certain of the defendants reside in and transact business in this district.
11. Defendants, unless restrained and enjoined by this Court, will continue to engage in the transactions, acts, practices, and course of business alleged herein and in transactions, acts, practices, and courses of business of similar purport and object.
12. Defendants conduct took place in connection with the offer, purchase and/or sale of interests in funds managed by TCI.

DEFENDANTS

13. **Thompson Consulting, Inc.** is a Utah corporation that has been registered with the Commission since May 2006 as an investment adviser. TCI manages the funds described below, and charges a maintenance fee of 2% of assets under management for Apex and Premier. Apex and Premier's general partners, Apex Equity Management, LLC and Premier Foreign Jurisdiction, LLC, who share common control with TCI, charge a performance fee of 25% of the gain in the net asset value over each quarter. TCI was given discretionary authority to invest the assets of Apex and Premier.
14. **Kyle J. Thompson** ("Thompson"), age 48, is a resident of Salt Lake City, Utah, and, during the period of time set forth in this Complaint, was licensed with the State of Utah as an investment adviser representative. Thompson is president, chief compliance officer and a director of TCI and is the principal trader of Apex's and Premier's accounts.
15. **David C. Condie** ("Condie"), age 38, is a resident of Salt Lake City, Utah, an attorney and in-house counsel to TCI. Condie directly participated in the solicitation of investors on behalf of Apex and Premier. Condie is not, and during all times relevant to this Complaint, was not licensed with the State of Utah as an investment adviser representative. Condie was a trader of Apex's and Premier's accounts.
16. **E. Sherman Warner** ("Warner"), age 39, is a resident of South Jordan, Utah, and is affiliated with TCI as an investment adviser. Warner participated in the solicitation of investors on behalf of Apex. Warner was a trader of Apex's and Premier's accounts.

RELIEF DEFENDANTS

17. **Apex Equity Options Fund, LP** is a Delaware limited partnership and hedge fund managed by TCI. TCI managed Apex and its other main fund as hedge funds, claiming the fund would utilize a trading strategy that would protect investor principal as its core purpose. TCI marketed Apex primarily through unrelated investment advisers and personal meetings and presentations with prospective investors. As of July 31, 2007, Apex had approximately 90 investors and had more than \$53 million under management.
18. **Premier Portfolio, LP** is an Anguilla limited partnership and hedge fund that is managed by TCI. As with Apex, TCI marketed Premier primarily through unrelated investment advisers and personal meetings with prospective investors. Premier purports to be in compliance with Internal Revenue Code § 817(h) to sell only to qualified domestic and foreign insurance companies. As of July 31, 2007, Premier had approximately \$7 million under management.
19. **M & K Holdings, LLC**, is a Utah limited liability company with Condie listed as the registered agent and TCI as the manager. At least \$3 million of Apex monies were transferred as “loans” from Apex to M & K Holdings’ accounts in 2007. M & K Holdings then transferred \$2 million of those funds to Willowbend Property Company, LLC.
20. **Willowbend Property Company, LLC** (“Willowbend”) is a Utah limited liability company that received \$2 million of Apex funds through wire transfers effected by Condie; Willowbend is engaged in a 109 acre mixed-use construction project in Vernal, Utah.
21. **Michael T. Morley**, age 49, is a resident of Spanish Fork, Utah. He is one of the beneficial owners of the M & K Holdings account and has an interest in

Willowbend. Michael Morley is related to Condie, who is purportedly one of Michael Morley's attorneys.

22. **Krystin P. Morley**, age 45, is the wife of Michael Morley and is the other beneficial owner of the M & K Holdings account.

BACKGROUND

23. TCI is a Utah corporation established in 1991 and was an investment adviser registered with the State of Utah. In May 2006 TCI registered with the Commission as an investment adviser.
24. TCI has managed two hedge funds, Apex and Premier, and five smaller accounts. Thompson is licensed by the State of Utah as an investment adviser representative.
25. TCI began soliciting investments in Apex in or about early 2005. TCI solicited investors through, among other means, a Confidential Private Placement Memorandum ("PPM"), which was provided to potential Apex investors. The Apex PPM has been revised and amended more than once.
26. TCI began soliciting investments in Premier in or about early 2006.
27. TCI also managed an investment account on behalf of M & K Holdings.
28. In April 2005, TCI established trading accounts at Cybertrader, a division of Charles Schwab and Company. These trading accounts were used by TCI to trade for the accounts of Apex, Premier and M & K Holdings, among other TCI clients.
29. TCI traded through these accounts until in or about August 2007.

TCI'S REPRESENTATIONS REGARDING ITS LOW-RISK INVESTMENT STRATEGY IN APEX AND PREMIER

30. TCI, through its principals, including Thompson, Condie and Warner, told investors in seminars, through correspondence and written materials, and in

direct conversations, that the principal investment strategy of Apex was to obtain returns through a conservative investment strategy that sacrificed a higher potential rate of return in order to protect investors' principal.

31. TCI, Thompson, Condie and Warner told investors it would safely invest client funds through a "short straddle or strangle" strategy whereby it would write offsetting put and call option contracts on underlying market indices such as Standard and Poors' S&P 500 Index (S&P 500), and that it would closely track the movement of the indices and close out positions that were deemed too risky.
32. TCI, Thompson, Condie and Warner, described to investors that TCI's trading strategy limited profits to the premiums received from the writing of option contracts minus costs associated with covering those positions when needed. TCI told investors that it would almost exclusively write put and call contracts tied to the S&P 500 index because of the lower risk associated with that index, and that it would engage in options transactions with the primary goal of preserving principal.
33. Thompson and Condie discussed TCI's investment strategy at length with investors and assured them that there would be virtually no risk to their principal, even though TCI's trading strategy for Apex would result in a lower rate of return than would be available from other investments.
34. On at least one occasion, Thompson and/or Condie told investors that there would have to be a complete collapse of the free market system in the United States for the fund to lose principal, due to TCI's trading strategy.
35. Warner also directly solicited at least one of TCI's clients to invest in Apex. Warner persuaded that client to transfer his funds from one TCI account to the Apex Fund, telling the investor that, "as hard as we try, we cannot think of a single scenario where you could lose your principal."

36. TCI's trading strategy was also set forth in the Apex PPM distributed by TCI, Thompson, Condie and Warner. There, Apex's primary investment strategy was described as using option combinations such as straddles or strangles on an underlying security, typically index options or Exchange Traded Funds which would entail "reduced market risk" by regularly adjusting a portion of the positions based on the price movement of the security and exiting positions by buying back the combination when TCI viewed the position as being at its optimum profitability.
37. In June of 2007, Thompson and Condie met with a group of investors and prospective investors and utilized a "Power Point" presentation that made the following representations, among others, regarding the trading strategy of Apex:
- "Fundamentals of Apex
- Maintain principal during abnormal market conditions.
 - Exceptional returns during normal market conditions.
 - Returns are NOT based on Market Risk.
 - Returns are NOT based on predicting the future of the market.
 - THE RISK – NOT risk of loss of principal, but that you could achieve a higher return in some other investment if you successfully predict the future of the market." (emphasis in original Power Point)
38. Through its principals, TCI also represented to at least one Premier investor that the trading strategy TCI utilized for Premier was the same trading strategy it utilized for Apex.

TCI'S ACTUAL INVESTMENT STRATEGY FOR APEX AND PREMIER

39. The representations TCI, Thompson, Condie and Warner made to investors regarding TCI's low-risk investment strategy in Apex and Premier were made at the time the defendants solicited investments in Apex and Premier. TCI,

Thompson, Condie and Warner restated and reaffirmed those representations to investors and potential investors throughout the relevant period of this action.

40. Contrary to their representations to investors, TCI, Thompson, Condie and Warner did not follow the low-risk investment strategy they had represented to Apex and Premier investors. Instead, at various times they invested Apex and Premier funds in highly risky investments and/or utilized highly risky trading strategies.
41. For example, in March 2007, Thompson, Condie and Warner caused TCI to write put option contracts on New Century Financial Corp. (“NCFC”) stock, a subprime lender that had experienced a significant drop in price. TCI wrote large numbers of put contracts on NCFC stock, but no offsetting call contracts, in the accounts of Apex, Premier and M & K Holdings, among other accounts.
42. In March 2007, the price of NCFC’s stock further declined and the put contracts TCI had written on NCFC stock were exercised, requiring TCI to purchase tens of thousands of shares of NCFC at a price substantially higher than the market price. Within days, TCI liquidated its holdings in NCFC, losing millions of dollars in its client accounts.
43. In addition, as a result of TCI’s poor investment performance in the Apex and Premier accounts, TCI employed a high-risk investment strategy in the summer of 2007 that resulted in the almost total loss of Apex and Premier funds.
44. During the summer of 2007, TCI wrote significant numbers of unhedged call contracts on the Chicago Board Options Exchange Volatility Index (the “VIX”).

45. The VIX represents a measure of the market's expected volatility with more dramatic price fluctuations relative to the S&P 500's fluctuations.
46. Commencing in June 2007, TCI began writing significant numbers of call contracts in the VIX, with no offsetting put contracts. Then, from approximately July 18, 2007 through August 9, 2007, TCI wrote tens of thousands of VIX August call contracts, with no offsetting put contracts.
47. By August 13, 2007, virtually the only positions remaining in Apex's and Premier's accounts were the VIX August call contracts TCI had written.
48. TCI's, Thompson's, Condie's and Warner's investment activity in the Apex and Premier accounts in July and August 2007 of almost exclusively writing VIX call contracts was contrary to the representations they made to investors concerning their low-risk investment strategy, and subjected investors' investments in Apex and Premier to the risk of total loss.
49. In fact, as a result of market activity in August 2007 the price of the VIX rose and the Apex and Premier accounts experienced a virtual total loss when the VIX August call contracts TCI had written in the Apex and Premier accounts were either exercised or closed due to maintenance calls required by Cybertrader.

PREFERENTIAL TRANSFERS AND MISAPPROPRIATION OF FUNDS

50. Along with Apex and Premier, the M & K Holdings account suffered significant losses in March 2007 as a result of, among other transactions, transactions in NCFC options, and the value of the account had declined from a balance of approximately \$5 million in January 2007 to approximately \$2.5 million by March 2007.
51. To address the losses suffered in the M & K Holdings account, Condie transferred approximately \$1 million from the Apex account to the M & K Holdings account in March 2007 and approximately another \$2 million in

May 2007. At an unknown date, both transfers were characterized by Condie as loans by Apex to M & K Holdings and/or Michael Morley and/or Willowbend.

52. On or about March 15, 2007, \$1 million was transferred from Apex to M & K Holdings.
53. On or about May 24, 2007, \$2 million was transferred from the Apex account to the M & K Holdings account.
54. On or about May 25, 2007, Condie wired \$2 million from the M & K Holdings account to Willowbend, which was participating in a joint venture to develop land in Vernal, Utah.
55. The transfer of the \$3 million from the Apex account to the M & K account was a misappropriation of Apex funds.
56. Thompson and Warner acquiesced to Condie's transfer of the \$3 million in funds from the Apex account to the M & K Holdings account.
57. After the collapse of Apex and Premier in August 2007, Thompson, Condie and Warner caused \$1,443,700 to be wired from various accounts TCI managed, including \$500,000 from a Premier account between August 22, 2007 and August 24, 2007.

FIRST CAUSE OF ACTION

EMPLOYMENT OF A DEVICE, SCHEME OR ARTIFICE TO DEFRAUD Violation of Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)]

58. The Commission realleges and incorporates by reference the allegations contained in Paragraphs 1 through 57, above.
59. Defendants TCI, Thompson, Condie and Warner, and each of them, by engaging in conduct described in Paragraphs 1 through 57, above, directly or indirectly, in the offer or sale of securities, by the use of the means or instruments of transportation or communication in interstate commerce or by

use of the mails, with scienter, employed devices, schemes, or artifices to defraud.

60. By reason of the foregoing, Defendants TCI, Thompson, Condie and Warner, and each of them, directly or indirectly, violated, and unless restrained and enjoined by this Court, will continue to violate Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)].

**SECOND CAUSE OF ACTION
FRAUD IN THE OFFER AND SALE OF SECURITIES
Violations of Section 17(a)(2) and (3) of the Securities Act
[15 U.S.C. § 77q(a)(2) and (3)]**

61. The Commission realleges and incorporates by reference the allegations contained in Paragraphs 1 through 57, above.
62. Defendants TCI, Thompson, Condie and Warner, and each of them, by engaging in the conduct described in Paragraphs 1 through 57, above, directly and indirectly, in the offer and sale of securities, by the use of the means or instruments of transportation or communication in interstate commerce or by use of the mails, obtained money or property by means of untrue statements of material fact or by omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and engaged in transactions, practices, or courses of business which operate or would operate as a fraud or deceit upon the purchaser.
63. By reason of the foregoing, Defendants TCI, Thompson, Condie and Warner, and each of them, directly or indirectly, violated, and unless restrained and enjoined will continue to violate, Section 17(a)(2) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77q(a)(2) and 77q(a)(3)].

**THIRD CAUSE OF ACTION
FRAUD IN CONNECTION WITH THE PURCHASE AND
SALE OF SECURITIES**

**Violations of 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]**

64. The Commission realleges and incorporates by reference the allegations contained in Paragraphs 1 through 57, above.
65. Defendants TCI, Thompson, Condie and Warner, and each of them, by engaging in the conduct described in Paragraphs 1 through 57, above, directly or indirectly, by the use of means or instrumentalities of interstate commerce or use of the mails, in connection with the purchase or sale of securities, with scienter, (1) employed devices, schemes, or artifices to defraud; (2) made untrue statements of material fact or omitted to state a material fact necessary in order to make statements made, in light of the circumstances under which they were made not misleading; or (3) engaged in acts, practices, or courses of business that operated or would operate as a fraud and deceit upon other persons.
66. By reason of the foregoing, Defendants TCI, Thompson, Condie and Warner, and each of them, violated, and unless restrained and enjoined will continue to violate 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].

**FOURTH CAUSE OF ACTION
FRAUD IN CONNECTION WITH INVESTMENT ADVICE**

**Violations of Sections 206(1) and (2) of the Advisers Act [15 U.S.C. §§ 80b-6(1) and
80b-6(2)]**

67. The Commission realleges and incorporates by reference the allegations contained in Paragraphs 1 through 57 above.
68. TCI, by engaging in the conduct described in Paragraphs 1 through 57, above, directly or indirectly, by use of the means or instruments of transportation or

communication in interstate commerce, or of the mails, has employed and is employing devices, schemes and artifices to defraud clients and prospective clients has engaged and is engaging in transactions, practices and courses of business which operate as a fraud and deceit upon these clients and prospective clients.

69. TCI knew or was reckless in not knowing that the representations and omissions set forth herein were false and misleading.
70. By reason of the activities set forth herein, TCI has violated and is violating Sections 206(1) and 206(2) of the Advisers Act, 15 U.S.C. §§ 80b-6(1) and 80b-6(2).

**FIFTH CAUSE OF ACTION
AIDING AND ABETTING FRAUD IN CONNECTION
WITH INVESTMENT ADVICE
Aiding and Abetting Violations of Sections 206(1) and (2) of the Advisers Act
[15 U.S.C. § 78j(b)]**

71. The Commission realleges and incorporates by reference the allegations contained in Paragraphs 1 through 57, above.
72. As set forth above, Defendant TCI violated the federal securities laws.
73. Defendants Thompson, Condie and Warner, by engaging in the conduct described in Paragraphs 1 through 57, above, directly or indirectly, singly or in concert, aided and abetted TCI's violations of Sections 206(1) and 206(2) of the Advisers Act. Specifically, Thompson, Condie and Warner knowingly provided substantial assistance to TCI in making the materially false and misleading representations and omissions and misappropriations of TCI's assets alleged herein.
74. Defendants Thompson, Condie and Warner knew or were reckless in not knowing that the representations and omissions set forth herein were false and misleading. Thompson, Condie and Warner knew or were reckless in not knowing that the misappropriations of TCI's assets were fraudulent.

75. Defendants Thompson, Condie and Warner's conduct provided substantial assistance to TCI in the achievement of its primary violations of the federal securities laws. The misleading representations and omissions and misappropriations of TCI's assets were made by Thompson, Condie and Warner.
76. By reason of the foregoing, Defendants Thompson, Condie and Warner have aided and abetted violations of Sections 206(1) and 206(2) of the Advisers Act thereunder, and unless restrained and enjoined will continue to violate Sections 206(1) and 206(2) of the Advisers Act, 15 U.S.C. §§ 80b6(1) and 80(b)(2).

**SIXTH CAUSE OF ACTION
UNJUST ENRICHMENT**

77. The Commission realleges and incorporates by reference the allegations contained in Paragraphs 1 through 57, above.
78. As a result of the unlawful conduct of Defendants TCI, Thompson, Condie and Warner, Relief Defendants Apex, Premier, M & K Holdings, Willowbend Property, Michael T. Morley and Krystin P. Morley have thus been unjustly enriched, and it would be unjust and inequitable for them to retain those funds and/or property.

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that this Court:

I

Issue findings of fact and conclusions of law that the Defendants committed the violations charged herein.

II

Issue in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure orders that permanently restrains and enjoins Defendants TCI, Thompson, Condie and Warner and their officers, agents, servants, employees, attorneys, and accountants, and those persons in active concert or participation with any of them, who receive actual notice of the order by personal service or otherwise, and each of them, from engaging in transactions, acts, practices, and courses of business described herein, and from engaging in conduct of similar purport and object in violation of Section 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

III

Issue in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure orders that permanently restrains and enjoins Defendant TCI and its officers, agents, servants, employees, attorneys, and accountants, and those persons in active concert or participation with any of them, who receive actual notice of the order by personal service or otherwise, and each of them, from engaging in transactions, acts, practices, and courses of business described herein, and from engaging in conduct of similar purport and object in violation of Sections 206(1) and 206(2) of the Advisers Act.

IV

Issue in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure orders that permanently restrains and enjoins Defendants Thompson, Condie and Warner and their officers agents, servants, employees, attorneys, and accountants, and those persons in active concert or participation with any of them, who receive actual notice of the order by personal service or otherwise, and each of them, from engaging in transactions, acts, practices, and courses of business described herein, and from engaging in conduct of similar purport and object in aiding and abetting violations of Sections 206(1) and 206(2) of the Advisers Act.

V

Issue in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure orders that temporarily, preliminary and permanently restrain and enjoin Defendants, and each of them, and their officers agents, servants, employees, attorneys, and accountants, and those persons in active concert or participation with any of them, who receive actual notice of the order by personal service or otherwise, and each of them, from destroying, mutilating, concealing, transferring, altering, or otherwise disposing of, in any manner, books, records, computer programs, computer files, computer printouts, correspondence, including e-mail, whether stored electronically or in hard-copy, memoranda, brochures, or any other documents of any kind that pertain in any manner to the business of the Defendants and an Order permitting expedited discovery.

VI

Enter an order directing Defendants, and each of them, to pay civil money penalties pursuant to Section 20(d) of the Securities Act, Section 21(d)(3) of the Exchange Act and Section 209 of the Advisers Act.

VII

Enter an order directing Defendants to disgorge all ill-gotten gains received during the period of violative conduct and pay prejudgment interest on such ill-gotten gains.

VIII

Declare and impose a constructive trust on all property received by Relief Defendants Apex, Premier, M & K Holdings, Willowbend Properties, Michael T. Morley and Krystin P. Morley and require them to disgorge the property they obtained from TCI, Thompson, Condie and Warner as a result of the illegal conduct alleged herein.

IX

Enter an order directing Defendants to prepare an accounting of the uses of all investor proceeds.

X

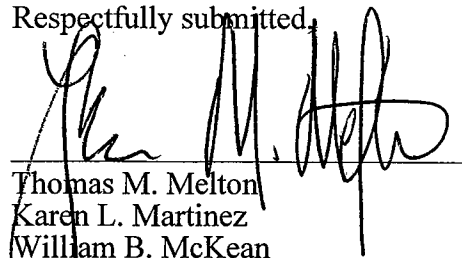
Grant such further equitable relief as this Court deems just, appropriate, and necessary.

XI

Retain jurisdiction of this action in accordance with the principles of equity and the Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and decrees that may be entered, or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court.

Dated this 4th day of March 2008.

Respectfully submitted,



Thomas M. Melton
Karen L. Martinez
William B. McKean
Attorneys for Plaintiff
Securities and Exchange Commission